



# BUSINESS REPORT 2022





# **BUSINESS REPORT 2022**

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## **2022 – a very special year for volleyball**

2022 marked a very special year for the FIVB and volleyball with the International Federation celebrating its 75<sup>th</sup> anniversary together with all its 222 National Federations at the 38<sup>th</sup> FIVB World Congress in the Netherlands.

The year also marked tremendous growth in the quality of the FIVB events with three remarkable FIVB World Championships that showcased the best athletic performances in both indoor and beach volleyball. Electrifying volleyball action wowed audiences as Poland and Slovenia hosted the FIVB Volleyball Men's World Championship, while the Netherlands and Poland welcomed the world for the women's edition. Not to be outdone, the FIVB Beach Volleyball World Championships took centre stage in Italy.

The Volleyball Nations League (VNL) travelled the globe for its fourth edition. The strong line-up of host cities was a clear testament to the value of this cutting-edge annual competition. We also witnessed some of the world's best volleyball clubs go head-to-head at the FIVB Volleyball Club World Championships at the end of this year. Meanwhile, the inaugural season of the Volleyball World Beach Pro Tour brought the beach volleyball festival experience to more fans than ever before.

2022 also marked the tenth year of Dr Ary S. Graça's mandate as the FIVB President. Under his leadership, the FIVB went from strength to strength with the sport developing exponentially during the last decade thanks to his tireless efforts to professionalise the administration and to implement the highest standards of good governance, while focusing on innovation and opportunity for all.

The FIVB's work to develop the sport worldwide continued throughout 2022 through the revolutionary programme of Volleyball Empowerment for all National Federations. Overall, under the leadership of Dr Ary S. Graça since 2012, the total development support provided via Continental Confederations, National Federations, Zonal Associations and Development Centers has increased by over 314%. Almost USD 50 million was invested in development support during his 10-year mandate as the FIVB President.



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The FIVB looks forward to 2023 which is shaping up to be a very exciting year for volleyball and beach volleyball with the highlights including the highly anticipated Olympic Qualification Tournament to the Olympic Games Paris 2024 as well as the Beach Volleyball World Championships in Mexico.

To summarise, 2022 was a year of non-stop volleyball and beach volleyball action. In addition, all the National Federations had the opportunity to meet in person during the World Congress for the first time since the COVID-19 pandemic. The FIVB, as always, continues its journey to innovate and progress while building on and creating more opportunities in the years to come.



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## BALANCE SHEET

AS OF DECEMBER 31ST

**2022**

**2021**

(in CHF)

(in CHF)

### ASSETS

#### CURRENT ASSETS

<b>Cash and equivalents</b>	12.A	<b>30'254'843</b>	<b>26'626'657</b>
Liquidity		12'798'749	2'090'438
Portfolio cash		8'999'510	15'142'356
Short Term investment		8'456'584	9'393'864
<b>Trade receivables</b>	12.B	<b>3'800'012</b>	<b>6'663'944</b>
Trade receivables - third parties		1'297'723	5'720'269
Trade receivables - related parties		439'453	1'205'474
Receivables Group companies		3'524'628	1'095'554
Provision for doubtful debtors		(1'461'791)	(1'357'352)
<b>Other current receivables</b>		<b>2'289'067</b>	<b>1'942'239</b>
Other Debtors		78'389	344'909
Withholding tax		63'804	78'761
VAT		2'146'874	1'518'570
<b>Accrued income and prepaid expenses</b>	12.C	<b>38'273'415</b>	<b>4'844'555</b>
Accrued income		38'082'691	1'329'789
Prepaid expenses		190'724	3'514'766

#### TOTAL CURRENT ASSETS

**74'617'337**

**40'077'396**

#### NON-CURRENT ASSETS

<b>Financial assets</b>		<b>131'374'275</b>	<b>156'856'166</b>
Securities	12.D	121'405'734	149'029'199
Long Term Group Loan		9'298'541	9'156'967
Postposition of receivables		0	(2'000'000)
Participation VW		670'000	670'000
<b>Tangible fixed assets</b>	12.E	<b>13'270'959</b>	<b>14'497'406</b>
Operating fixed assets		100'947	154'315
Property		13'170'012	14'343'091
<b>Intangible assets</b>		<b>0</b>	<b>178'192</b>
IT Licence		0	178'192

#### TOTAL NON-CURRENT ASSETS

**144'645'234**

**171'531'764**

#### TOTAL ASSETS

**219'262'571**

**211'609'161**



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## BALANCE SHEET

AS OF DECEMBER 31ST

**2022**  
(in CHF)

**2021**  
(in CHF)

### LIABILITIES

#### CURRENT LIABILITIES

<b>Trade creditors</b>	12.F	<b>54'223'177</b>	<b>39'852'014</b>
Trade creditors - third parties		3'050'558	2'241'971
Trade creditors - related parties		6'482'299	2'701'913
Payable Group Companies		44'690'320	34'908'131
<b>Other creditors</b>	12.G	<b>465'919</b>	<b>2'403'550</b>
Other creditors		465'919	2'403'550
<b>Deferred income and accrued expenses</b>	12.H	<b>9'490'880</b>	<b>12'108'821</b>
Deferred income		9'490'880	9'885'880
Accrued expenses		0	2'222'941

#### TOTAL CURRENT LIABILITIES

**64'179'977**

**54'364'385**

Provision for litigations  
Provision general

12.I  
12.I

1'252'750  
737'995

350'000  
653'272

#### TOTAL NON-CURRENT LIABILITIES

**1'990'745**

**1'003'272**

#### EQUITY

12.J

Capital at the beginning of the period  
Final result for the period

156'241'504  
(3'149'654)

85'491'535  
70'749'969

#### TOTAL EQUITY

**153'091'850**

**156'241'504**

#### TOTAL LIABILITIES AND EQUITY

**219'262'571**

**211'609'161**



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## PROFIT AND LOSS STATEMENT

FOR THE PERIOD JANUARY 1ST TO DECEMBER 31ST

	notes	2022 (in CHF)	2021 (in CHF)
<b>REVENUES</b>		<b>50'209'125</b>	<b>25'817'031</b>
<i>Net proceeds from sales</i>		<b>41'022'562</b>	<b>10'870'133</b>
Yearly subscriptions, broadcast and various rights	11.1	37'958'513	7'979'147
Transfer fees	11.1	3'064'049	2'890'986
<i>IOC funds</i>		<b>5'531'760</b>	<b>11'417'160</b>
IOC funds	11.2	5'531'760	11'417'160
<i>Other income</i>		<b>3'654'803</b>	<b>3'529'738</b>
Other income	11.3	3'654'803	3'529'738
<b>EXPENDITURE</b>		<b>(24'743'600)</b>	<b>(25'744'391)</b>
International competitions	11.4	(15'932'892)	(14'586'749)
Olympic Games	11.5	0	(1'254'744)
FIVB Programs	11.6	(1'466'922)	(825'930)
Development	11.7	(4'910'599)	(6'553'173)
Transfer refunds	11.8	(2'433'187)	(2'523'795)
<b>OPERATING RESULT</b>		<b>25'465'525</b>	<b>72'640</b>
Salaries and social charges	11.9	(6'292'716)	(6'662'668)
Administrative costs	11.10	(6'539'856)	(5'429'171)
Other operating costs	11.11	(1'012'955)	(1'939'796)
Depreciation and amortization	11.12	(1'496'442)	(1'910'335)
<b>OPERATIONAL RESULT</b>		<b>10'123'557</b>	<b>(15'869'331)</b>
Financial result, net	11.13	(9'680'047)	93'911'783
Extraordinary Income	11.14	36'554'512	21'298'933
Extraordinary Costs	11.14	(40'147'675)	(28'591'417)
<b>FINAL RESULT OF THE PERIOD</b>		<b>(3'149'654)</b>	<b>70'749'969</b>



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## CASH FLOW STATEMENT

AS OF DECEMBER 31ST

	<b>2022</b> (in CHF)	<b>2021</b> (in CHF)
<b>NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES</b>		
<i>Operating Cash flow</i>	<b>7'908'716</b>	<b>(11'011'745)</b>
Net Result	(3'149'654)	70'749'969
Depreciation/ Provisions	588'352	2'732'714
Exchange rate impact on operating activities	1'571'824	2'503'484
Capital Gain on Sales of Shares in Participation	0	(91'347'409)
Unrealized gains/losses of financial assets recorded in financial result	8'898'193	4'349'498
<i>Working capital variation</i>	<b>(21'200'603)</b>	<b>6'370'131</b>
Trade receivables	2'759'493	(4'700'961)
Other current receivables	(346'828)	(1'319'611)
Accrued income and prepaid expenses	(33'428'860)	1'894'954
Trade creditors	14'371'163	32'998'756
Other creditors	(1'937'631)	(2'327'793)
Deferred income and accrued expenses	(2'617'941)	9'640'075
Liabilities to the Subsidiary	0	(29'815'289)
<b>NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES</b>	<b>(13'291'886)</b>	<b>(4'641'614)</b>
<b>NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES</b>		
<i>Financial activities</i>	<b>18'583'698</b>	<b>21'735'899</b>
Securities (Global Custody)	18'725'273	(60'784'543)
(Investments)/Sales of shares in investments	0	91'677'409
Long Term Group Loan	(141'574)	(9'156'967)
<i>Tangible fixed assets</i>	<b>(91'802)</b>	<b>(20'231)</b>
Operating fixed assets	(63'483)	0
Property	(28'319)	(20'231)
<b>NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES</b>	<b>18'491'896</b>	<b>21'715'668</b>
<b>CASH AND CASH EQUIVALENTS AS AT 1 JANUARY</b>	<b>26'626'657</b>	<b>12'056'088</b>
Effect of exchange rate fluctuations	(1'571'824)	(2'503'484)
Net decrease/increase in cash and equivalents	5'200'010	17'074'053
<b>CASH AND CASH EQUIVALENTS AS AT 31 DECEMBER</b>	<b>30'254'843</b>	<b>26'626'658</b>





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## Notes to the financial statements 31.12.2022

### 1) General information on the federation

#### Goal of the Federation

The FIVB supports the development and the growth of the volleyball worldwide in all its forms and promotes the creation of national federations; the FIVB ensures to promote, coordinate, spread, regulate, lead and govern volleyball around the world.

#### Head office

The FIVB has its headquarters located in Lausanne, Switzerland.

#### Legal form

The FIVB is an association governed by the articles 60 and follows the Swiss Civil Code.

#### Public interest

Through its role of helping and promoting the volleyball worldwide, the FIVB is recognized as public interest by the Swiss authorities and is a non-governmental entity.

#### Connection to the International Olympic Committee (IOC)

For several years the FIVB is recognized by the IOC as the sport federation for Volleyball and Beach Volleyball.

#### Confederation and national federation connection

As of the 31<sup>st</sup> December 2022, 222 (2021: 222) national federations are connected to the FIVB. The national federations are distributed among the following confederations:

AVC (Asia)

CAVB (Africa)

CEV (Europe)

CSV (South America)

NORCECA (Central and North America)



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## 2) Financial organization of the federation

### *The President*

Dr. Ary Da Silva Graça Filho

### *The Treasurer*

Sr. Roberto Wilfrido Escobar Gonzalez

### *The Finance Director*

Mr. Yves Eymann

The Finance team is made up of 3 staff members

## **Executive Committee / Comité Exécutif**

Dr. Ary DA SILVA GRAÇA FILHO	FIVB President	(BRA)
Mr. Jizhong WEI	Hon. Life President and Advisor to the Board	(CHN)
Mr. Cristóbal MARTE HOFFIZ	1st Executive Vice President	(DOM)
Mr. Aleksandar BORICIC	2nd Executive Vice President	(SRB)
Mr. Roberto ESCOBAR GONZALEZ	Treasurer & Executive Vice-President	(PAR)
Mrs. Rita SUBOWO	Executive Vice-President	(INA)
Mrs. Bouchra HAJIJ	Executive Vice-President	(MAR)
Mr. Marco Tullio TEIXEIRA	Executive Vice-President	(BRA)
Mrs. Alejandrina Mireya LUIS HERNANDEZ	Executive Vice-President	(CUB)
Mrs. Margaret Ann FLEMMING	Executive Vice-President	(SCO)
Mr. Habu Ahmed GUMEL	Executive Vice-President	(NGR)
Mr. Renato ARENA	Executive Vice-President	(ITA)



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Mr. Hugh GRAHAM	Executive Vice-President	(COK)
Mr. Mushtaque MOHAMMED	Executive Vice-President	(TTO)

### The Finance Commission

Title	First Name	Name	Country	Continental Federation	Function
Mr.	Essa Hamza	A. AL FAILAKAWI	Kuwait	AVC	President
Mr.	Habu Ahmed	GUMEL	Nigeria	CAVB	Secretary
Mr.	Majoré Louis	TIMBA	Cameroon	CAVB	Member
Mr.	Mohammed	DAVARZANI	Iran	AVC	Member
Mr.	Özkan	MUTLUGIL	Turkey	CEV	Member
Mrs.	Valentina	BIFFLIN	Croatia	CEV	Member
Mrs.	Margarette	GRAHAM	Haiti	NORCECA	Member
Mr.	Terry	SASSER	Marshall Islands	AVC	Member
Ms.	Margaret	ANN FLEMING	Scotland	CEV	Member
Mr.	Jehad	KHALFAN	Bahrain	AVC	Member
Mr.	Julio	PEREZ ALFARO	Uruguay	CSV	Member

### Board of Administration / Conseil d'Administration

Mr. Kenji SHIMAOKA	Board of Administration Member	(JPN)
Mr. Yi CAI	Board of Administration Member	(CHN)
Mr. Glenn QUINLAN	Board of Administration Member	(SKN)
Mr. Sanga ISSOUF KONE	Board of Administration Member	(CIV)
Mr. Daniel MOLAODI	Board of Administration Member	(BOT)
Mr. Michel EVERAERT	Board of Administration Member	(NED)
Mr. Lubor HALANDA	Board of Administration Member	(SVK)
Mr. Zdeslav BARAC	Board of Administration Member	(CRO)
Mr. Juan Antonio GUTIERREZ	Board of Administration Member	(ARG)
Mr. Mark ECKERT	Board of Administration Member	(CAN)



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Mr. Mohammadreza DAVARZANI	Board of Administration Member	(IRI)
Mr. Geert DE DOBBELEER	Board of Administration Member	(BEL)
Mr. Felix Ambrosio Sabio GONZALEZ	Board of Administration Member	(HON)
Mrs. Annie PEYTAVIN	Board of Administration Member	(FRA)
Mr. Mirosław PRZEDPELSKI	Board of Administration Member	(POL)
Mr. Stanislav SHEVCHENKO	Board of Administration Member	(RUS)
Mr. Kiattipong RADCHATAGRIENKA	Board of Administration Member	(THA)
Mr. Julio PEREZ ALFARO	Board of Administration Member	(URU)
Mr. Yuji SAEKI	Board of Administration Member	(JPN)
Mr. Craig CARRACHER	Board of Administration Member	(AUS)
Mr. Fabio AZEVEDO	Board of Administration Member	(BRA)
Mrs. Cecilia TAIT VILLACORTA	Board of Administration Member	(PER)
Mrs. Madelein MEPPPELINK	Board of Administration Member	(NED)

### *The Controller*

Mr. Olivier Zysset

### *The Internal Auditors*

*Mr. Majoré Louis Timba*

*Mr. Terry Sasser*

*Mr. Julio Perez Alfaro*

### *The External Auditors*

Deloitte SA



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## 3) Financial statements

The financial statements of the FIVB consist of the following elements:

- The profit and loss
- The balance sheet
- The cash-flow
- The notes to the financial statements

## 4) Basis of preparation of the financial statements

The financial statements are presented in accordance with the Swiss Code of Obligations. Title 32 of the Swiss Code of Obligations deals with the commercial accounting and financial reporting.

The accounting of the FIVB respects the principle of regularity. This principle contains in particular:

- a) The complete, truthful and systematic recording of transactions and circumstances
- b) Documentary proof for individual accounting procedures
- c) Clarity
- d) Fitness for purpose given the form and size of the undertaking
- e) Verifiability.

The accounts of the FIVB reflect the economic situation of the company in such a manner that third parties can make a reliable assessment.

Expenditure and income are entered separately depending on the date and nature of the transaction.

The following principles in particular apply to the financial statements:

- a) Clarity and intelligibility ;
- b) Completeness ;
- c) Reliability ;
- d) Relative importance ;
- e) Consistency of presentation and evaluation;
- f) Prohibition of offsetting assets and liabilities, as well as expenses and income.

The sum entered for the individual items on the balance sheet is proven by an inventory or by some other method.



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## 5) Currencies

The accounting of the FIVB is kept in Swiss Francs (CHF). Income and expenses are translated into Swiss Francs at the monthly average rate

The exchange rates used in the balance sheet at the annual closing are the following:

Currency	31.12.2022	31.12.2021
EUR	0.9874	1.0361
GBP	1.1129	1.2340
JPY = for 100 yen	0.7012	0.7912
USD	0.9252	0.9111

The exchange differences are recorded in the income statement.

## 6) Related parties

The confederations and national federations as members of the FIVB are considered as related parties. The members of the Board of Administration are also part of the related parties. The assets and liabilities of the related parties are presented separately in the financial statements.

## 7) Receivables & Payables

As of December 31, 2021, some amounts are negative (creditors) in the item Receivables Third Parties for an amount of 457K CHF, in the Receivables Related Parties: 150K CHF.

In the Payables, Other Creditors, some amounts are positive (debtors) for an amount of 213K CHF, as of December 31, 2021.

As of December 31, 2022, some amounts are positive (debtors) for an amount of 908K CHF.

## 8) Legal information

- Number of full-time equivalent employees

2021 : 34

2021 : 34



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- FIVB held 67% of the shares as well as 67% of voting rights of its subsidiary, VW Volleyball World SA, 1006 Lausanne.
- In 2021, the FIVB sold 33% of VW Volleyball World SA shares for a total of USD 100m which represents CHF 91.7m.

A loan of USD 10.05m was granted to the same subsidiary.

Due to the over-indebtedness situation of VW Volleyball World SA as of 31.12.2021, for an amount of CHF 1.4m, a subordinated claim declaration was granted to it.

In addition, a License agreement was signed with this subsidiary and, a majority of the rights linked to the competitions were licensed to

VW Volleyball World SA, except for the under-age and Olympic Games.

- Contingent liabilities

### Contractual engagements related to the development.

<b>Year</b>	<b>31.12.2022 (in KCHF)</b>	<b>31.12.2021 (in KCHF)</b>
2021		2'293
2022	4'026	
<b>Totals</b>	<b>4'026</b>	<b>2'293</b>

- We have -138'700- 1Y Short Warrant GS (10X JBP) 22/23 under the file 1030808.002 as of 31.12.2022 at Pictet's bank.
- We have some rental guarantees at the BCV for a total amount of 44K.



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## Forward exchange contracts as of

31st December 2022.

Currency	Amount	Underlying	Rate	Maturity
EUR	2'220'968	USD	1.06725	23.03.2023

31st December 2021.

Currency	Amount	Underlying	Rate	Maturity
USD	2'473'466.-	EUR	1.1309	07.04.2022

## Amounts due to the pension funds

2021 : CHF 0.-

2022 : CHF 53'362.20

- Fees associated with the revision of the annual accounts

2021 : CHF 60'000.-

2022 : CHF 120'000.- (Included consolidated Financial Statements)





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## Additional information

### Legal dispute

*In the normal course of business, FIVB is involved in various pending legal proceedings for and against the Association. These claims may include disputes with suppliers or customers or others. Provision for litigation, disputes and miscellaneous risks are recognized based on an assessment of the probability of loss of economic benefit and a reliable estimate of the amount of the loss. When the timing and amount of any financial obligations or other consequences are not possible to predict and estimate at the end of the reporting period, no present obligation exists and consequently no liability are recognised in relation to these matters.*

### NF-Russia World Championships 2022 :

*Due to the creation of the VW Volleyball World SA, the income and the costs from the 2022 World Championships were licensed to VW Volleyball World SA.*

*In addition, due to the circumstances caused by the situation between Russia and Ukraine, the World Championships 2022 was relocated.*

## **9) Internal system of control**

The internal system of control (ISC) of the FIVB is based on the principles of the Swiss Code of Obligations. The ISC covers all the aspects of the bookkeeping and the preparation of the financial statements. The documentation of the ISC was implemented in order to comply with the legal principles and mainly the article 728a of the Swiss Code of Obligations.



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## 10) Financial risk management

### Credit risk

The credit risk concurs with the risk of non-recovery of the amount of the current assets in the balance sheet. The amounts to be received by the FIVB are the subject of a regular monitoring. The economic risk of non-recovery is provisioned based on analysis performed at each closing and based on available information.

### Financial investment risk

The risk on financial investments is low. The strategy of the portfolio is based on the yield and not on the growth of the portfolio. This means that the strategy is based on a minimal risk and that the investments are focused on high-security bonds.

### Investment allocation

A corridor related to the evolution of the investments has been defined. When the investments are out of this corridor a review of the position is made in order to know if the position is kept or sold.

### Currency risk

The major currencies used are the Swiss Francs, the American Dollar and the Euro. The currency management is realized considering the needs in foreign currency.

Most of the expenses linked to the competition are paid in Dollar whereas most of the overhead costs are paid in Swiss Francs.

The contracts are as far as possible negotiated according to our needs by currency.



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## 11) Notes on the profit and loss

The revenue recognition is based on the installments in the contracts, the competition cycles or in link with the costs and/or investments made prior to the event.

The expenses are recorded at the time of the engagement of the FIVB. The imparity principle is used to allocate costs during the year concerned.

	<b>2022</b>	<b>2021</b>
	<b>(in CHF)</b>	<b>(in CHF)</b>
<b>11.1. Net proceeds from sales</b>	<b>41'022'562</b>	<b>10'870'132</b>
TV rights	367'244	1'089'655
Hosting fees	0	1'217'610
Licence fees / Entry fees	37'451'568	881'210
Sponsoring fees	0	3'940'129
Transfer fees	3'064'049	2'890'986
Betting rights	0	0
Commercial rights	0	197'250
Homologation rights for material	107'402	445'401
Others	32'300	207'892

The revenue recognition is based on the installments in the contracts, the competition cycles or in link with the costs and/or investments made prior to the event.

Is included in the license fees, the amount of CHF 37'000'000.- which corresponds to the invoicing of the annual result of VW Volleyball World SA, according to the contract we have with it.



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	<b>2022</b>	<b>2021</b>
	<u>(in CHF)</u>	<u>(in CHF)</u>
<b>11.2. IOC Funds</b>	<b>5'531'760</b>	<b>11'417'160</b>
IOC Funds	5'531'760	11'417'160

The funds for the Tokyo Olympic Games are allocated over a period of 3 years, as followed:

- 50% in 2021
- 25% in 2022
- 25% in 2023

	<b>2022</b>	<b>2021</b>
	<u>(in CHF)</u>	<u>(in CHF)</u>
<b>11.3. Other income</b>	<b>3'654'803</b>	<b>3'529'738</b>
Various income	3'654'803	3'529'738

The amounts are mainly related to the structural costs re-invoiced to the partner company.

## Expenditure

The expenses are recorded at the time of the engagement of the FIVB. The imparity principle is used to allocate costs during the year concerned.

	<b>2022</b>	<b>2021</b>
	<u>(in CHF)</u>	<u>(in CHF)</u>
<b>11.4. International competitions</b>	<b>-15'932'892</b>	<b>-14'586'749</b>
Prize Money	-13'794'978	-10'160'699
Competition Costs	-277'238	-1'780'914
Travel, hotel and per diem	-730'963	-2'078'834
Awards & Recognitions	-1'129'714	-284'585
TV coordination costs	0	-276'225
Banners & Stand	0	0
Commentaries costs	0	-5'492
Others	0	0



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	<b>2022</b>	<b>2021</b>
	<b>(in CHF)</b>	<b>(in CHF)</b>
<b>11.5. Olympic Games</b>	<b>0</b>	<b>-1'254'744</b>
Travel, hotel and per diem	0	-1'194'897
Agency Fees	0	0
Others	0	-59'847
	<b>2022</b>	<b>2021</b>
	<b>(in CHF)</b>	<b>(in CHF)</b>
<b>11.6 FIVB Programs</b>	<b>-1'466'922</b>	<b>-825'930</b>
Support to organiser national federation & Confederation	-1'273'964	-700'399
Antidoping	-192'959	-116'531
Others	0	-9'000
	<b>2022</b>	<b>2021</b>
	<b>(in CHF)</b>	<b>(in CHF)</b>
<b>11.7 Development</b>	<b>-4'910'599</b>	<b>-6'553'173</b>
Development centers	-63'174	-55'242
Zonal volleyball association	-600'000	-570'000
Coaching support	-776'243	-261'501
Confederation support	0	0
National federation support	-2'845'007	-5'429'337
Travel, hotel and per diem	-571'111	-106'865
Others	-55'064	-130'227



# BUSINESS REPORT 2022

	<b>2022</b>	<b>2021</b>
	<b>(in CHF)</b>	<b>(in CHF)</b>
<b>11.8. Transfer refunds</b>	<b>-2'433'187</b>	<b>-2'523'795</b>
Transfer refunds	-2'433'187	-2'523'795

	<b>2022</b>	<b>2021</b>
	<b>(in CHF)</b>	<b>(in CHF)</b>
<b>11.9 Salaries and social charges</b>	<b>-6'292'716</b>	<b>-6'662'668</b>
Gross salaries	-5'321'453	-5'725'367
Social insurances	-930'304	-992'831
Others	-40'958	55'530

	<b>2022</b>	<b>2021</b>
	<b>(in CHF)</b>	<b>(in CHF)</b>
<b>11.10 Administrative Costs</b>	<b>-6'539'856</b>	<b>-5'429'171</b>
Office Costs	-617'114	-565'197
FIVB property costs	-52'028	-151'074
IT & Office equipment costs	-938'199	-247'291
Telecommunications costs	-57'871	-81'005
Courrier costs	-141'078	-63'587
Audit fees	-174'744	-227'697
Translation fees	-22'165	-42'460
Consultant fees	-875'301	-2'093'794
Management expenses	-1'492'629	-1'386'894
Publication costs	-42'060	-14'779
Communication costs	-78'661	-122'671
Insurance premiums	-221'395	-173'519
Travel, hotel and per diem	-1'375'870	-46'984
Others	-450'740	-212'219



# BUSINESS REPORT 2022

	<b>2022</b>	<b>2021</b>
	(in CHF)	(in CHF)
<b>11.11 Other operating costs</b>	<b>-1'012'955</b>	<b>-1'939'796</b>
Legal fees	-624'474	-1'211'083
Agency fees	-1'574'556	-1'115'883
Taxes	-29'005	-26'334
Provision on debtors (Increase/decrease)	1'215'079	413'504
Others	0	0

	<b>2022</b>	<b>2021</b>
	(in CHF)	(in CHF)
<b>11.12 Depreciation and amortization</b>	<b>-1'496'442</b>	<b>-1'910'335</b>
Depreciation on assets	-1'004'985	-709'245
Depreciation on property	-491'457	-1'201'090

	<b>2022</b>	<b>2021</b>
	(in CHF)	(in CHF)
<b>11.13 Financial result</b>	<b>-9'680'047</b>	<b>93'911'784</b>
<i>Financial income</i>	9'964'999	97'942'383
Exchange gains realized	6'721'126	1'674'813
Portfolio income	3'213'091	4'899'569
Sales of Shares in Participation	0	91'347'409
Other income	30'782	20'592
<i>Financial costs</i>	-19'645'046	-4'030'600
Exchange losses realized	-3'693'637	-1'621'168
Portfolio losses	-15'737'827	-2'129'535
Other costs	-213'581	-279'897



# BUSINESS REPORT 2022

	<b>2022</b>	<b>2021</b>
	(in CHF)	(in CHF)
<b>11.14 Extraordinary Results, net</b>	<b>-3'593'164</b>	<b>-7'292'483</b>
Extraordinary Income	36'554'512	21'298'933.44
Extraordinary Costs	-40'147'675	-28'591'417.05

The Extraordinary income and Costs concern all the transactions in link with VW Volleyball World SA, the difference between the income and the costs concern several extraordinary amounts in the income and the costs.

## 12) Notes on the balance sheet

### Cash and equivalents (A)

Cash and equivalents consist of all the BCV, Credit Suisse and Postfinance current accounts as well as the current account and the short-term investment of the portfolio and the petty cash.

An amount of CHF 150'000.- in 2022, concerns deposits blocked linked to various guarantees.

### Trade receivables (B)

The trade receivables are split between the group companies, related parties and the third parties. In addition, a provision for doubtful debtors is included.





# BUSINESS REPORT 2022

## **Accrued income and prepaid expenses (C)**

This consists of the expenses paid in advance and the income to be invoiced. The biggest part of this item (income) is due to the license fee, which will be invoiced to VW Volleyball World SA in 2023.

The biggest part of this item is due to the license fees invoiced to VW Volleyball World SA at the beginning of 2023.

## **Securities (Global Custody) (D)**

The financial assets are the securities held by the FIVB through the bank Pictet in Switzerland. Management mandates have been given to 3 banks as of the 31<sup>st</sup> December 2022. The main investment vehicles are the following:

- Shares
- Bonds
- Investment funds
- Structured products
- Liquid assets

The securities are recognized at their nominal value at the time of the acquisition and converted with the daily exchange rate. For the sale of securities the average value is used to calculate the realized gain or loss. At the end of the year all securities are converted at their market value to calculate an unrealized gain or loss which is recorded in the income statement.



# BUSINESS REPORT 2022

## **Tangible & intangible assets (E)**

The tangible and intangible fixed assets represent the assets which have a useful life longer than a year.

These assets are allocated in the following sections:

- Operating fixed assets
- Property
- IT Licence
- Promotional devices

## **Fixed assets (E)**

All the fixed assets are capitalized at the nominal value of the invoice and converted with the rate of the day of the acquisition.

The depreciation rates used are the following:

0% for all assets under construction

4% for all assets linked to the property

25% for all other assets



# BUSINESS REPORT 2022

## FIXED ASSETS

	Operating fixed assets	Property	IT Licence	Promotional devices
<b>Balance as at 31 December 2019</b>	<b>401'280</b>	<b>16'716'962</b>	<b>1'346'949</b>	<b>0</b>
Acquisitions	0	27'484	0	0
Disposals	0	0	0	0
Depreciation	-133'842	-1'200'265	-592'866	0
<b>Balance as at 31 December 2020</b>	<b>267'438</b>	<b>15'544'180</b>	<b>754'083</b>	<b>0</b>
Acquisitions	0	0	20'231	0
Disposals	0	0	0	0
Depreciation	-113'123	-1'201'090	-596'122	0
<b>Balance as at 31 December 2021</b>	<b>154'315</b>	<b>14'343'091</b>	<b>178'192</b>	<b>0</b>
Acquisitions	0	0	20'231	0
Disposals	0	0	0	0
Depreciation	-113'123	-1'201'090	-596'122	0
<b>Balance as at 31 December 2022</b>	<b>154'315</b>	<b>14'343'091</b>	<b>178'192</b>	<b>0</b>



# BUSINESS REPORT 2022

## **Trade creditors (F)**

The trade creditors are split between the related parties and the third parties.

## **Other creditors (G)**

Other creditors is composed primarily of provisions made for the payment of possible pending fees for consultants and lawyers.

## **Deferred income and accrued expenses (H)**

This consists of the expenses to be paid and the income received in advance.

## **Provisions (I)**

Consistent with the risks linked to pending disputes. The provisions cover with a reasonable assurance the amounts potentially due.

## **Equity (J)**

In accordance with the rules of the association and the statutes of the FIVB, the results carried over from previous years must be allocated to the Capital.



# FIVB Controller's report 2022



Lausanne, 23 May 2023

# Index of Contents

## Main facts

1. Rules of the Controller
2. Analysis of the Profit and Loss statement
3. Analysis of the Balance Sheet statement
4. Internal organization
5. Financial risks perspectives
6. Conclusion



# Partnership between VW Ltd, FIVB and CVC

## Step 1 - valuation

FIVB = Commercial & Institutional

EBITDA for commercial activities T\$ 27'000

EBITDA Multiple 11x

Valuation of commercial activities  
T\$ 300'000

## Step 2 – modification

2019 : FS with part of WCHSRU22

2020 : modification of accrual – commercial revenues transferred to VW Ltd in 2021

Result effect in the period  
T\$ – 30'700

## Step 3 – next

2021 :  
FIVB cashed  
T\$ 100'000  
for 33% VW Ltd  
67% held by FIVB

Reality 2022 :  
FIVB 67% of the VW Ltd –  
part of « dividend ».  
Budgeted T\$ 30'000  
Realized T\$ 38'860



## Main facts

### Total assets

2020 : CHF 130'715'086  
2021 : CHF 211'609'161  
2022 : CHF 219'183'016

### Revenus

2020 : CHF 14'676'828  
2021 : CHF 25'817'031  
2022 : CHF 50'209'125  
(with dividend in 2022)

### Number of employees

2020 : 62  
2021 : 34  
2022 : 34

### Portfolio and cash

2020 : CHF 104'650'242  
2021 : CHF 175'655'856  
2022 : CHF 151'660'577

### Operating result

2020 : CHF 6'388'074  
2021 : CHF 72'640  
2022 : CHF 25'465'525

### Result of the period

2020 : CHF - 32'384'348  
2021 : CHF 70'749'969  
2022 : CHF - 3'149'654

### Portfolio performance in USD

2020 : - 0.33 %  
2021 : + 1.71 %  
2022 : - 6.74 %

### «Dividend» from VW Ltd it's an invoice from FIVB for using FIVB rights

VW Ltd result before «dividend» : USD 58'000'000  
«Dividend» for FIVB in 2022: USD 38'860'000

# *1. Rules of the Controller*



## 1. Rules of the Controller

As Controller for the FIVB and on the basis of the mandate entrusted to me, I have verified the bookkeeping and organization of the accounting system of the Federation for the period from 1 January 2022 to 31 December 2022.

### **Mandate according to the constitution**

The role of the Controller is to ensure strict compliance with the accounting controls and administrative and financial procedures and that all the financial transactions are authorised by the President or in accordance with signatures roles.

### **Work carried out**

During the period under review, the following work was carried out:

- Review of and assistance with drawing up the annual financial statements
- Monitoring the management of the securities portfolio
- Attendance at the meetings of the Finance Committee
- Various controls on the development funds
- Verifications of invoices
- Sample contracts review
- Analysis of the organisation of the Finance Department
- Various work requested by the President, the General Director or and with the Chief Financial Officer.

### **Comments**

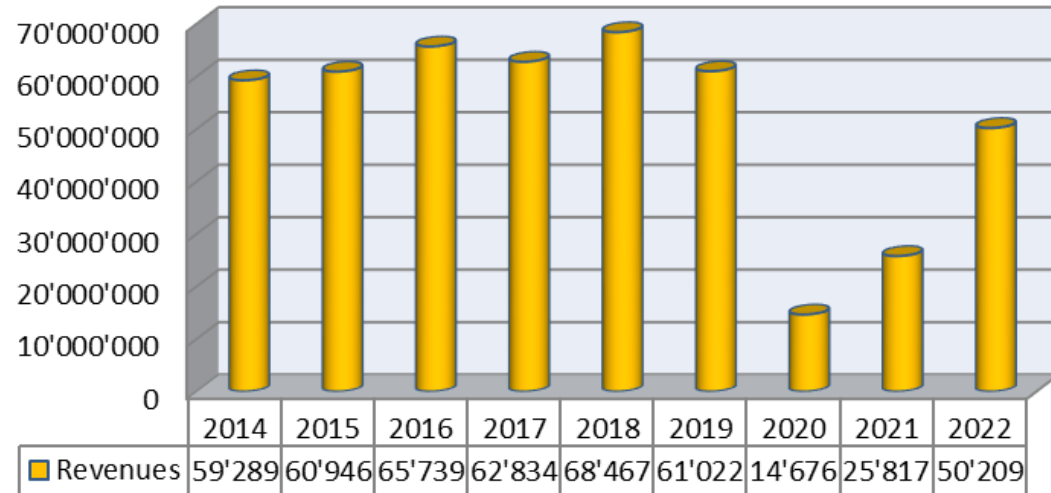
All the work was carried out in collaboration with the Finance and others Departments, the General Director and the President.

## *2. Analysis of the Profit and Loss statement*

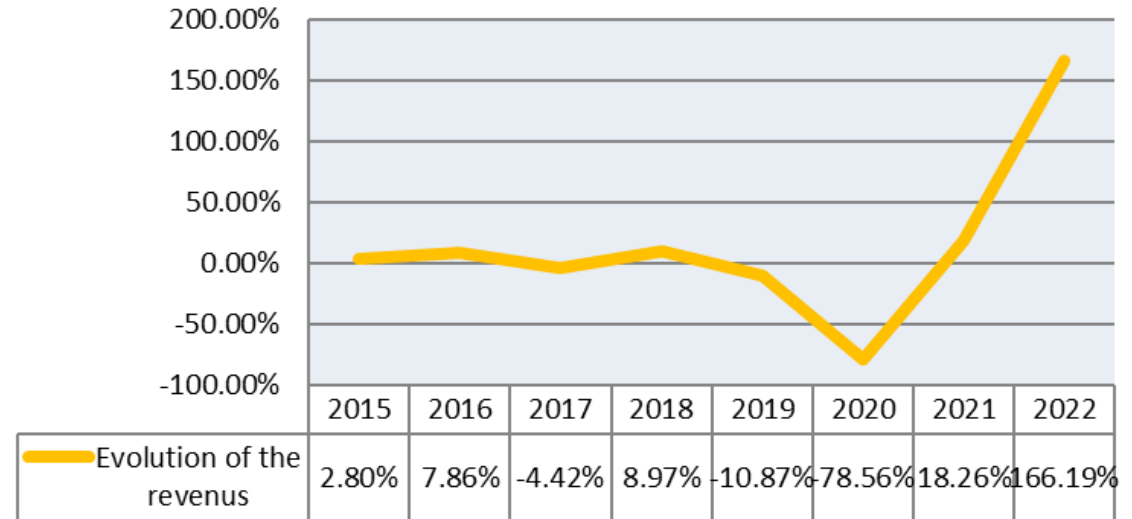


## 2. Analysis of the Profit and Loss statement

### Revenues



### Evolution of the revenue



#### Revenues

Revenues : Yearly subscriptions, broadcast and various rights, transfer fees and IOC funds

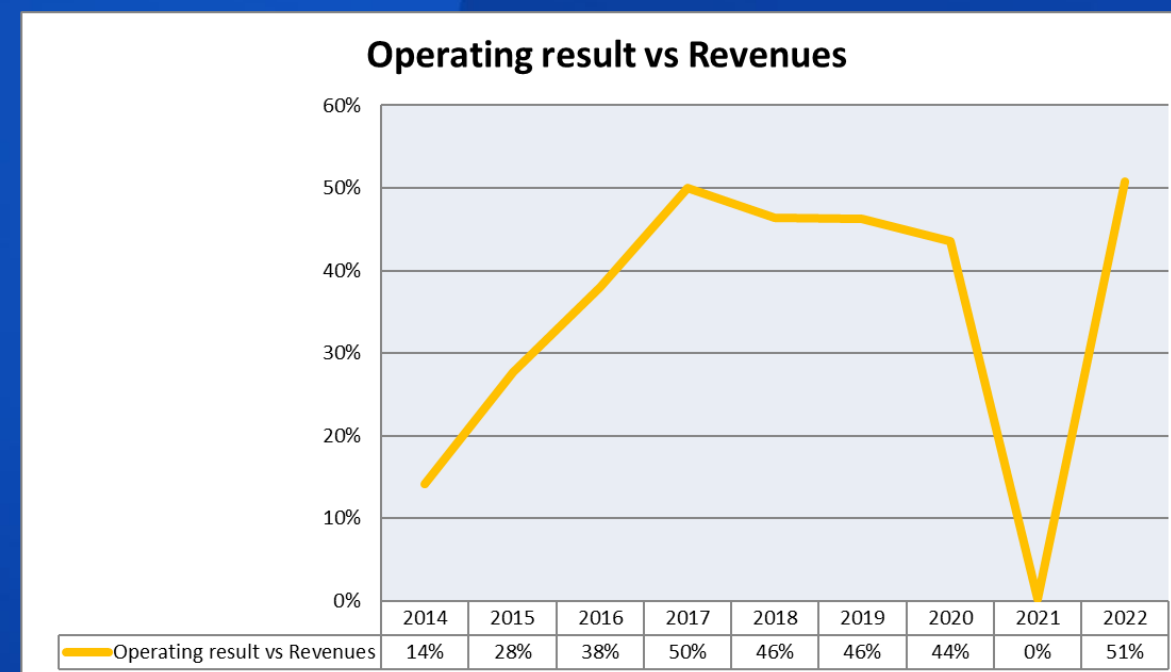
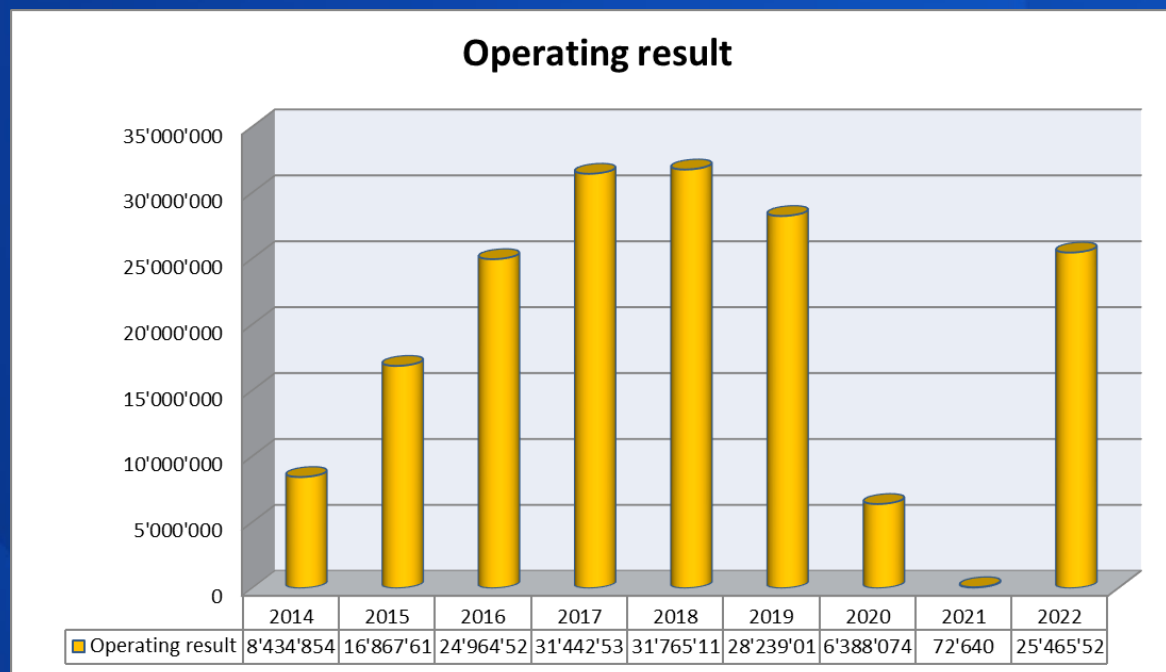
#### Comments:

During the pandemic, most of the competitions were stopped. The Olympic Games was made in 2021.

In 2021, for the first time, in the FIVB, the Olympic Games and the underage are the only revenue of the FIVB. All the other events was transferred in VW Ltd.

In 2022, the "dividend" from Volleyball World Ltd is included in the revenues of the FIVB. This amount represent USD 38'860'000.

## 2. Analysis of the Profit and Loss statement



### Operating income

Revenues : Yearly subscriptions, broadcast and various rights, transfer fees and IOC funds

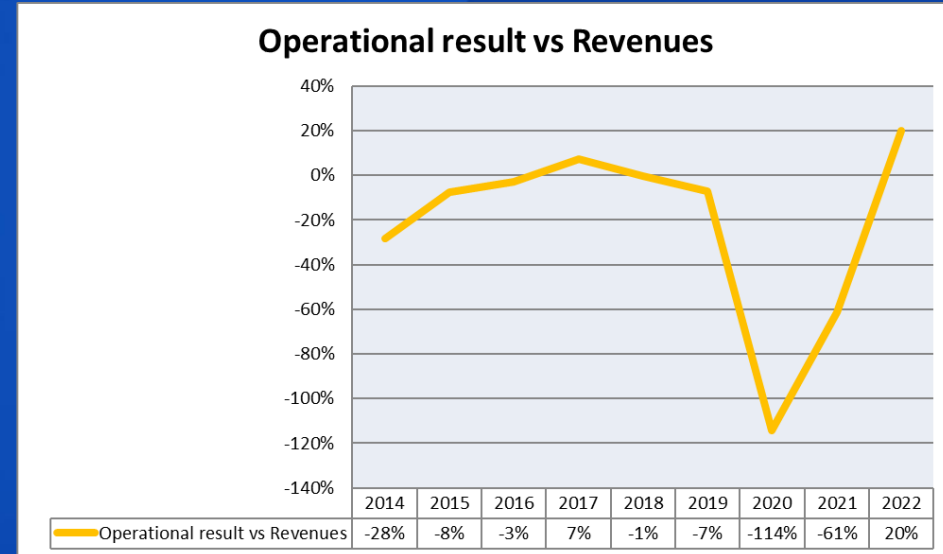
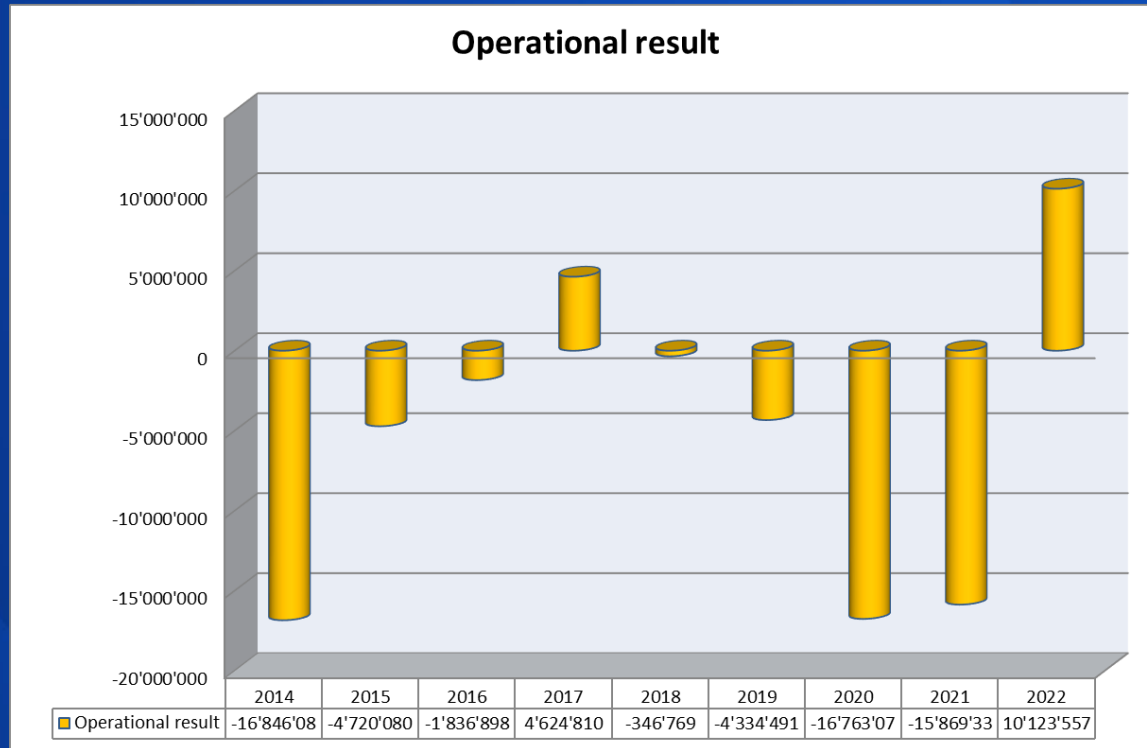
Expenses : International competitions, Olympic Games, FIVB programs, Confederations allocations, development and transfer refunds

### Comments:

Development and support activities for athletes and federations have, as far as possible, continued their efforts. During 2022, this amount represent TCHF 4'910.

Due to the creation of VW Ltd, most of the competitions are managed since 2021 by this company, participation of the FIVB. But in 2022, this change is compensated by revenues invoiced to VW.

## 2. Analysis of the Profit and Loss statement



### Operational result

Operating result

Expenses : Salaries and social charges, administratives costs, depreciation and amortization

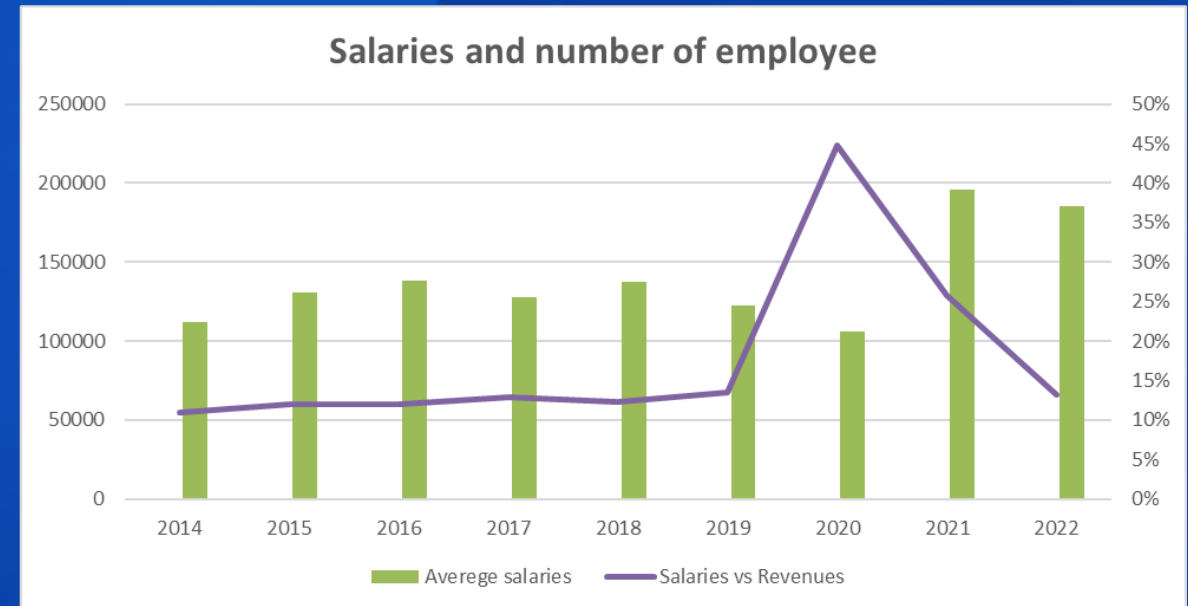
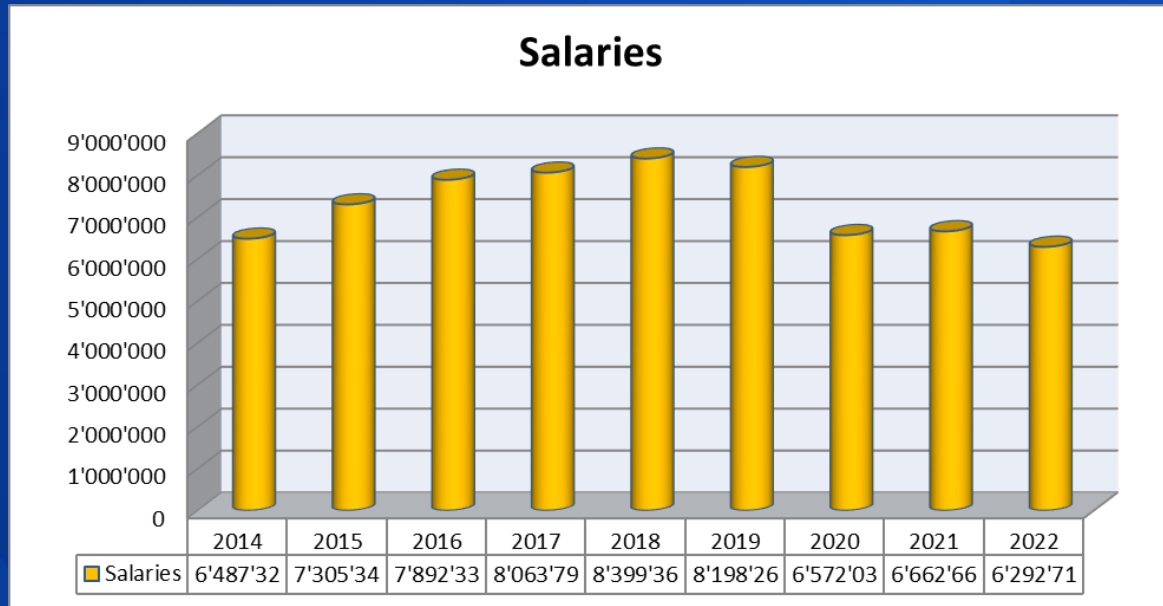
Comments:

Operating expenses decreased by 3.76% compared to the previous year. 33.94%, between 2021 and 2020.

This decrease in 2022 can be explained by minus KCHF 370 on personal costs, a increase of KCHF 1'110 in administrative costs and reduction of KCHF 926 in other operating costs.



## 2. Analysis of the Profit and Loss statement



### Salaries and social charges

Salaries, social charges and other cost of employees.

### Comments:

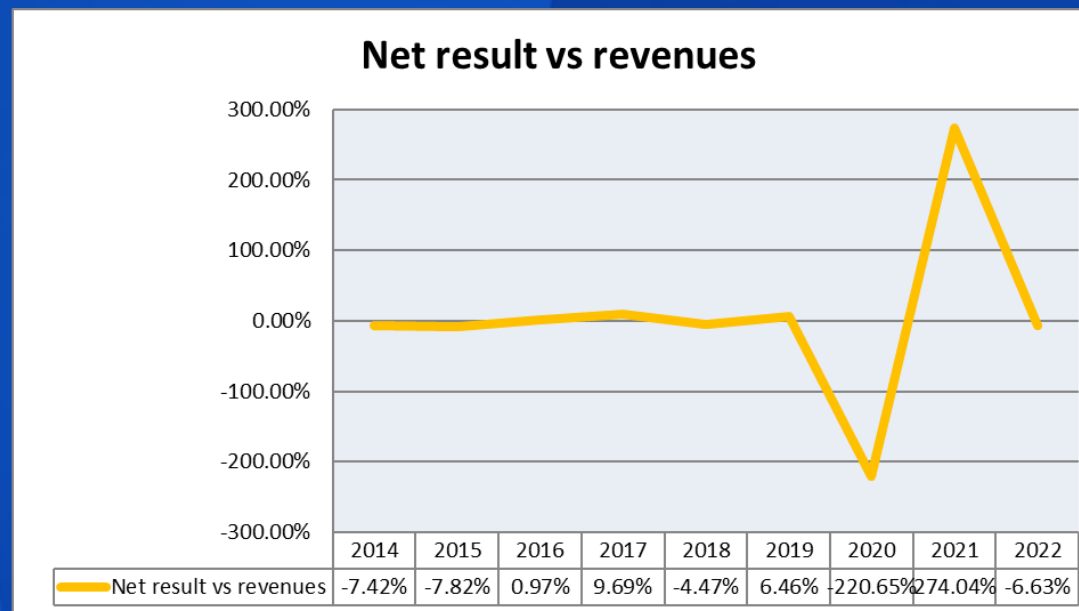
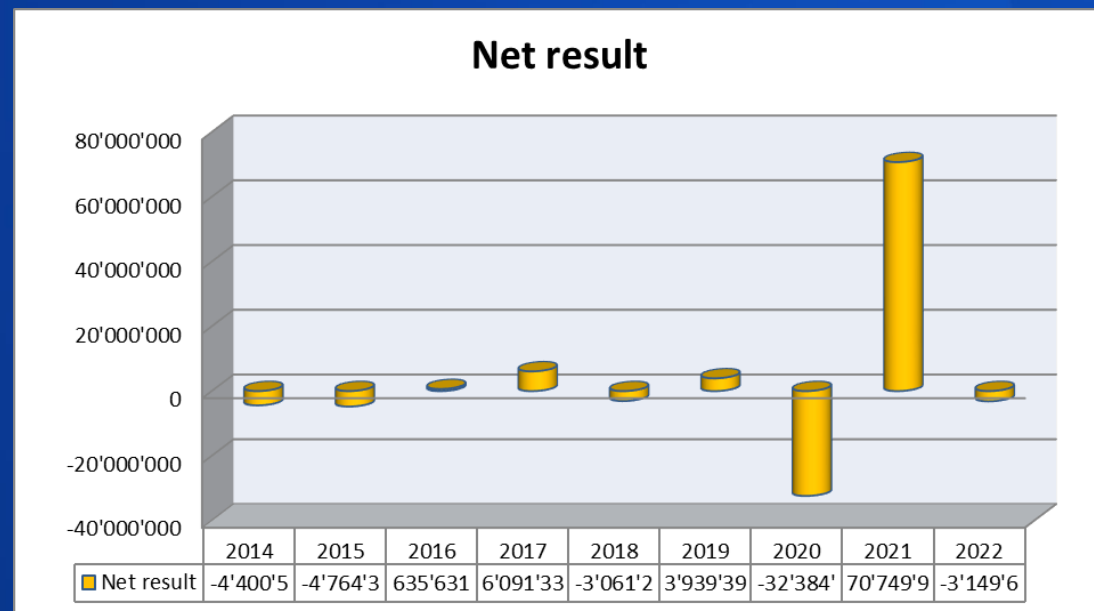
The number of employees are stable during the year. 34 employees work to the FIVB as of 31.12.2022.

Salaries and social charges decreased during this period.

In the beginning of 2021, an important part of the employee was transferred to the new company VW Ltd.



## 2. Analysis of the Profit and Loss statement



### Net result

Operational result

Financial result and Extraordinary result

### Comments :

This year's gain is explained by financial aspect.

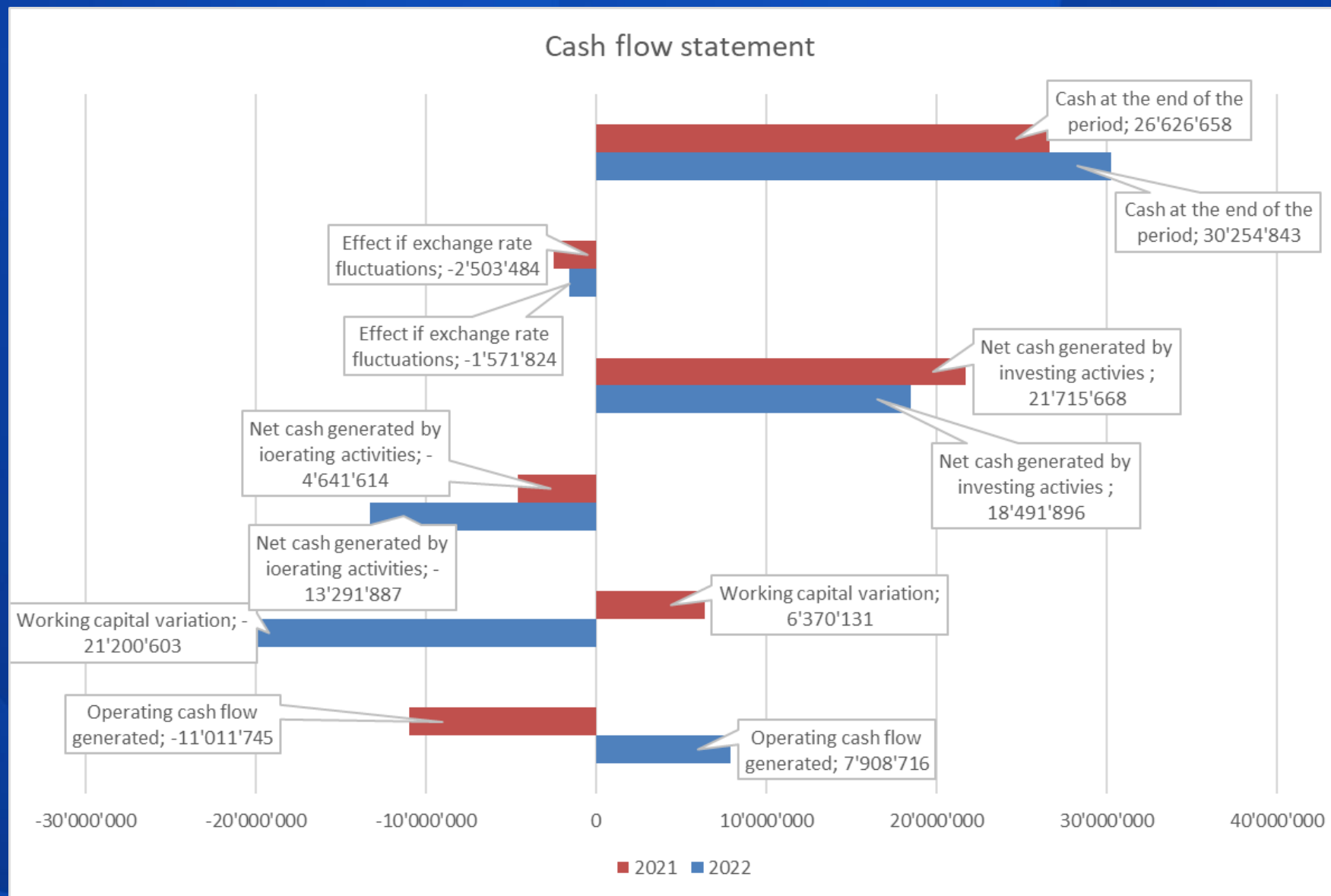
The financial result is a loss of TCHF 9'680 portfolio and exchange rate.

Net extraordinary income and expenses are due to the split of the activities between FIVB/VW. During this transition period, some revenues and expenses was re invoicing for respecting the agreement between this two companies.

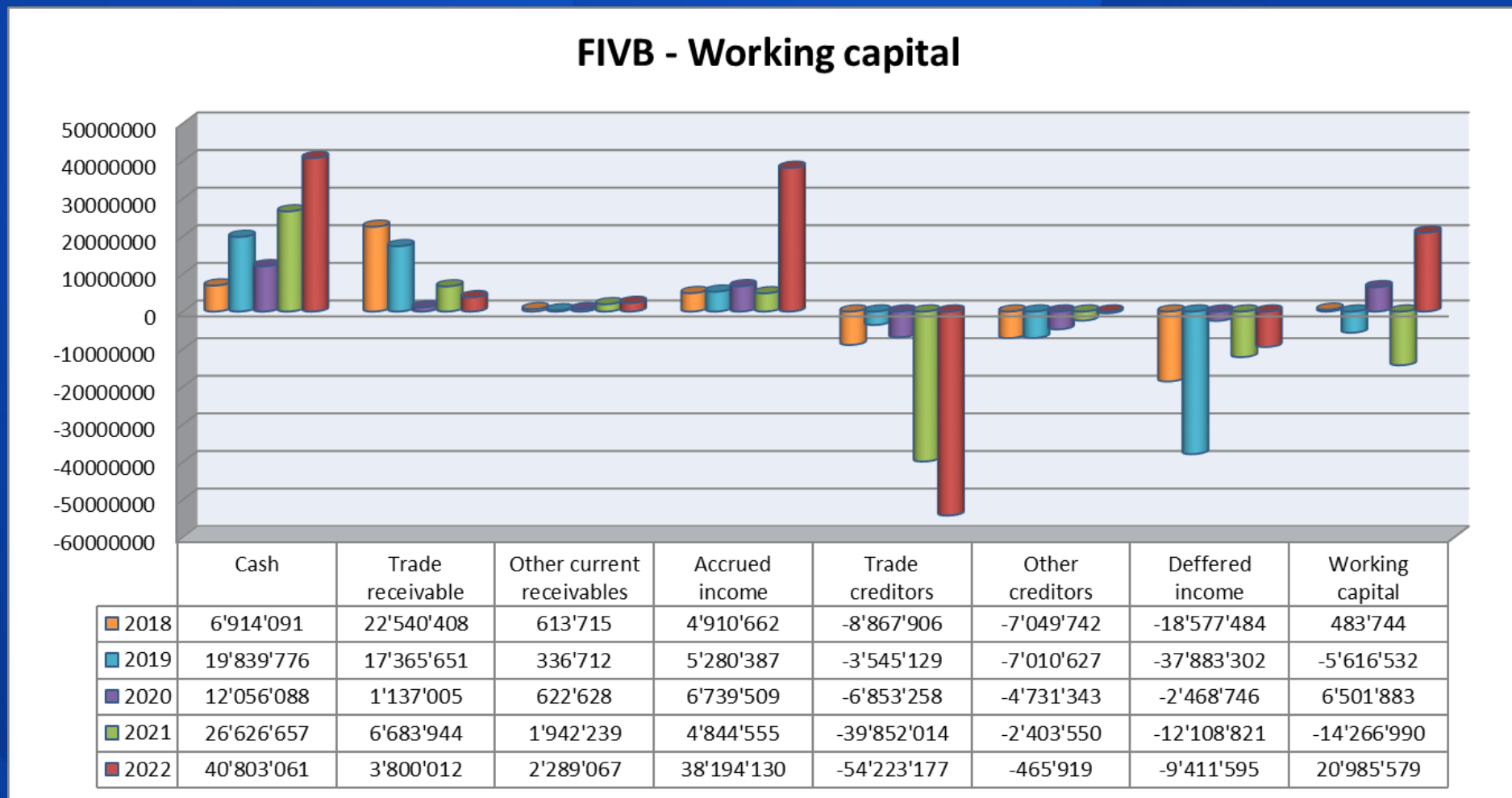
# *3. Analysis of the Balance sheet*



### 3. Analysis of the Balance Sheet statement



## 3. Analysis of the Balance Sheet statement



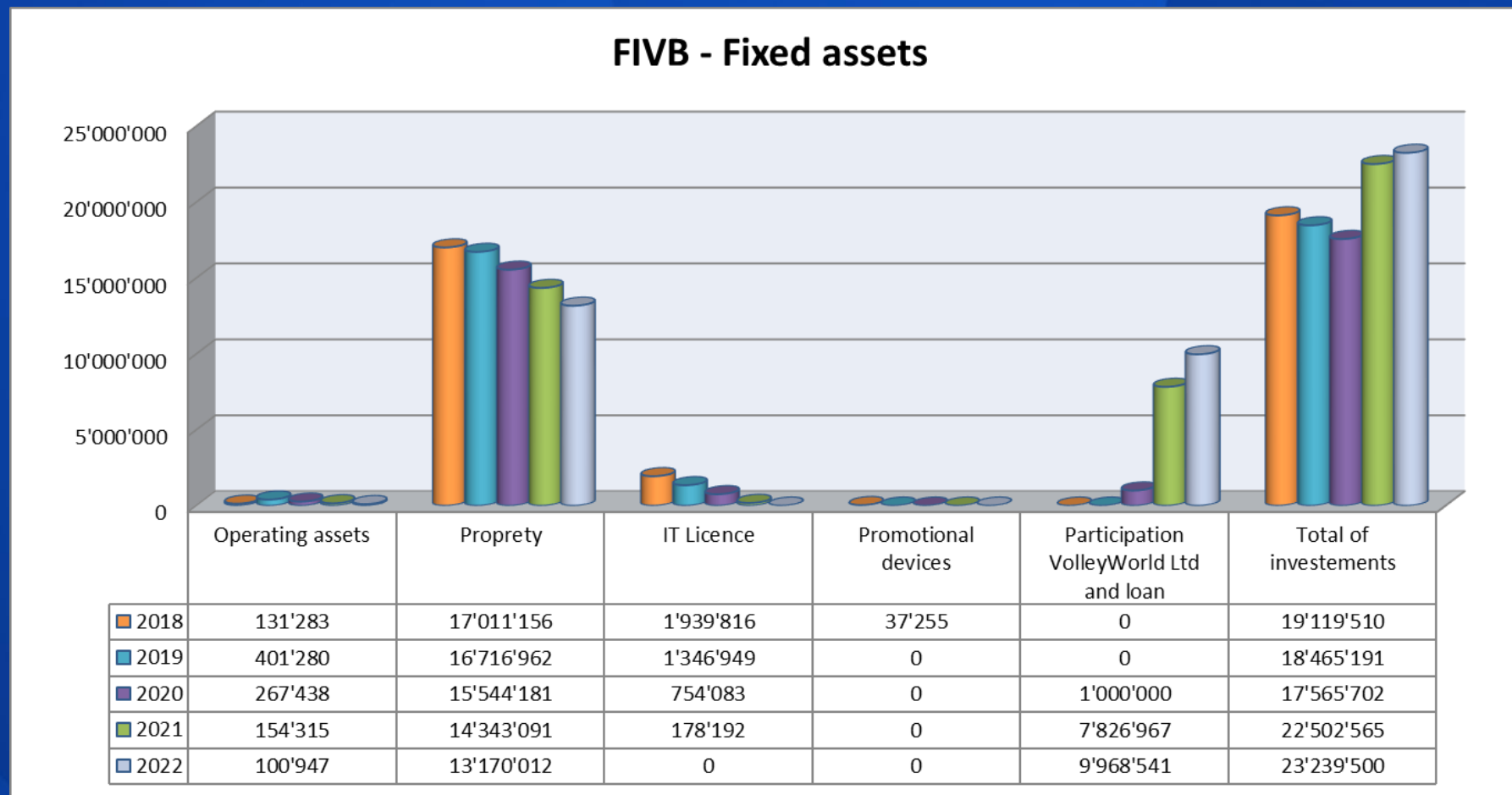
### Working capital

Comments:

The working capital represent the assets and the liabilities at middle term (1year).

How you can see, the health of the FIVB is excellent.

## 3. Analysis of the Balance Sheet statement



### Investements

#### Comments:

Investments continue in several sector of the FIVB. We need to continue to improved the capacity of the FIVB to be in a high level of the sports federations.

We inform you that all the amounts of the fixed assets are booked at the purchase price minus the depreciations.

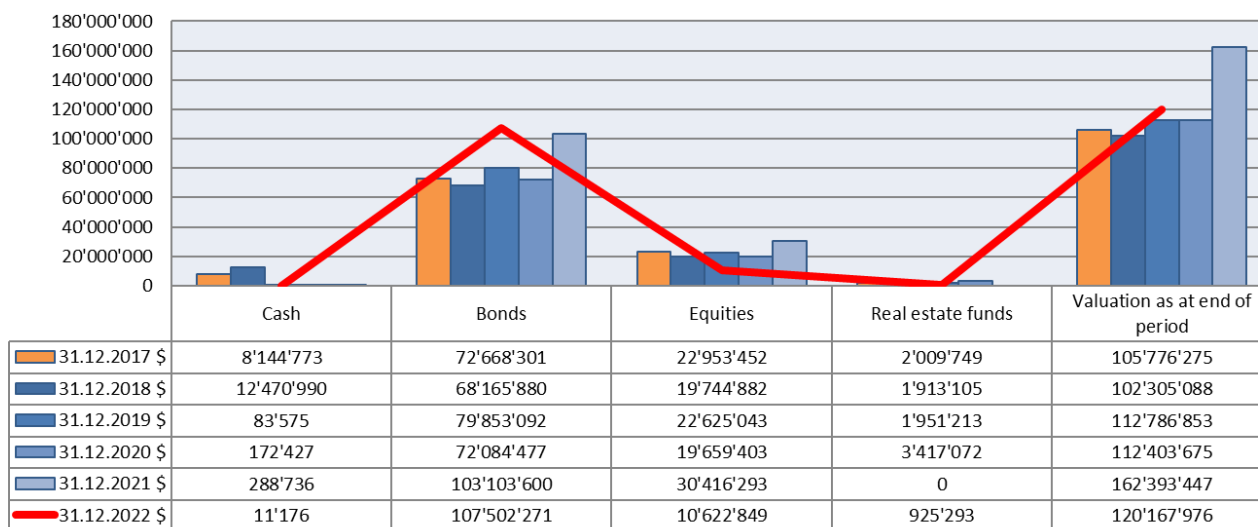
Participation is the 67% of the capital of VolleyWorld Ltd created in December 2021 by FIVB.

A loan is open between FIVB and VW Ltd TCHF 9'298 net.

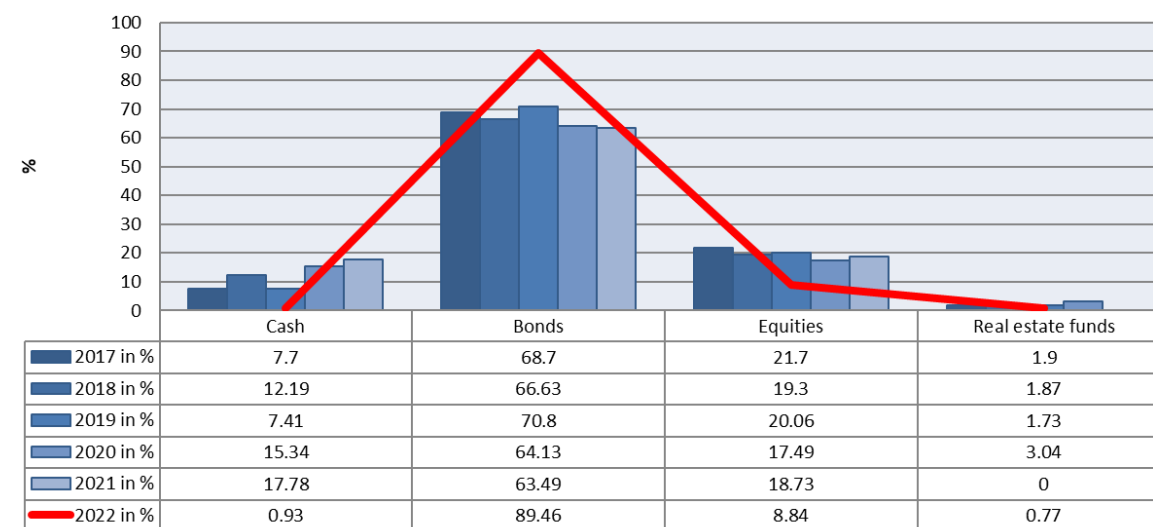
This is a fact that the property is underestimated in the economic value, in reason of the amortizations imputed in the financial statements.

## 3. Analysis of the Balance Sheet statement

### FIVB - Portfolio at 31.12.2022 \$



### FIVB - Portfolio by assets class at 31.12.2022



### Financial assets

#### Comments:

I note that the investment strategy of the FIVB is based on a very low level of risk. The banks define this level as follows:

Conservative : Long-term increase in the real value of the principle by seeking a progressive increase in value within the limits of fluctuation of values. Cash and short-term instruments and fixed-income investments represent a large portion of investments made. Equity investments and alternative investments are in a minority.

In terms of risk, there are 5 levels of risk, which are : fixed income – conservative – balanced – dynamic – Swiss domestic asset management.

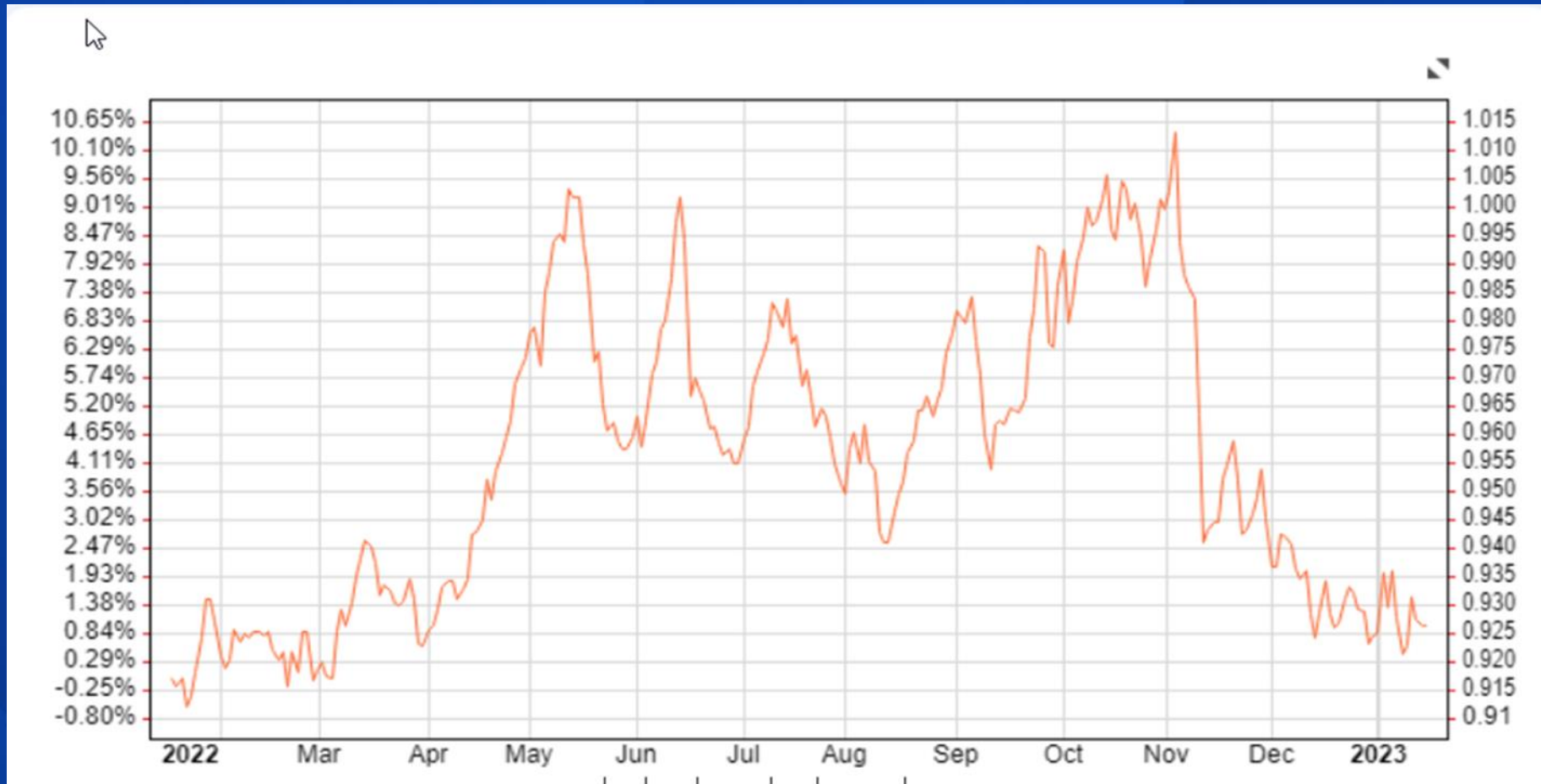
A mandate of TCHF 7'000 with 100% Swiss Market Index (Shares of big swiss companies) is managed by BCV.

We reduce the level of cash during at the end of 2023, if we think that we can have good investments opportunities.

The performance of the portfolio in 2022 (in USD) is negative - 6.74% (+1.71% in 2021).

We work with Pictet Bank who manage the Global Custody of 2 banks Pictet, Lombard Odier (LODH) and BCV (regional bank guarantee by the canton of Vaud – rating SP AA).

## 3. Analysis of the Balance Sheet statement



### Currency

Comments:

2022 was in favor of the FIVB in term of exchange rate concerning the balance between the US and the CHF. The other currencies (EUR GBP and YJP) was not in favor of the FIVB.

2023 begin well but this situation can change very quickly in reason of many world economic facts that have actually.



## 3. Analysis of the Balance Sheet statement



### Index

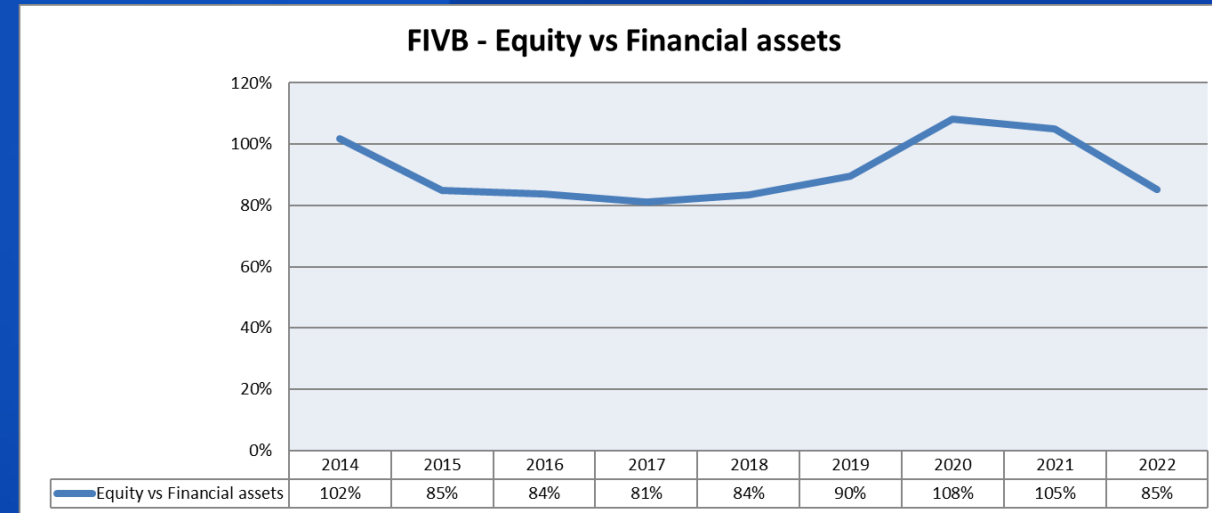
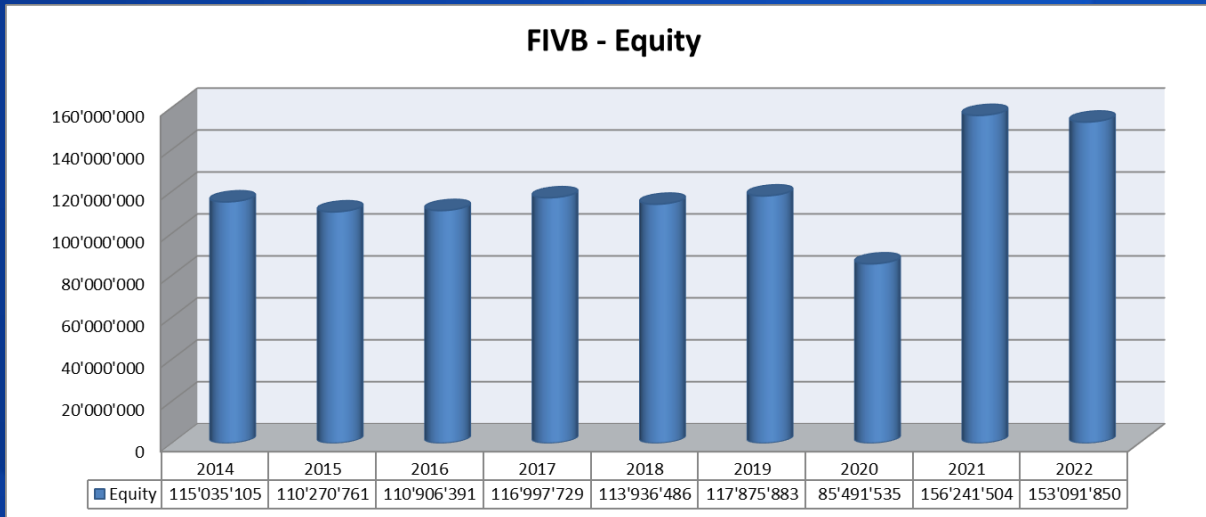
Comments:

The Pictet LPP 25 is a fund in CHF. This pension plan fund is composed of 75% bonds and 25% shares.

If we challenge our portfolio in 2022, we are in line with this INDEX.



## 3. Analysis of the Balance Sheet statement



### Equity

#### Comments:

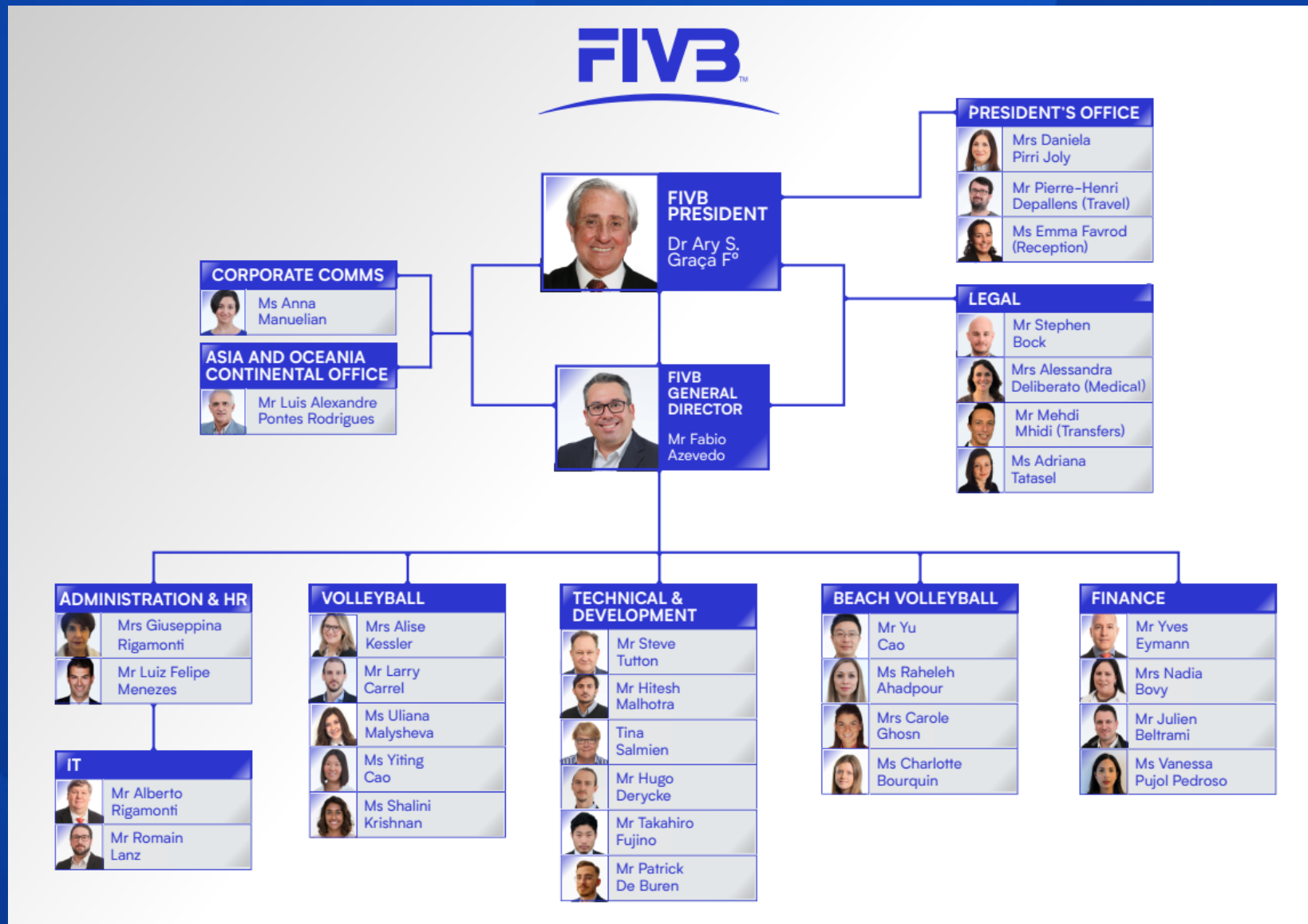
I note that the equity of the FIVB are in a very good level. This equity are represented in the asset by the portfolio. That means that our equities are liquid.

Equities are bigger (economically speaking), if we take into account, the hidden reserve that exists on the building of the FIVB. The sale price of this asset can be evaluated between TCHF 15'000 and TCHF 20'000 more that the accounting value at the end of this year.

## *4. Internal organization*



## 4. Organisation Chart



# 4. Internal organization

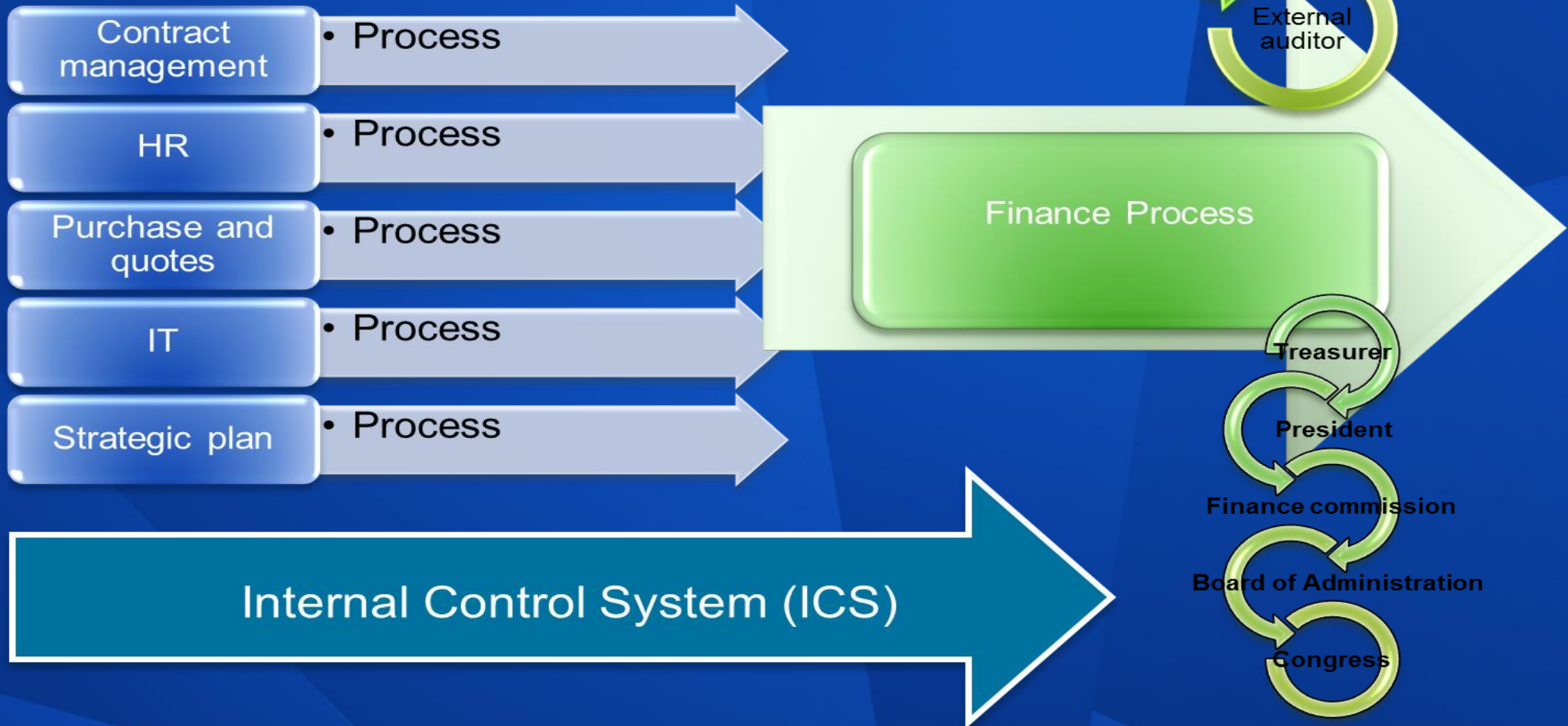


# 4. Internal organization





# 4. Internal organization



## 4. Internal organization

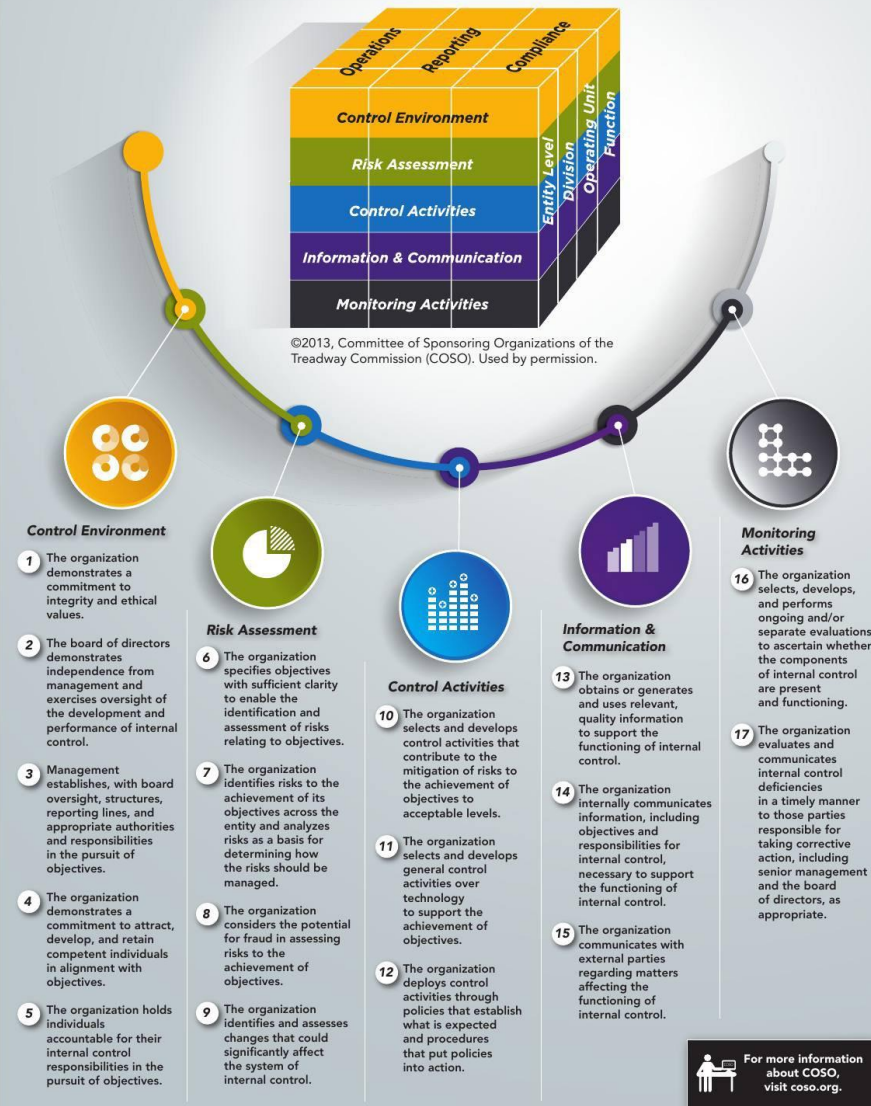


During the financial statement 2022, the new organization was introduced at the FIVB, in relation with the split and the creation of Volleyball World Ltd.

The internal control system (ICS) must be reviewed and take care of the new situation and structure of FIVB Group.

The COSO can be the integrated framework principles for describe the ICS and the risk assessment.

## COSO Internal Control — Integrated Framework Principles



## *5. Financial risks perspectives*





## 5. Financial risks perspectives

### FIVB RISKS – Metodology

#### Probability

Probability	Frequent "A"	Once by month	100%
	Probable "B"	Once evry quartal	30%
	Occasional "C"	Once evry year	10%
	Remote "D"	Once evry two years	3%
	Improbable "E"	Once evry four years	1%
	Eliminated "F"	Eliminated	

#### Severity

FIVB RISK ASSESSMENT MATRIX	Severity			
	Catastrophic "1"	Critical "2"	Marginal "3"	Negligible "4"
Frequent "A"	High	High	Serious	Medium
Probable "B"	High	High	Serious	Medium
Occasional "C"	High	Serious	Medium	Low
Remote "D"	Serious	Medium	Medium	Low
Improbable "E"	Medium	Medium	Medium	Low
Eliminated "F"	Eliminated			

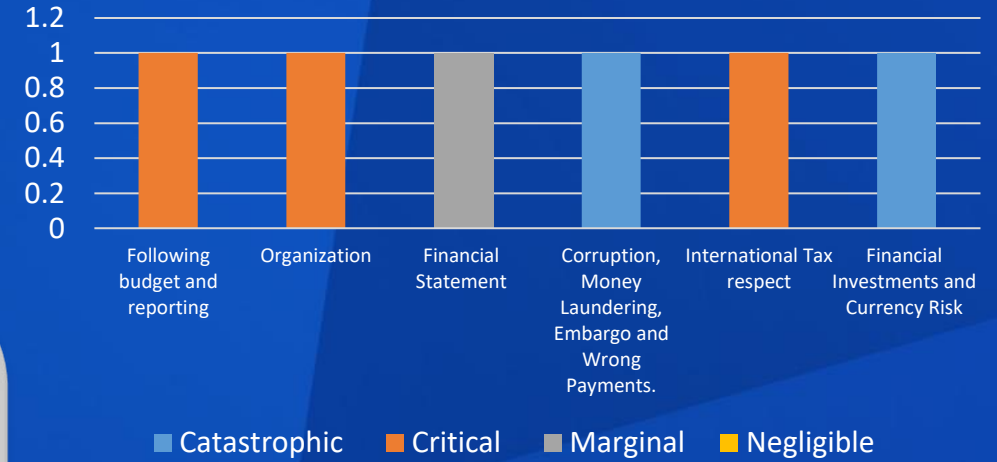
Catastrophic "1"	impact the life of FIVB	TCHF 50'000
Critical "2"	Impact directly the going concern of FIVB	TCHF 20'000
Marginal "3"	Impact the current year	TCHF 7'500
Negligible "4"	Impact can be financed by EBTDA	TCHF 5'000

## 5. Financial risks perspectives

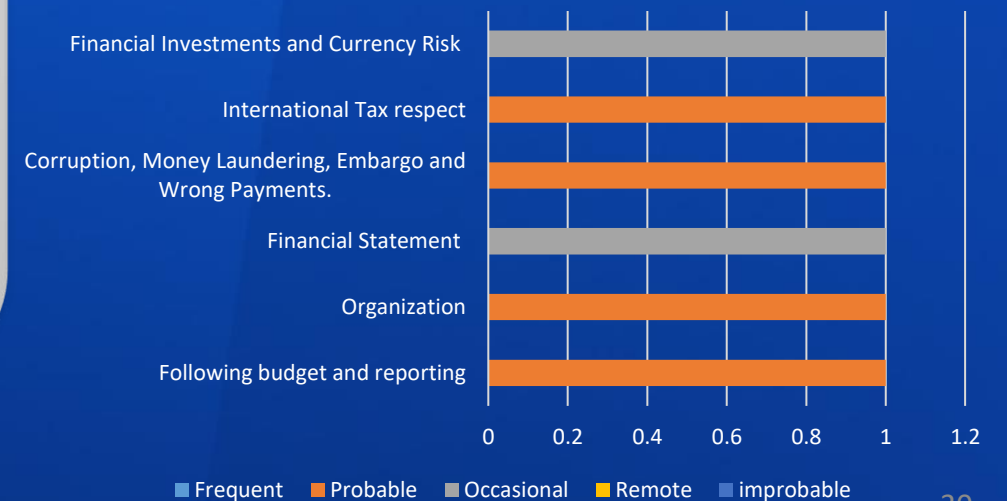
### FIVB RISKS – Global Analysis



#### Risks severity



#### Risks probability



## 5. Financial risks perspectives

FIVB RISKS – World crisis or insecurity in the world

### Context

A world crisis means that a part or the world are in war, or some part of the world are closed or not in off secure in case of political situation.

### Potential risks

- Necessity of change the host of the event.
- Loss of the preliminary investment for the competition.
- Team qualification for the event.
- Decrease image of the FIVB.

### Measures in place

- Engagement and contract form
- Legal mention
- Insurance for exploitation losses

FIVB RISK ASSESSMENT MATRIX		Severity			
		Catastrophic "1"	Critical "2"	Marginal "3"	Negligible "4"
P r o b a b i l i t y	Frequent "A"	High	High	Serious	Medium
	Probable "B"	High	High	Serious	Medium
	Occasional "C"	High	Serious	Medium	Low
	Remote "D"	Serious	Medium	Medium	Low
	Improbable "E"	Medium	Medium	Medium	Low
	Eliminated "F"	Eliminated			

## 5. Financial risks perspectives

### FIVB RISKS – Pandemic (health risks)

#### Context

FIVB activities are organized around the world. Health risks can stop sports activities or significantly reduce opportunities to create events.

#### Potential risks

- Cessation of sports activities.
- Event Revenue Reduction.
- Change in administrative procedures.
- Unable to promote volleyball.

#### Measures in place

- Rules and contracts of events.
- Contract linked with revenues.
- Cash flow monitoring.
- Opportunities to reduce costs over a short or long period of time.

FIVB RISK ASSESSMENT MATRIX		Severity			
		Catastrophic "1"	Critical "2"	Marginal "3"	Negligible "4"
P r o b a b i l i t y	Frequent "A"	High	High	Serious	Medium
	Probable "B"	High	High	Serious	Medium
	Occasional "C"	High	Serious	Medium	Low
	Remote "D"	Serious	Medium	Medium	Low
	Improbable "E"	Medium	Medium	Medium	Low
	Eliminated "F"	Eliminated			

## 5. Financial risks perspectives

FIVB RISKS – Following budget and reporting

### Context

The budget and cost tracking process is carried out in collaboration between the departments and the finance department. The necessary information is evaluated taking into account the information available when the budgets are drawn up. The monitoring of revenues and expenses is based on these elements.

### Potential risks

- Extrapolation of the future always difficult.
- Information available not completely reliable.
- Change in the structure of the FIVB.

### Measures in place

- Multilevel budget review.
- Review of annual budgets.
- Quarterly review of receipts and expenses.
- Cash flow monitoring.

FIVB RISK ASSESSMENT MATRIX		Severity			
		Catastrophic "1"	Critical "2"	Marginal "3"	Negligible "4"
Probability	Frequent "A"	High	High	Serious	Medium
	Probable "B"	High	High	Serious	Medium
	Occasional "C"	High	Serious	Medium	Low
	Remote "D"	Serious	Medium	Medium	Low
	Improbable "E"	Medium	Medium	Medium	Low
	Eliminated "F"	Eliminated			



## 5. Financial risks perspectives

### FIVB RISKS - Organization

#### Context

Changes in activities can lead to changes in the structure of the FIVB. The responsibilities given to employees (signature, commitments, etc.) must be up to date.

#### Potential risks

- Signature of non-compliant contracts.
- Engagement by unauthorized collaborators.
- Tracking budgets and reporting non-compliant.
- Loss of productivity.

#### Measures in place

- Authorization of signatures by the Board of Directors.
- Organizational chart.
- Double signature at all level.
- Inter-departmental collaboration.

FIVB RISK ASSESSMENT MATRIX		Severity			
		Catastrophic "1"	Critical "2"	Marginal "3"	Negligible "4"
P r o b a b i l i t y	Frequent "A"	High	High	Serious	Medium
	Probable "B"	High	High	Serious	Medium
	Occasional "C"	High	Serious	Medium	Low
	Remote "D"	Serious	Medium	Medium	Low
	Improbable "E"	Medium	Medium	Medium	Low
	Eliminated "F"	Eliminated			

## 5. Financial risks perspectives

### FIVB RISKS - Financial Statement

#### Context

The financial statements must enable stakeholders to make a correct financial assessment of the FIVB. This representation must also be legally correct in relation to the Swiss Code of Obligations. In addition, the presentation of financial statements must comply with legal and statutory deadlines.

#### Potential risks

- Financial statements not in accordance with the law.
- Failure to meet deadlines
- Auditor's report with important errors.
- Impact on the image of the FIVB.

#### Measures in place

- Continuing education within the finance department.
- Control by the Controller of the FIVB.
- Verification by the external auditor.

FIVB RISK ASSESSMENT MATRIX		Severity			
		Catastrophic "1"	Critical "2"	Marginal "3"	Negligible "4"
Probability	Frequent "A"	High	High	Serious	Medium
	Probable "B"	High	High	Serious	Medium
	Occasional "C"	High	Serious	Medium	Low
	Remote "D"	Serious	Medium	Medium	Low
	Improbable "E"	Medium	Medium	Medium	Low
	Eliminated "F"	Eliminated			

## 5. Financial risks perspectives

FIVB RISKS - Corruption, Money Laundering, Embargo and Wrong Payments

### Context

The amounts paid annually are very important within the FIVB. It is important that the organization can ensure that the payments made are legally and economically justified payments. Geopolitical changes are also to be followed in the context of embargoes.

### Potential risks

- Payments of amounts not justified by a real economic fact.
- Payment on an erroneous bank account.
- Payment of an amount to persons representing risks in terms.
- of money laundering or in connection with an embargo.
- Impact on the image of the FIVB.
- Individual signature.
- Hacking.

### Measures in place

- Important collaboration with the bank and financial team.
- Verification when changing a bank account of a supplier or service provider.
- Rules for signing contracts and tenders.
- Verification of contracts during major payments.
- Justification of the development funds granted.
- Firewall and following new data encryption standards

FIVB RISK ASSESSMENT MATRIX		Severity			
		Catastrophic "1"	Critical "2"	Marginal "3"	Negligible "4"
Probability	Frequent "A"	High	High	Serious	Medium
	Probable "B"	High	High	Serious	Medium
	Occasional "C"	High	Serious	Medium	Low
	Remote "D"	Serious	Medium	Medium	Low
	Improbable "E"	Medium	Medium	Medium	Low
	Eliminated "F"	Eliminated			



## 5. Financial risks perspectives

### FIVB RISKS - International Tax respect

#### Context

As the FIVB is present on all Continents, it must respect all the rules in force that may affect competitions and signed contracts.

#### Potential risks

- Penalties in countries where the rules are not respected.
- Suspension of competitions.
- Impact on the image of the FIVB.

#### Measures in place

- Contracting process.
- Sharing knowledge and experience.
- Collaboration between Legal and Finance teams.

FIVB RISK ASSESSMENT MATRIX		Severity			
		Catastrophic "1"	Critical "2"	Marginal "3"	Negligible "4"
Probability	Frequent "A"	High	High	Serious	Medium
	Probable "B"	High	High	Serious	Medium
	Occasional "C"	High	Serious	Medium	Low
	Remote "D"	Serious	Medium	Medium	Low
	Improbable "E"	Medium	Medium	Medium	Low
	Eliminated "F"	Eliminated			

## 5. Financial risks perspectives

### FIVB RISKS - Financial Investments and Currency Risk

#### Context

The securities portfolio of the FIVB must be able to guarantee development and global economic changes. As such, it is important that investments can support FIVB but without excessive risk taking.

#### Potential risks

- Volatility of the markets.
- World crisis.
- Liquidity needs.

#### Measures in place

- Work with several banks.
- Portfolio monitoring by an external person.
- Define an investment strategy.
- Currency distribution.

FIVB RISK ASSESSMENT MATRIX		Severity			
		Catastrophic "1"	Critical "2"	Marginal "3"	Negligible "4"
P r o b a b i l i t y	Frequent "A"	High	High	Serious	Medium
	Probable "B"	High	High	Serious	Medium
	Occasional "C"	High	Serious	Medium	Low
	Remote "D"	Serious	Medium	Medium	Low
	Improbable "E"	Medium	Medium	Medium	Low
	Eliminated "F"	Eliminated			

## 5. Risks perspectives

### Control risks

The risk of control was during this two last years very high.

The financial statements closing process is described. There is used for the closing of the annual accounts 2022 It is a useful and effective tool.

Controls put in place at the FIVB limit the possibility of using funds in non authorized manner.

It's a fact that we use at the FIVB the principle of 4 eyes. Before a payment, all the appropriate signatures and reconciliations are made.

The FIVB must at all levels implement the principle of **double signature**, as required by the principle of good governance.

A major effort must be made to monitor the allocation of funds for development. We must ensure that :

- The legal basis exists (contract) ;
- Ensure that funds are properly used ;
- There is no prohibition on the payment of funds in the country (embargo) ;
- The project is in line with the aim and strategy of the FIVB ;

It's also important to describe what we expect of return about allocation of funds. The platform introduced in the FIVB for the development funds increase the transparence about allocations and oblige clarity and structured projects.



## 5. Risks perspectives

### Control risks

# SIGNATURES VALIDATED BY THE BOARD OF DIRECTORS

AUTHORISED SIGNATURES TABLE C : E-BANKING

PERSONS	SIGNATURES
PRESIDENT	INDIVIDUAL SIGNATURE
CEO + PRESIDENT OFFICE DIRECTOR	JOINT SIGNATURES
CEO + ADMINISTRATIVE DIRECTOR	JOINT SIGNATURES
FINANCE DIRECTOR + ADMINISTRATIVE DIRECTOR	JOINT SIGNATURES

AUTHORISED SIGNATURES TABLE A : INCOME CONTRACTS

LEVEL	AMOUNTS	SIGNATURES
1	CHF 0 to 100'000.-	Directors of the Departments Finance + Administrative Departments Directors
2	CHF 101'000.-to 500'000.-	Directors of the Departments Finance + Administrative Departments Directors
3	CHF 500'001.- to 1 million	CEO + General Secretary
4	Bigger than CHF 1 million	PRESIDENT

AUTHORISED SIGNATURES TABLE B : PURCHASE & SUPPLIERS CONTRACTS

LEVEL	AMOUNTS	SIGNATURES	QUOTES	SPECIAL DOC
1	CHF 0 to 5'000.-	Director of the Department	0	
2	CHF 5'001.- to 20'000.-	Director of the Department & CEO	1	Authorisation Form
		OR Finance Director + Administrative Director		Must Be completed
3	CHF 20'001.- to 50'000.-	Director of the Department & CEO	2	Authorisation Form
		OR Finance Director + Administrative Director		Must Be completed
4	CHF 50'001.- to 100'000.-	Director of the Department	2	Authorisation Form
		CEO + General Secretary		Must Be completed
5	CHF 100'001.- and ABOVE	Director of the Department	3	Authorisation Form
		CEO + General Secretary + PRESIDENT		Must Be completed

## 6. *Conclusion*



## 6. Conclusion



### Internal control

The organization has appropriate internal controls and a suitable risk management system.



### Annual financial statement

The annual financial statement and consolidated financial statements provides a true view, in accordance with Swiss law, of the financial position, results of operations and cash flows.



### Investments

All investments made by FIVB are sustainability-oriented and comply with investment regulations.



### External audit et FIVB Controller

The annual financial statement is audited by independent and certified Swiss accountant.



## 6. Conclusion

- All new contracts were approved by the President or management of the FIVB.
- Respect of the periodicity for income is explain in the note.
- Existence of the internal control system has been validated by me and Deloitte.
- During my verifications, I did not encounter anything causing me to conclude that the annual financial statements are not compliant with the law and the Articles of Association.

Lausanne, on 23 May 2023

FIVB CONTROLLER  
Olivier Zysset  
Certified Swiss Accountant  
Licensed Audit Expert



**Comprehensive Report to the Board of Administration**

Fédération Internationale de Volleyball (FIVB) – Audit of the  
financial statements for the year ended 31 December 2022



To the Board of Administration

FIVB - Fédération Internationale de  
Volleyball  
Chem. Edouard-Sandoz 2-4  
1006 Lausanne

Lausanne, June 23, 2023

To the Board of Administration,

We have completed our audit of the statutory financial statements of the International Federation of Volleyball for the year ended December 31<sup>st</sup>, 2022. The audit was performed in accordance with our engagement letter of February 6<sup>th</sup>, 2023.

Our report to the General Meeting of Shareholders issued on June 23, 2023, does not contain any modification to the opinion.

The present report is not related to the consolidated financial statements of the International Federation of Volleyball for the year ended December 31<sup>st</sup>, 2022, as management has not yet prepared and established them and we have not yet started our audit on the consolidated financial statements.

The detailed report to the Board of Administration contains our major findings regarding the accounting, the internal control system, and the execution and results of our audit (article 728b paragraph 1 Swiss Code of Obligations (CO)).

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH), which require that an audit be planned and performed to obtain reasonable assurance whether the financial statements are free from material misstatement and whether an internal control system exists.

We discussed a draft of this report with Mr. Eymann. Please feel free to contact us should you need further information on any aspects of this report.

We would like to thank Management and the staff for the support provided to us during our audit.

Yours faithfully

**Deloitte SA**



Annik Jatón Hüni  
Licensed Audit Expert  
Auditor in Charge



Eric Fillatre  
Licensed Audit Expert

# Introduction

## Contents

-  **1** **Executive summary**
-  **2** **Execution of the audit**
-  **3** **Focus areas and key judgements**
-  **4** **Results from our audit**
-  **5** **Financial reporting findings**
-  **6** **Internal control and risk management**



# 1. Executive summary

## Next steps

- Debriefing with management and planning next year audit
- Audit of the 2022 consolidated financial statements

## Unadjusted misstatements *None noted*

(CHF 000s)	As presented	Aggregate unadjusted misstatements	Adjusted Balance
Assets	219 263	-	219 263
Liabilities	66 171	-	66 171
Equity	153 092	-	153 092
Net Loss	(3 150)	-	(3 150)

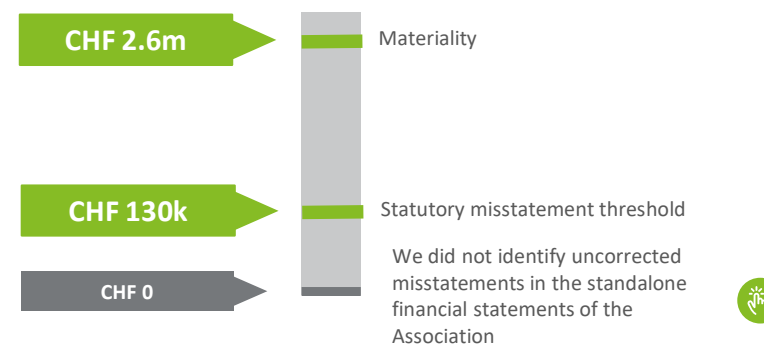
## Focus areas and key risks

### Findings

- Management override of controls
- Licence Fee from VW Volleyball World SA
- Relocation of 2022 Men's World Championship

- Completed, no issues noted.
- Completed, insights identified.
- Completed, findings identified.

## Misstatements



## Matters of interest

### Russia Litigation

A litigation is ongoing with the Russian Federation regarding the host fees paid for the reception of the 2022 Men's Volleyball World Cup (see Page 8 for further details).

### Intercompany transactions

We still note a significant number of transactions with the subsidiary, VW Volleyball World SA. Some of them are based on the different agreements signed in 2021 (mainly the Licence Agreement), others correspond to re-invoicing of costs or revenues paid or received by FIVB on behalf of the subsidiary.

### Portfolio management

Important foreign exchange exposure: on December 31<sup>st</sup>, 2022, the FIVB booked a realized net loss on portfolio activity of 3.6M CHF and an unrealized net loss on portfolio activity of 8.9M CHF

## 2. Execution of the audit

### 01

#### Auditing standards

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH), which require that an audit be planned and performed to obtain reasonable assurance whether the financial statements are free from material misstatement and whether an internal control system exists. We report to you on those matters in accordance with article 728b CO and ISA-CH 260.

### 02

#### Timing of the audit procedures

The audit of FIVB was split into an interim audit that took place in November 2022 and a final audit that was conducted in February, April and May 2023.

### 03

#### Cooperation with other auditors, internal auditors, external experts and third parties

Throughout our audit, we had regular communication and meetings with PwC, statutory auditor of VW Volleyball World SA and component auditors with respect to the consolidated accounts of FIVB and its subsidiary.

We provided them with our audit instructions and held a planning meeting in December 2022.

In April, we have performed a review of their working papers as part of the audit process on consolidated accounts.

### 04

#### Independence

We confirm that we meet the licensing and independence requirements as stipulated by Swiss law. Specifically, we are independent according to the independence guidelines of EXPERTsuisse: the Swiss Expert Association for Audit, Tax and Fiduciary.

### 3. Focus areas and key judgements

## Significant risk: Management override of controls

#### Nature of risk, key judgement areas and impact on the financial statements

**In accordance with ISA 240 and ISA-CH 240 management override is always a significant risk.** Management override of controls is the risk that management could manipulate the financial statements through invalid postings of journals or use of bias in financial estimates.

Internal controls are safeguards put in place in part to protect financial resources from fraud and abuse by employees. Executive management is responsible for ensuring the internal controls are known and implemented by employees.

Management override of internal controls is the intervention by managers in handling financial information and making decisions outside of standard internal control policy.

Management override of internal controls may result in or be associated with a major violation of an accounting policy.

#### Audit work completed

During our interim and final audit, we have updated our understanding of FIVB's policies in this regard and how they are applied as well as performed the following audit tests, keeping in mind the risk of management override:

- understanding and evaluating the financial reporting process
- evaluation of design and determination of implementation of controls over journal entries;
- review and testing of a sample of journal entries;
- audit of key judgements and estimates made by management;
- consideration of any material proposed changes in presentation or accounting policies; and
- fraud discussions with management and members of the finance team.

#### Audit result and Deloitte view



- We have not identified any significant bias in the key judgments made by management.
- The control environment and level of oversight of the departments is appropriate for the size and complexity of the entity.
- No unusual or outside of the normal course of business transactions were detected as per our Journal entry testing.



### 3. Focus areas and key judgements

#### Licence fee from VW Volleyball World SA

##### FY22 significant events and impacts on financial statements

- A Licence Agreement was signed between FIVB and its subsidiary VW in 2021, effective January 1, 2021 and most contracts of sports rights and competitions were transferred to VW.
- According to the Licence Agreement, VW must pay to FIVB a fixed yearly consideration and a variable licence fee with the objective to allow a fair sharing of profit before tax and before variable licence fee between the two shareholders, i.e. approximately 2/3 for FIVB as variable licence fee and 1/3 remaining for Vivaldi Holdings SARL (from CVC Group) as a Privileged dividend for its privileged A-shares, as per the Shareholders Agreement signed in 2021.
- In 2021, VW had a loss since it was its first year and there were very few competitions: no variable licence fee was due. VW had a negative equity and FIVB had decided to depreciate its loan to VW. In 2022, due to many competitions played, including World Championships for both men and women, VW was profitable.
- As a consequence and in accordance with the Licence Agreement, a Licence fee of 40.5M USD (i.e. 37.5M CHF at closing exchange rate) is due to FIVB and booked in accrued income as of December 31<sup>st</sup>, 2022. In addition, FIVB released the subordination agreement that was granted last year to VW and reversed the 2M CHF depreciation on the loan.

##### Audit work completed

- We obtained and reviewed the Licence Agreement and Shareholders Agreement.
- We obtained the FY22 audit report of VW's statutory auditor.
- We reviewed the working papers of VW's statutory auditor and their audit of the application by VW of the licence agreement and ensured ourselves that the calculation was compliant with the Licence Agreement Clause 9.2.
- We reconciled the amount of licence fee booked in USD in VW financial statements with the amount booked as accrued income in FIVB statutory financial statements, including the exchange rate impact at closing rate.

##### Audit result and Deloitte view



- We have not identified any non-compliance with the requirements of the Licence Agreement.
- We have not identified any misstatement in the calculation of the Licence Fee.
- We have ensured and verified that the depreciation on the Loan from FIVB to VW has been properly reversed as of December 31<sup>st</sup>, 2022.



### 3. Focus areas and key judgements

## Relocation of 2022 Men's World Championship

#### FY22 significant events and impacts on financial statements

- Men's Volleyball World Championship was planned to take place in Russia in 2022. The corresponding rights had been transferred to VW in 2021. As a consequence of the conflict between Russia and Ukraine which erupted in the end of February 2022, the Championship had to be relocated to another country. The new host countries were selected in April 2022 and were Poland and Slovenia.
- After the relocation of the World Championships from Russia, the Organization Committee ("OC") and the Volleyball Federation of Russia are seeking reimbursement of the full hosting fee plus expenses incurred plus damages and filed corresponding enforcement proceedings. FIVB formally rejected the entire claim and opposed the enforcement proceedings.
- FIVB succeeded against the OC's efforts to partially lift FIVB's opposition in an amount of 20 million corresponding to 50 % of the gross amount paid by the OC. The FIVB is of the position that it is entitled to retain the full consideration as the cancellation was due to reasons attributable to the OC.
- On 28 April 2023, the Volleyball Federation of Russia introduced a Request for arbitration to the Court of arbitration for Sport (CAS) seeking reimbursement of the full hosting fee plus expenses incurred plus damages.
- Management determined that 50 % of the amount received, could be recognized in the income statement of its subsidiary, VW, (the rights were transferred to VW in 2021 as part of the Licence Agreement).
- There is no direct impact on FIVB statutory financial statements, but through the variable licence fee mechanism, it has an indirect impact on the licence fee amount booked in accrued income.
- As a reminder, there is a 32M USD debt due by FIVB to VW (both as of December 31<sup>st</sup>, 2021 and December 31<sup>st</sup>, 2022) related to the transfer of those rights.

#### Audit work completed

- We obtained and reviewed external confirmations' answers from lawyers involved in the ongoing dispute between FIVB and the OC.
- We held different meetings with Management (including Chief Executive Officer and Chief Legal Officer).
- We obtained the FY22 audit report of VW's statutory auditor.
- We reviewed the working papers of VW's statutory auditor and held a few meetings with them.
- We obtained from Chief Legal Officer legal documents and letters related to this dispute between FIVB and the OC.

#### Audit result and Deloitte view



- We have not identified any misstatement arising from our audit procedures.



## 4. Results from our audit

Results from the audit of the Financial Statements for the year ended 31 December 2022



### Audit opinion

In our opinion, the Statutory financial statements for the year ended 31 December 2022 comply with Swiss Law and the Association's articles of incorporation.



### Compliance with Swiss Law

We did not note any non-compliance with applicable regulations and Swiss law based on our audit procedures. However, an audit does not include a systematic search for fraud or violation of legal or other regulations (including, but not limited to, direct taxes, VAT, social security, environmental laws, etc.) except as relevant to the statutory financial statements taken as a whole.



### Extraordinary and material transactions with related parties

The following are considered as related parties of the association: the confederations and national federations members of the FIVB, and the members of the Board of Administration, and the subsidiary.

Based on our understanding of the organization and our observations through our audit procedures, we identified the extraordinary and material transactions related to the subsidiary (VW). No other unusual or complex related party transactions were identified.



### Fraud and suspicion of fraud

In the course of our audit procedures, we have not identified any instances or increased suspicion of fraud.



## 4. Results from our audit

### Results from the audit of the Financial Statements for the year ended 31 December 2022



#### Summary of uncorrected misstatements

During the execution of our audit we have noted the following uncorrected misstatements: **None identified**

	Assets	Liabilities	Retained Earnings b/f	Other Equity A/Cs	Income Statement
	Dr (Cr)	Dr (Cr)	Dr (Cr)	Dr (Cr)	Dr (Cr)
Unadjusted differences from factual misstatements					
<b>Explanation:</b>					
Unadjusted differences from judgemental misstatements					
<b>Explanation:</b>					
<b>Total unadjusted differences [20YY]</b>					
<b>Explanation:</b>					
<b>Prior year effect of unadjusted differences</b>					
<b>Explanation:</b>					
<b>Total overall unadjusted differences</b>					
<b>Explanation:</b>					

## 4. Results from our audit

### Results from the audit of the Financial Statements for the year ended 31 December 2022



#### Summary of corrected misstatements

During the execution of our audit we have noted the following corrected misstatements: *None identified*

	Assets	Liabilities	Retained Earnings b/f	Other Equity A/Cs	Income Statement
	Dr (Cr)	Dr (Cr)	Dr (Cr)	Dr (Cr)	Dr (Cr)
Uncorrected differences from factual misstatements					
<b>Explanation:</b>					
Corrected differences from judgemental misstatements					
<b>Explanation:</b>					
<b>Total overall corrected differences</b>					
<b>Explanation:</b>					

We had some comments on the financial statements' disclosures, and all of them were taken into account.

## 4. Results from our audit

Results from the audit of the Financial Statements for the year ended 31 December 2022



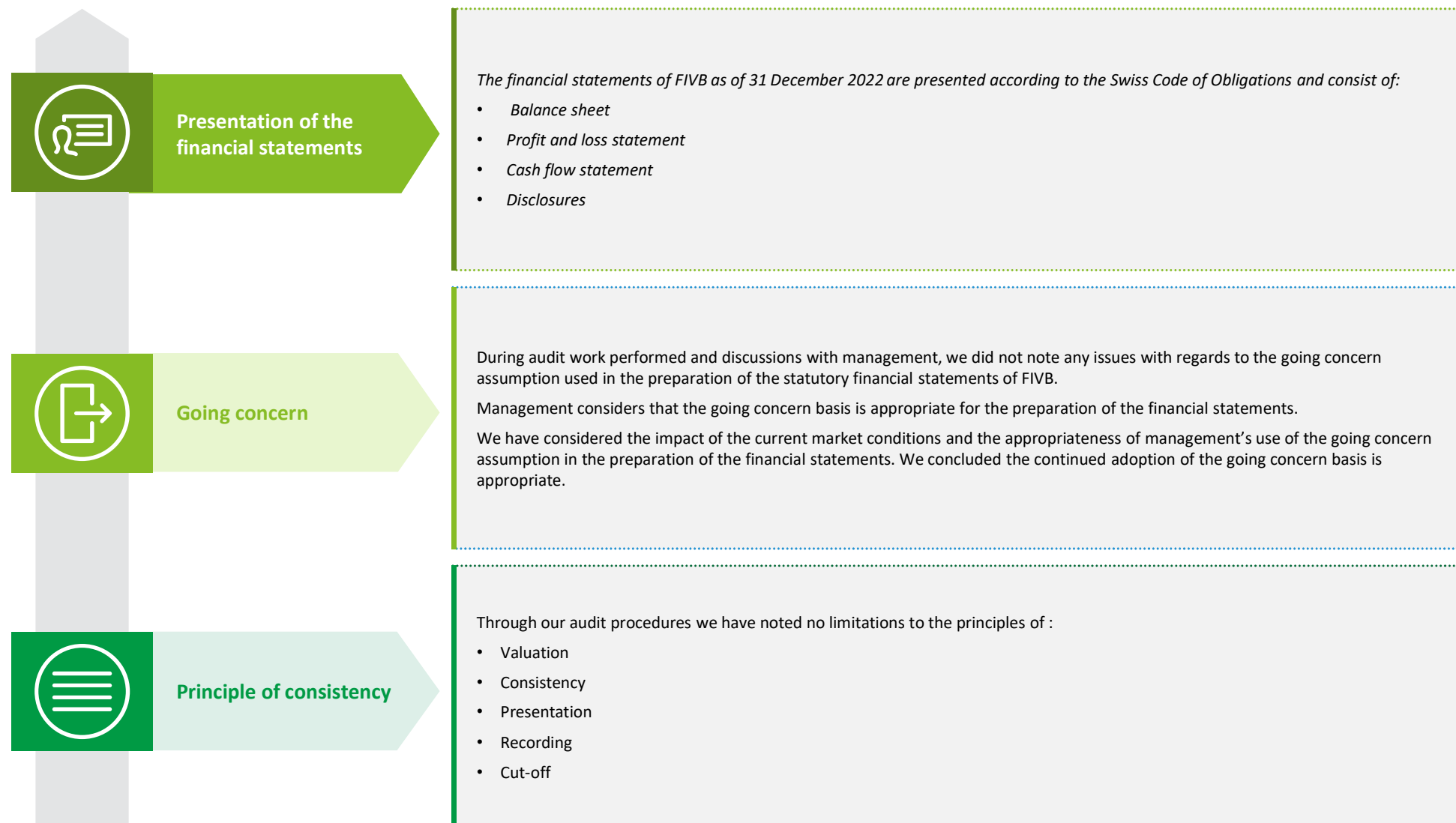
### INTRODUCTION

As part of our ordinary audit, in accordance with Art. 116 FMIA (in conjunction with Art. 113f. FMIO) we have examined whether FIVB complied with the provisions of the FMIA on derivatives trading in the financial year 31 December 2022.

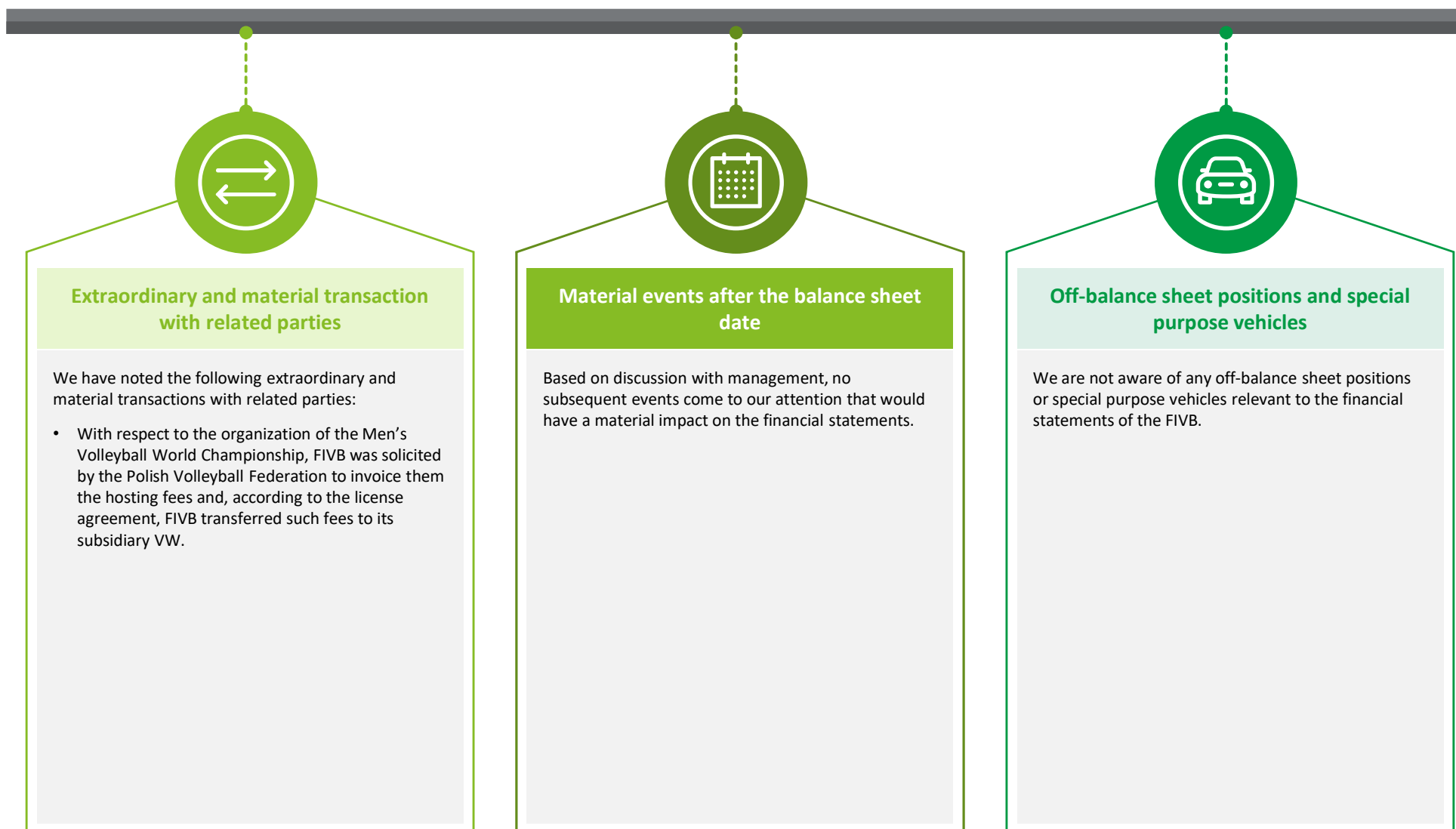
### CONCLUSION

Based on our audit activities, we conclude that FIVB has taken appropriate measures to satisfy the requirements specified in Art. 113 (1) (a–e) FMIO with regard to derivatives trading.

## 5. Financial reporting findings



## 5. Financial reporting findings



## 6. Internal control and risk management

### ◆ Objectives

The Swiss Code of Obligations (CO) requires that the Board of Administration report to the standalone financial statements include information regarding the Association's risk assessment. The ultimate responsibility for the risk assessment is with Board of Administration of the association. In addition, Board of Administration is ultimately responsible for setting up, documenting and implementing a system over internal control over financial reporting (ICFR) that considers the size, complexity and risks of FIVB.

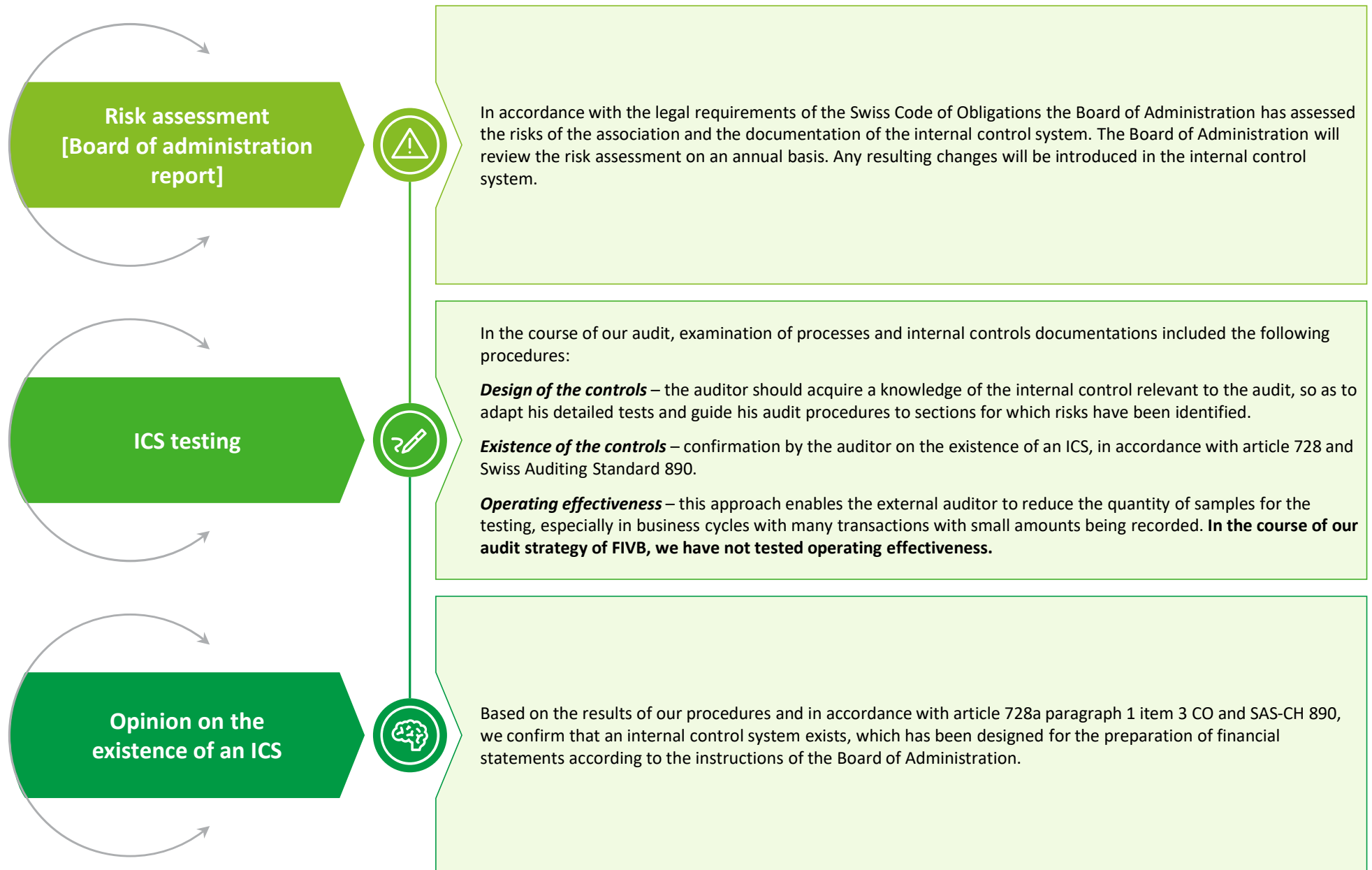
An association's internal control over financial reporting is a process designed by, or under the supervision of, the association's principal executive and principal financial officers, or persons performing similar functions, and effected by the association's Board of Administration, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Swiss Code of Obligations. An association's internal control over financial reporting includes those policies and procedures that

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the association;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with Swiss Code of Obligations, and that receipts and expenditures of the association are being made only in accordance with authorisations of management and officers of the association; and
- provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the association's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



## 6. Internal control and risk management



## 6. Findings on the internal control system

### Design, Documentation & Implementation of the ICS



We have the following comments and recommendations with regard to the design of the ICS:

Note	Issue	Risk	Recommendation	Management comment
1.	Internal Accounting policy		In 2018, we recommended that a revenue recognition policy be strengthened and more complete in order to allow consistency in applying established criteria and recognizing the different revenues at the FIVB. Following a change in the policy for provision for doubtful debtors in 2020, we also recommend to detail the provision policy for doubtful debtors and confirm with an analysis that the new policy covers the risk of recoverability for past amounts due.	FIVB will further develop and detail the revenue recognition policy and determine a policy for provision on doubtful debtors.
2.	Entity level controls		Documentation of internal procedures exists, nevertheless the description of control procedures should be updated.	FIVB will update its internal control procedures.
3.	Cash and equivalents		Right of initiation to payments: we recommend to follow the best practice where joint signature should be applied to all levels within the organization. For the validation of FIVB payments, there should be only an authorization with joint signature for bank accounts and in the organization.	FIVB has in place double signatures requirements for e-banking payments. FIVB has made the necessary formalities to the Trade Register to modify the articles of association ("Statuts") in this regard, but the Trade Register has not yet officially enacted them.

The following risk assessment has been used:



**High** – A significant control deficiency exists if a significant risk of material misstatements is not addressed by controls. A deficiency or a combination of deficiencies in internal control is significant if that failure to correct it could result in a misstatement of the financials statements that would be more than inconsequential.



**Medium** – A control deficiency exists if a control is designed and implemented in such a way that it is unable to prevent, or detect and correct, misstatements, in the financial statements on a timely basis, or a control necessary to prevent, or detect and correct, misstatements in the financial statements on a timely basis is missing.



**Low** – Neither a significant deficiency nor a deficiency exists. However, there are areas for improvement.





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**Fédération Internationale de Volleyball (FIVB)**

Management letter for the year ended December 31, 2022

To the Management of  
**Fédération Internationale de Volleyball (FIVB)**, Lausanne

Lausanne, June 23, 2023

We have tested the design and implementation of key controls for the main business cycles. In our audit opinion and as indicated in our comprehensive report, we confirm that an internal control system exists which has been designed for the preparation of financial statements according to the instructions of the Board of Administration.

In accordance with our normal practice, we would like to draw your attention to certain matters, which we identified during the performance of our audit of the statutory financial statements of the Fédération Internationale de Volleyball (FIVB) ("the Association") for the year ended December 31, 2022. This management letter has the purpose to indicate potential areas of improvements.

A summary of our comments will be included in our Comprehensive Report to the Board of Administration and has been elaborated below.

During our interim audit, we have been informed of the financial procedures implemented by the Fédération Internationale de Volleyball (FIVB) and therefore we conducted a verification of the internal control system (ICS). Following these controls, we have addressed our observations and recommendations to management. In the following document, we sum up our observations.

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Recommendations have been discussed and agreed with the Finance director. Comments and responses from management have been incorporated.

The collaboration and communication with the FIVB finance team was constructive and transparent which allowed for an effective audit to take place. We would like to thank Management and the staff of the Fédération Internationale de Volleyball for the support provided to us during our audit.

Yours faithfully,

**Deloitte SA**



Annik Jaton Hüni  
Partner



Eric Fillatre  
Senior Manager

# Summary

Process	Recommendations	Status	Priority	Page
Internal Accounting Policy	In 2018, we recommended that a revenue recognition policy be strengthened and more complete in order to allow consistency in applying established criteria and recognizing the different revenues at the FIVB. Following a change in the policy for provision for doubtful debtors in 2020, we also recommend to detail the provision policy for doubtful debtors and confirm with an analysis that the new policy covers the risk of recoverability for past amounts due.	<b>Open from 2021</b>	Low	4
Entity level controls	Documentation of internal procedures exists, nevertheless the description of control procedures should be updated.	<b>Open from 2021</b>	Medium	5
Cash and equivalents	Right of initiation to payments: we recommend to follow the best practice where joint signature should be applied to all level within the organization. For the validation of FIVB payments, there should be only an authorization with joint signature for bank accounts and in the organization.	<b>Open from 2021</b>	Medium	6

# Management letter - Open

## Internal accounting policy – Revenue and Provision for doubtful debtor

Observation	Recommendation
<p>Revenue - The Association is entering into contracts related to its different activities and various events. Those contracts generate revenue for the FIVB and represent different revenue streams. The terms as well as the period vary among the different contracts and can be complex or specific. From 2021, most of them have been transferred to the new subsidiary, VW Volleyball World SA. However, IOC funds have not been transferred, and there are still miscellaneous other revenues in the accounts of FIVB.</p> <p>Provision for doubtful debtors – the policy applied in 2022 performs a risk analysis on open balances and provisions those at risk at 100% and others based on ageing at 10% or 5%. However, there is no formal accounting policy document.</p>	<p>Revenue - We recommend that a revenue recognition policy be strengthened and clarified in order to allow consistency in applying established criteria and recognizing the different revenues at the FIVB.</p> <p>Provision for doubtful debtors - we recommend to detail the provision policy for doubtful debtors distinguishing 3<sup>rd</sup> parties versus members of the association and to consider the level of provision needed based on ageing of the amount past due and the known risk with the counterparties. This should be supported by an analysis confirming the new policy covers the risk of recoverability for past amounts due based on historic information and the latest available information. The policy should be put in writing and approved by management and shall be used consistently every year.</p>

### Management response

FIVB will further develop and detail the revenue recognition policy and determine a policy for provision on doubtful debtors.

# Management letter - Open

## Entity level controls - Documentation of internal procedures

Observation	Recommendation
<p>Update of description of control procedures : we have noted that certain key internal controls being performed by the management and the finance team are not specifically indicated and documented in written internal procedures.</p>	<p>We recommend to introduce for key controls, a description of controls procedures in your internal documentation. A description which precisely indicates by whom and how the control is implemented and its frequency. The description should also include how the supervisor will document that he has performed the planned control.</p>
Management response	
<p>FIVB will update its internal control procedures.</p>	

# Management letter - Open

## Cash and equivalents

Observation	Recommendation
<p><u>Right of initiation to payments</u>: during our audit, we noted that there is the right to authorize payment with a single signature by the president.</p>	<p><u>Right of initiation to payments</u>: We recommend to follow the best practice where joint signature should be applied to all levels within the organization. For example, in regards to the validation of FIVB payments, we recommend that there is only an authorization with joint signature for bank accounts and in the organization.</p>

### Management response

FIVB has in place double signatures requirements for e-banking payments. FIVB has made the necessary formalities to the Trade Register to modify the articles of association (“Statuts”) in this regard, but the Trade Register has not yet officially enacted them.





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***International Volleyball  
Federation (FIVB),  
Lausanne***

*Financial Statements for the year ended  
December 31, 2022 and Report of  
the Statutory Auditor*

## **Report of the statutory auditor**

To the World Congress of  
International Volleyball Federation (FIVB), Lausanne

## **Report on the Audit of the Financial Statements**

### *Opinion*

We have audited the financial statements of the International Volleyball Federation (the Association), which comprise the balance sheet as at December 31, 2022, the profit and loss statement, cash flow statement and notes for the year then ended.

In our opinion, the accompanying financial statements comply with Swiss law and the Association's articles of incorporation.

### *Basis for Opinion*

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Association in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Other Information*

The Board of the Association is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

*Board of the Association's Responsibilities for the Financial Statements*

The Board of the Association is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Association's articles of incorporation, and for such internal controls as the Board of Association determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of the Association is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of the Association either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

*Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A more detailed description of our responsibilities for the audit of the financial statements can be found on the EXPERTsuisse website: <https://www.expertsuisse.ch/en/audit-report-for-ordinary-audits>. This description forms an integral part of our report.

**Report on Other Legal and Regulatory Requirements**

In accordance with Art. 728a para. 1 item 3 CO and SAS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of the Association.

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

**Deloitte SA**

Annik Jatón Hüni  
Licensed Audit Expert  
Auditor in Charge



Eric Fillatre  
Licensed Audit Expert

Lausanne, June 23, 2023  
AJH/EFI/rex

Enclosure

- Financial statements (balance sheet, profit and loss statement, cash flow statement and notes)



# BUSINESS REPORT 2022

## BALANCE SHEET

AS OF DECEMBER 31ST

**2022**

(in CHF)

**2021**

(in CHF)

### ASSETS

#### CURRENT ASSETS

<b>Cash and equivalents</b>	12.A	<b>30'254'843</b>	<b>26'626'657</b>
Liquidity		12'798'749	2'090'438
Portfolio cash		8'999'510	15'142'356
Short Term investment		8'456'584	9'393'864
<b>Trade receivables</b>	12.B	<b>3'800'012</b>	<b>6'663'944</b>
Trade receivables - third parties		1'297'723	5'720'269
Trade receivables - related parties		439'453	1'205'474
Receivables Group companies		3'524'628	1'095'554
Provision for doubtful debtors		(1'461'791)	(1'357'352)
<b>Other current receivables</b>		<b>2'289'067</b>	<b>1'942'239</b>
Other Debtors		78'389	344'909
Withholding tax		63'804	78'761
VAT		2'146'874	1'518'570
<b>Accrued income and prepaid expenses</b>	12.C	<b>38'273'415</b>	<b>4'844'555</b>
Accrued income		38'082'691	1'329'789
Prepaid expenses		190'724	3'514'766

#### TOTAL CURRENT ASSETS

**74'617'337**

**40'077'396**

#### NON-CURRENT ASSETS

<b>Financial assets</b>		<b>131'374'275</b>	<b>156'856'166</b>
Securities	12.D	121'405'734	149'029'199
Long Term Group Loan	8	9'298'541	9'156'967
Postposition of receivables	8	0	(2'000'000)
Participation VW	8	670'000	670'000
<b>Tangible fixed assets</b>	12.E	<b>13'270'959</b>	<b>14'497'406</b>
Operating fixed assets		100'947	154'315
Property		13'170'012	14'343'091
<b>Intangible assets</b>		<b>0</b>	<b>178'192</b>
IT Licence		0	178'192

#### TOTAL NON-CURRENT ASSETS

**144'645'234**

**171'531'764**

#### TOTAL ASSETS

**219'262'571**

**211'609'161**



# BUSINESS REPORT 2022

## BALANCE SHEET

AS OF DECEMBER 31ST

**2022**  
(in CHF)

**2021**  
(in CHF)

### LIABILITIES

#### CURRENT LIABILITIES

<b>Trade creditors</b>	12.F	<b>54'223'177</b>	<b>39'852'014</b>
Trade creditors - third parties		3'050'558	2'241'971
Trade creditors - related parties		6'482'299	2'701'913
Payable Group Companies		44'690'320	34'908'131
<b>Other creditors</b>	12.G	<b>465'919</b>	<b>2'403'550</b>
Other creditors		465'919	2'403'550
<b>Deferred income and accrued expenses</b>	12.H	<b>9'490'880</b>	<b>12'108'821</b>
Deferred income		9'490'880	9'885'880
Accrued expenses		0	2'222'941

#### TOTAL CURRENT LIABILITIES

**64'179'977**

**54'364'385**

Provision for litigations

12.I

1'252'750

350'000

Provision general

12.I

737'995

653'272

#### TOTAL NON-CURRENT LIABILITIES

**1'990'745**

**1'003'272**

#### EQUITY

12.J

Capital at the beginning of the period

156'241'504

85'491'535

Final result for the period

(3'149'654)

70'749'969

#### TOTAL EQUITY

**153'091'850**

**156'241'504**

#### TOTAL LIABILITIES AND EQUITY

**219'262'571**

**211'609'161**



# BUSINESS REPORT 2022

## PROFIT AND LOSS STATEMENT

FOR THE PERIOD JANUARY 1ST TO DECEMBER 31ST

	notes	2022 (in CHF)	2021 (in CHF)
<b>REVENUES</b>		<b>50'209'125</b>	<b>25'817'031</b>
<i>Net proceeds from sales</i>		<b>41'022'562</b>	<b>10'870'133</b>
Yearly subscriptions, broadcast and various rights	11.1	37'958'513	7'979'147
Transfer fees	11.1	3'064'049	2'890'986
<i>IOC funds</i>		<b>5'531'760</b>	<b>11'417'160</b>
IOC funds	11.2	5'531'760	11'417'160
<i>Other income</i>		<b>3'654'803</b>	<b>3'529'738</b>
Other income	11.3	3'654'803	3'529'738
<b>EXPENDITURE</b>		<b>(24'743'600)</b>	<b>(25'744'391)</b>
International competitions	11.4	(15'932'892)	(14'586'749)
Olympic Games	11.5	0	(1'254'744)
FIVB Programs	11.6	(1'466'922)	(825'930)
Development	11.7	(4'910'599)	(6'553'173)
Transfer refunds	11.8	(2'433'187)	(2'523'795)
<b>OPERATING RESULT</b>		<b>25'465'525</b>	<b>72'640</b>
Salaries and social charges	11.9	(6'292'716)	(6'662'668)
Administrative costs	11.10	(6'539'856)	(5'429'171)
Other operating costs	11.11	(1'012'955)	(1'939'796)
Depreciation and amortization	11.12	(1'496'442)	(1'910'335)
<b>OPERATIONAL RESULT</b>		<b>10'123'557</b>	<b>(15'869'331)</b>
Financial result, net	11.13	(9'680'047)	93'911'783
Extraordinary Income	11.14	36'554'512	21'298'933
Extraordinary Costs	11.14	(40'147'675)	(28'591'417)
<b>FINAL RESULT OF THE PERIOD</b>		<b>(3'149'654)</b>	<b>70'749'969</b>





# BUSINESS REPORT 2022

## CASH FLOW STATEMENT

AS OF DECEMBER 31ST

	<b>2022</b> (in CHF)	<b>2021</b> (in CHF)
<b>NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES</b>		
<i>Operating Cash flow</i>	<b>7'908'716</b>	<b>(11'011'745)</b>
Net Result	(3'149'654)	70'749'969
Depreciation/ Provisions	588'352	2'732'714
Exchange rate impact on operating activities	1'571'824	2'503'484
Capital Gain on Sales of Shares in Participation	0	(91'347'409)
Unrealized gains/losses of financial assets recorded in financial result	8'898'193	4'349'498
<i>Working capital variation</i>	<b>(21'200'603)</b>	<b>6'370'131</b>
Trade receivables	2'759'493	(4'700'961)
Other current receivables	(346'828)	(1'319'611)
Accrued income and prepaid expenses	(33'428'860)	1'894'954
Trade creditors	14'371'163	32'998'756
Other creditors	(1'937'631)	(2'327'793)
Deferred income and accrued expenses	(2'617'941)	9'640'075
Liabilities to the Subsidiary	0	(29'815'289)
<b>NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES</b>	<b>(13'291'886)</b>	<b>(4'641'614)</b>
<b>NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES</b>		
<i>Financial activities</i>	<b>18'583'698</b>	<b>21'735'899</b>
Securities (Global Custody)	18'725'273	(60'784'543)
(Investments)/Sales of shares in investments	0	91'677'409
Long Term Group Loan	(141'574)	(9'156'967)
<i>Tangible fixed assets</i>	<b>(91'802)</b>	<b>(20'231)</b>
Operating fixed assets	(63'483)	0
Property	(28'319)	(20'231)
<b>NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES</b>	<b>18'491'896</b>	<b>21'715'668</b>
<b>CASH AND CASH EQUIVALENTS AS AT 1 JANUARY</b>		
	<b>26'626'657</b>	<b>12'056'088</b>
Effect of exchange rate fluctuations	(1'571'824)	(2'503'484)
Net decrease/increase in cash and equivalents	5'200'010	17'074'053
<b>CASH AND CASH EQUIVALENTS AS AT 31 DECEMBER</b>	<b>30'254'843</b>	<b>26'626'658</b>



# BUSINESS REPORT 2022

## Notes to the financial statements 31.12.2022

### 1) General information on the federation

#### Goal of the federation

The FIVB supports the development and the growth of the volleyball worldwide in all its forms and promotes the creation of national federations; the FIVB ensures to promote, coordinate, spread, regulate, lead and govern volleyball around the world.

#### Head office

The FIVB has its headquarters located in Lausanne, Switzerland.

#### Legal form

The FIVB is an association governed by the articles 60 and following of the Swiss Civil Code.

#### Public interest

Through its role of helping and promoting the volleyball worldwide, the FIVB is recognized as public interest by the Swiss authorities and is a non-governmental entity.

#### Connection to the International Olympic Committee (IOC)

For several years the FIVB is recognized by the IOC as the sport federation for Volleyball and Beach Volleyball.

#### Confederation and national federation connection

As of the 31st December 2022, 222 (2021: 222) national federations are connected to the FIVB. The national federations are distributed among the following confederations:

AVC (Asia)

CAVB (Africa)

CEV (Europe)

CSV (South America)

NORCECA (Central and North America)



# BUSINESS REPORT 2022

## 2) Financial organization of the federation

### *The President*

Dr. Ary Da Silva Graça Filho

### *The Treasurer*

Sr. Roberto Wilfrido Escobar Gonzalez

### *The Finance Director*

Mr. Yves Eymann

The Finance team is made up of 3 staff members

## **Executive Committee / Comité Exécutif**

Dr. Ary DA SILVA GRAÇA FILHO	FIVB President	(BRA)
Mr. Jizhong WEI	Hon. Life President and Advisor to the Board	(CHN)
Mr. Cristóbal MARTE HOFFIZ	1st Executive Vice President	(DOM)
Mr. Aleksandar BORICIC	2nd Executive Vice President	(SRB)
Mr. Roberto ESCOBAR GONZALEZ	Treasurer & Executive Vice-President	(PAR)
Mrs. Rita SUBOWO	Executive Vice-President	(INA)
Mrs. Bouchra HAJIJ	Executive Vice-President	(MAR)
Mr. Marco Tullio TEIXEIRA	Executive Vice-President	(BRA)
Mrs. Alejandrina Mireya LUIS HERNANDEZ	Executive Vice-President	(CUB)
Mrs. Margaret Ann FLEMMING	Executive Vice-President	(SCO)
Mr. Habu Ahmed GUMEL	Executive Vice-President	(NGR)



## BUSINESS REPORT 2022

Mr. Renato ARENA	Executive Vice-President	(ITA)
Mr. Hugh GRAHAM	Executive Vice-President	(COK)
Mr. Mushtaque MOHAMMED	Executive Vice-President	(TTO)

### The Finance Commission

Title	First Name	Name	Country	Continental Federation	Function
Mr.	Essa Hamza	A. AL FAILAKAWI	Kuwait	AVC	President
Mr.	Habu Ahmed	GUMEL	Nigeria	CAVB	Secretary
Mr.	Majoré Louis	TIMBA	Cameroon	CAVB	Member
Mr.	Mohammed	DAVARZANI	Iran	AVC	Member
Mr.	Özkan	MUTLUGIL	Turkey	CEV	Member
Mrs.	Valentina	BIFFLIN	Croatia	CEV	Member
Mrs.	Margarette	GRAHAM	Haiti	NORCECA	Member
Mr.	Terry	SASSER	Marshall Islands	AVC	Member
Ms.	Margaret	ANN FLEMING	Scotland	CEV	Member
Mr.	Jehad	KHALFAN	Bahrain	AVC	Member
Mr.	Julio	PEREZ ALFARO	Uruguay	CSV	Member

### Board of Administration / Conseil d'Administration

Mr. Kenji SHIMAOKA	Board of Administration Member	(JPN)
Mr. Cai YI	Board of Administration Member	(CHN)
Mr. Glenn QUINLAN	Board of Administration Member	(SKN)
Mr. Sanga Issouf KONE	Board of Administration Member	(CIV)
Mr. Daniel MOLAODI	Board of Administration Member	(BOT)
Mr. Michael EVERAERT	Board of Administration Member	(NED)
Mr. Lubor HALANDA	Board of Administration Member	(SVK)
Mr. Zdeslav BARAC	Board of Administration Member	(CRO)
Mr. Juan Antonio GUTIERREZ	Board of Administration Member	(ARG)



# BUSINESS REPORT 2022

Mr. Mark ECKERT	Board of Administration Member	(CAN)
Mr. Mohammad Reza DAVARZANI	Board of Administration Member	(IRI)
Mr. Geert DE DOBBELEER	Board of Administration Member	(BEL)
Mr. Felix Ambrosio SABIO GONZALEZ	Board of Administration Member	(HON)
Mrs. Annie PEYTAVIN	Board of Administration Member	(FRA)
Mr. Mirosław PRZEDPELSKI	Board of Administration Member	(POL)
Mr. Stanislav SHEVCHENKO	Board of Administration Member	(RUS)
Mr. Kiattipong RADCHATAGRIENKAI	Board of Administration Member	(THA)
Mr. Julio PEREZ ALFARO	Board of Administration Member	(URU)
Mr. Yuji SAEKI	Board of Administration Member	(JPN)
Mr. Craig CARRACHER	Board of Administration Member	(AUS)
Mr. Fabio AZEVEDO	Board of Administration Member	(BRA)
Mrs. Cecilia TAIT VILLACORTA	Board of Administration Member	(PER)
Mrs. Madelein MEPPPELINK	Board of Administration Member	(NED)

## *The Controller*

Mr. Olivier Zysset

## *The Internal Auditors*

*Mr. Majoré Louis Timba*

*Mr. Terry Sasser*

*Mr. Julio Perez Alfaro*



# BUSINESS REPORT 2022

*The External Auditors*

Deloitte SA

## 3) Financial statements

The financial statements of the FIVB consist of the following elements:

- The balance sheet
- The profit and loss statement
- The cash-flow statement
- The notes to the financial statements

## 4) Basis of preparation of the financial statements

The financial statements are presented in accordance with the Swiss Code of Obligations. Title 32 of the Swiss Code of Obligations deals with the commercial accounting and financial reporting.

The accounting of the FIVB respects the principle of regularity. This principle contains in particular:

- a) The complete, truthful and systematic recording of transactions and circumstances
- b) Documentary proof for individual accounting procedures
- c) Clarity
- d) Fitness for purpose given the form and size of the undertaking
- e) Verifiability.

The accounts of the FIVB reflect the economic situation of the association in such a manner that third parties can make a reliable assessment.

Expenditure and income are entered separately depending on the date and nature of the transaction.

The following principles in particular apply to the financial statements:

- a) Clarity and intelligibility ;
- b) Completeness ;
- c) Reliability ;
- d) Relative importance ;
- e) Consistency of presentation and evaluation ;
- f) Prohibition of offsetting assets and liabilities, as well as expenses and income.

The sum entered for the individual items on the balance sheet is proven by an inventory or by some other method.



# BUSINESS REPORT 2022

## 5) Currencies

The accounting of the FIVB is kept in Swiss Francs (CHF). Income and expenses are translated into Swiss Francs at the monthly average rate.

The exchange rates used in the balance sheet at the annual closing are the following:

Currency	31.12.2022	31.12.2021
EUR	0.9874	1.0361
GBP	1.1129	1.2340
JPY = for 100 yen	0.7012	0.7912
USD	0.9252	0.9111

The exchange differences are recorded in the income statement.

## 6) Related parties

The confederations and national federations as members of the FIVB are considered as related parties. The members of the Board of Administration are also part of the related parties. The assets and liabilities of the related parties are presented separately in the financial statements.

## 7) Receivables & Payables

As of December 31, 2021, certain amounts were negative (creditors) in the item Receivables Third Parties for an amount of 457K CHF, in the Receivables Related Parties: 150K CHF.

In the Payables, Other Creditors, certain amounts were positive (debtors), for a total amount of 213K CHF, as of December 31,2021.

As of December 31,2022, certain amounts are positive (debtors) for an amount of 496K CHF.





# BUSINESS REPORT 2022

## 8) Legal information

- Number of full time equivalent employees (as of 31.12)

2021 : 34

2022 : 34

- FIVB held 67% of the shares as well as 67% of voting rights of its subsidiary, VW Volleyball World SA, 1006 Lausanne.

- In 2021, the FIVB sold 33% of VW Volleyball World SA shares for a total of USD 100m which represents CHF 91.7m.

A loan of USD 10.05m was granted to the same subsidiary.

In addition, a License agreement was signed with this subsidiary, and,

a majority of the rights linked to the competitions were licensed to

VW Volleyball World SA, except for the under-age and Olympic Games.

- Contingent liabilities

### Contractual engagements related to the development.

Year	31.12.2022 (in KCHF)	31.12.2021 (in KCHF)
2021		2'293
2022	4'026	
<b>Totals</b>	<b>4'026</b>	<b>2'293</b>

- We have USD -138'700- 1Y Short Warrant GS (10X JBP) 22/23 as of 31.12.2022 at Pictet's bank.

- We have some rental guarantees at the BCV for a total amount of CHF 44K .

### Guarantee

An amount of USD 15'000'000.- in the portfolio (financial assets) was given in guarantee for a credit limit of USD 15'000'000.- in favor of VW Volleyball World SA at Banque Cantonale Vaudoise.



# BUSINESS REPORT 2022

## Forward exchange contracts as of

31st December 2022.

Currency	Amount	Underlying	Rate	Maturity
EUR	2'220'968	USD	1.06725	23.03.2023

31st December 2021.

Currency	Amount	Underlying	Rate	Maturity
USD	2'473'466.-	EUR	1.1309	07.04.2022

## Amounts due to the pension funds

2021 : CHF 0.-

2022 : CHF 53'362.20

- Fees associated with the revision of the annual accounts

2021 : CHF 60'000.-

2022 : CHF 120'000.- (The fees for the consolidated Financial Statements are included

In this item)



# BUSINESS REPORT 2022

## Additional information

### Legal dispute

*In the normal course of business, FIVB is involved in various pending legal proceedings for and against the Association. These claims may include disputes with suppliers or customers or others. Provision for litigation, disputes and miscellaneous risks are recognized based on an assessment of the probability of loss of economic benefit and a reliable estimate of the amount of the loss. When the timing and amount of any financial obligations or other consequences are not possible to predict and estimate at the end of the reporting period, no present obligation exists and consequently no liabilities are recognised in relation to these matters.*

### Nf-Russia World Championships 2022 :

*Due to the creation of the VW Volleyball World SA, the income and the costs from the 2022 World Championships were licensed to VW Volleyball World SA.*

*In addition, due to the circumstances caused by the situation between Russia and Ukraine, the World Championships 2022 was relocated.*

## **9) Internal system of control**

The internal system of control (ISC) of the FIVB is based on the principles of the Swiss Code of Obligations. The ISC covers all the aspects of the bookkeeping and the preparation of the financial statements. The documentation of the ISC was implemented in order to comply with the legal principles and mainly the article 728a of the Swiss Code of Obligations.



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## 10) Financial risk management

### Credit risk

The credit risk concurs with the risk of non-recovery of the amount of the current assets in the balance sheet. The amounts to be received by the FIVB are the subject of a regular monitoring. The economic risk of non-recovery is provisioned based on analysis performed at each closing and based on available information.

### Financial investment risk

The risk on financial investments is low. The strategy of the portfolio is based on the yield and not on the growth of the portfolio. This means that the strategy is based on a minimal risk and that the investments are focused on high-security bonds.

### Investment allocation

A corridor related to the evolution of the investments has been defined. When the investments are out of this corridor a review of the position is made in order to know if the position is kept or sold.

### Currency risk

The major currencies used are the Swiss Francs, the American Dollar and the Euro. The currency management is realized considering the needs in foreign currency.

Most of the expenses linked to the competition are paid in Dollar whereas most of the overhead costs are paid in Swiss Francs.

The contracts are as far as possible negotiated according to our needs by currency.



# BUSINESS REPORT 2022

## 11) Notes on the profit and loss

The revenue recognition is based on the installments in the contracts, the competition cycles or in link with the costs and/or investments made prior to the event.

The expenses are recorded at the time of the engagement of the FIVB. The imparity principle is used to allocate costs during the year concerned.

	<b>2022</b>	<b>2021</b>
	<u>(in CHF)</u>	<u>(in CHF)</u>
<b>11.1. Net proceeds from sales</b>	<b>41'022'562</b>	<b>10'870'132</b>
TV rights	367'244	1'089'655
Hosting fees	0	1'217'610
Licence fees / Entry fees	37'451'568	881'210
Sponsoring fees	0	3'940'129
Transfer fees	3'064'049	2'890'986
Commercial rights	0	197'250
Homologation rights for material	107'402	445'401
Others	32'300	207'892

In 2022, licence fees exclusively correspond to the variable part of the licence fee due by VW Volleyball World SA on its 2022 net profit, according to the Licence Agreement signed in 2021.



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	<b>2022</b>	<b>2021</b>
	<u>(in CHF)</u>	<u>(in CHF)</u>
<b>11.2. IOC Funds</b>	<b>5'531'760</b>	<b>11'417'160</b>
IOC Funds	5'531'760	11'417'160

The funds for the Tokyo Olympic Games are allocated over a period of 3 years, as followed:

- 50% in 2021
- 25% in 2022
- 25% in 2023

	<b>2022</b>	<b>2021</b>
	<u>(in CHF)</u>	<u>(in CHF)</u>
<b>11.3. Other income</b>	<b>3'654'803</b>	<b>3'529'738</b>
Various income	3'654'803	3'529'738

The amounts are mainly related to the structural costs re-invoiced to VW Volleyball World SA.

	<b>2022</b>	<b>2021</b>
	<u>(in CHF)</u>	<u>(in CHF)</u>
<b>11.4. International competitions</b>	<b>-15'932'892</b>	<b>-14'586'749</b>
Prize Money	-13'794'978	-10'160'699
Competition Costs	-277'238	-1'780'914
Travel, hotel and per diem	-730'963	-2'078'834
Awards & Recognitions	-1'129'714	-284'585
TV coordination costs	0	-276'225
Commentaries costs	0	-5'492



# BUSINESS REPORT 2022

	<b>2022</b>	<b>2021</b>
	<u>(in CHF)</u>	<u>(in CHF)</u>
<b>11.5. Olympic Games</b>	<b>0</b>	<b>-1'254'744</b>
Travel, hotel and per diem	0	-1'194'897
Others	0	-59'847
	<b>2022</b>	<b>2021</b>
	<u>(in CHF)</u>	<u>(in CHF)</u>
<b>11.6 FIVB Programs</b>	<b>-1'466'922</b>	<b>-825'930</b>
Support to organisers national Federation&Confederation	-1'273'964	-700'399
Antidoping	-192'959	-116'531
Others	0	-9'000
	<b>2022</b>	<b>2021</b>
	<u>(in CHF)</u>	<u>(in CHF)</u>
<b>11.7 Development</b>	<b>-4'910'599</b>	<b>-6'553'173</b>
Development centers	-63'174	-55'242
Zonal volleyball association	-600'000	-570'000
Coaching support	-776'243	-261'501
National federation support	-2'845'007	-5'429'337
Travel, hotel and per diem	-571'111	-106'865
Others	-55'064	-130'227





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	<b>2022</b>	<b>2021</b>
	(in CHF)	(in CHF)
<b>11.8. Transfer refunds</b>	<b>-2'433'187</b>	<b>-2'523'795</b>
Transfer refunds	-2'433'187	-2'523'795

	<b>2022</b>	<b>2021</b>
	(in CHF)	(in CHF)
<b>11.9 Salaries and social charges</b>	<b>-6'292'716</b>	<b>-6'662'668</b>
Gross salaries	-5'321'453	-5'725'367
Social insurances	-930'304	-992'831
Others	-40'958	55'530

	<b>2022</b>	<b>2021</b>
	(in CHF)	(in CHF)
<b>11.10 Administrative Costs</b>	<b>-6'539'856</b>	<b>-5'429'171</b>
Office Costs	-617'114	-565'197
FIVB property costs	-52'028	-151'074
IT & Office equipment costs	-938'199	-247'291
Telecommunications costs	-57'871	-81'005
Courier costs	-141'078	-63'587
Audit fees	-174'744	-227'697
Translation fees	-22'165	-42'460
Consultant fees	-875'301	-2'093'794
Management expenses	-1'492'629	-1'386'894
Publication costs	-42'060	-14'779
Communication costs	-78'661	-122'671
Insurance premiums	-221'395	-173'519
Travel, hotel and per diem	-1'375'870	-46'984
Others	-450'740	-212'219



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	<b>2022</b>	<b>2021</b>
	(in CHF)	(in CHF)
<b>11.11 Other operating costs</b>	<b>-1'012'955</b>	<b>-1'939'796</b>
Legal fees	-624'474	-1'211'083
Agency fees	-1'574'556	-1'115'883
Taxes	-29'005	-26'334
Provision on debtors (Increase/decrease)	-104'439	413'504
Others	1'319'518	0
	<b>2022</b>	<b>2021</b>
	(in CHF)	(in CHF)
<b>11.12 Depreciation and amortization</b>	<b>-1'496'442</b>	<b>-1'910'335</b>
Depreciation on assets	-1'004'985	-709'245
Depreciation on property	-491'457	-1'201'090
	<b>2022</b>	<b>2021</b>
	(in CHF)	(in CHF)
<b>11.13 Financial result</b>	<b>-9'680'047</b>	<b>93'911'784</b>
<i>Financial income</i>	<i>9'964'999</i>	<i>97'942'383</i>
Exchange gains realized	6'721'126	1'674'813
Portfolio income	3'213'091	4'899'569
Sales of Shares in Participation	0	91'347'409
Other income	30'782	20'592
 <i>Financial costs</i>	 <i>-19'645'046</i>	 <i>-4'030'600</i>
Exchange losses realized	-3'693'637	-1'621'168
Portfolio losses	-15'737'827	-2'129'535
Other costs	-213'581	-279'897



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	<b>2022</b>	<b>2021</b>
	(in CHF)	(in CHF)
<b>11.14 Extraordinary Results, net</b>	<b>-3'593'164</b>	<b>-7'292'483</b>
Extraordinary Income	36'554'512	21'298'933
Extraordinary Costs	-40'147'675	-28'591'417

The Extraordinary income and Costs concern the transactions in link with VW Volleyball World SA.

Extraordinary costs include revenues received from third parties in extraordinary income but belonging to VW in accordance with the licence agreement.

## 12) Notes on the balance sheet

### Cash and equivalents (A)

Cash and equivalents consist of all the BCV, Credit Suisse and Postfinance current accounts as well as the current account and the short-term investment of the portfolio and the petty cash.

An amount of CHF 150'000.- in 2022, concerns deposits blocked linked to various guarantees.

### Trade receivables (B)

The trade receivables are split between group companies, related parties and the third parties. In addition, a provision for doubtful debtors is included.



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## **Accrued income and prepaid expenses (C)**

This consists of the expenses paid in advance and the income to be invoiced.

The biggest part of this item is due to the 2022 license fees invoiced to Vw Volleyball World SA at the beginning of 2023.

## **Securities (Global Custody) (D)**

The financial assets are the securities held by the FIVB through the bank Pictet in Switzerland. Management mandates have been given to 3 banks as of the 31<sup>st</sup> December 2022. The main investment vehicles are the following:

- Shares
- Bonds
- Investment funds
- Structured products
- Liquid assets

The securities are recognized at their nominal value at the time of the acquisition and converted with the daily exchange rate. For the sale of securities the average value is used to calculate the realized gain or loss. At the end of the year all securities are converted at their market value to calculate an unrealized gain or loss which is recorded in the income statement.



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## **Tangible & intangible assets (E)**

The tangible and intangible fixed assets represent the assets which have a useful life longer than a year.

These assets are allocated in the following sections:

- Operating fixed assets
- Property
- IT Licence
- Promotional devices

All the fixed assets are capitalized at the nominal value of the invoice and converted with the rate of the day of the acquisition.

The depreciation rates used are the following:

0% for all assets under construction

4% for all assets linked to the property

25% for all other assets



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## FIXED ASSETS

	Operating fixed assets	Property	IT Licence
<b>Balance as at 31 December 2020</b>	<b>267'438</b>	<b>15'544'180</b>	<b>754'083</b>
Acquisitions	0	0	20'231
Disposals	0	0	0
Depreciation	(113'123)	(1'201'090)	(596'122)
<b>Balance as at 31 December 2021</b>	<b>154'315</b>	<b>14'343'091</b>	<b>178'192</b>
Acquisitions	83'714	28'320	(20'231)
Disposals	0	0	0
Depreciation	(137'082)	(1'201'399)	(157'961)
<b>Balance as at 31 December 2022</b>	<b>100'947</b>	<b>13'170'012</b>	<b>(0)</b>

### Trade creditors (F)

The trade creditors are split between the related parties and the third parties.

The item Payable Group Companies, concern all the transactions we had we Volleyball World SA, it concerns the re-invoicing of all the contracts previously invoiced by the FIVB on behalf of Volleyball World SA, the amount should decrease in the coming years.



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## **Other creditors (G)**

Other creditors is composed primarily of provisions made for the payment social charges and taxes at source for foreign employees.

## **Deferred income and accrued expenses (H)**

This consists of the expenses to be paid and the income received in advance.

## **Provisions (I)**

Consistent with the risks linked to pending disputes. The provisions cover with a reasonable assurance the amounts potentially due.

## **Equity (J)**

In accordance with the rules of the association and the statutes of the FIVB, the results carried over from previous years must be allocated to the Capital.