

**WORLD CURLING FEDERATION  
AND SUBSIDIARY COMPANY**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30TH JUNE 2015**

# WORLD CURLING FEDERATION AND SUBSIDIARY COMPANY

## BUSINESS INFORMATION

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### SECRETARIAT ADDRESS

3 Atholl Crescent  
Perth, PH1 5NG  
Scotland

### BOARD

Kate Caithness – President  
Bent Ramsfjell – Vice President (Europe)  
Graham Prouse – Vice President (Americas)  
Hugh Millikin – Vice President (Pacific-Asia)

Andy Anderson  
Hew Chalmers  
Laura Lochanski  
Toyo Ogawa

### SECRETARY GENERAL

Colin Grahamslaw

### REGISTERED OFFICE

Truehand-und Revisionsgesellschaft  
Mattig-Suter und Partner  
Neiderlassung Uri  
Lehnplatz 9  
6460 Altdorf UR  
Switzerland

### BANKERS

Royal Bank of Canada (Channel Islands) Limited  
Jersey Branch  
P. O. Box 194  
St Helier JE4 8RR  
Channel Islands

Canadian Imperial Bank of Commerce  
Main Branch  
Commerce Court West - Concourse  
Toronto, Ontario M5L 1G9  
Canada

The Royal Bank of Scotland plc  
Perth Chief Office  
PO Box 18, 12 Dunkeld Road  
Perth PH1 5RB  
Scotland

J.P. Morgan  
Private Bank  
1 Knightsbridge  
London  
SW1X 7LX

RBC Wealth Management  
60 South 6<sup>th</sup> Street  
Minneapolis MN 55402  
USA

### INDEPENDENT AUDITOR

Mazars LLP  
Apex 2, 97 Haymarket Terrace  
Edinburgh EH12 5HD  
Scotland

### ACCOUNTANTS AND BUSINESS ADVISERS

Mazars LLP  
Apex 2, 97 Haymarket Terrace  
Edinburgh EH12 5HD  
Scotland

# **WORLD CURLING FEDERATION AND SUBSIDIARY COMPANY**

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# WORLD CURLING FEDERATION AND SUBSIDIARY COMPANY

## BOARD RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 JUNE 2015

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The Board is responsible for preparing the financial statements.

The constitution of the World Curling Federation requires the Board to prepare financial statements for each financial year. The Board has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards). In preparing these financial statements, the Board:

- selects suitable accounting policies and then apply them consistently;
- makes judgements and accounting estimates that are reasonable and prudent;
- states whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepares the financial statements on the going concern basis unless it is inappropriate to presume that the Federation will continue in business.

The Board is responsible for keeping adequate accounting records that are sufficient to show and explain the Federation's transactions and disclose with reasonable accuracy at any time the financial position of the Federation. The Board is also responsible for safeguarding the assets of the Federation and hence for taking reasonable prevention and detection of fraud and other irregularities.

**INDEPENDENT AUDITOR'S REPORT TO THE  
GENERAL ASSEMBLY OF THE WORLD CURLING FEDERATION  
AND SUBSIDIARY COMPANY**

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We have audited the financial statements of the World Curling Federation and Subsidiary Company for the year ended 30th June 2015 which comprise the Income and Expenditure account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), as amended for the recognition of income as set out in note 1 to the financial statements.

**Respective responsibilities of the Board and auditor**

As explained more fully in the Board's responsibilities statement set out on page 3, the Board is responsible for the preparation of the financial statements and being satisfied that they give a true and fair view.

Our responsibility is to audit an express and opinion on the financial statements in accordance with International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. This report is made solely to the Federation's members as a body. Our audit work has been undertaken so that we might state to the General Assembly those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Federation and the members as a body for our audit work, for this report, or for the opinions we have formed.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Federation's affairs as at 30 June 2015 and of its surplus for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice as amended for the recognition of income as set out in note 1 to the financial statements.

**Date:  
Apex 2, 97 Haymarket Terrace  
Edinburgh  
EH12 5HD**

**Mazars LLP  
Statutory Auditor**

# WORLD CURLING FEDERATION AND SUBSIDIARY COMPANY

## INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30TH JUNE 2015

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	NOTE	2015 US \$	2014 US \$
<b>Income</b>			
Membership subscriptions		26,450	26,400
IOC monies	1	4,874,624	5,908,327
Marketing fees		1,227,454	1,243,262
Investment income receivable		332,126	83,642
Rights fees		-	3,622
Broadcasting		143,759	155,054
Programs and services clinics		93,345	71,859
Legacy funds from the European Curling Federation	18	108,262	-
Miscellaneous income/ expenses		<u>(22,087)</u>	<u>(18,379)</u>
		<b><u>6,783,933</u></b>	<b><u>7,473,787</u></b>
<b>Expenditure</b>			
Board expenses & congress	2	357,719	289,038
Standing/ad hoc committee expenses		16,750	62,001
Operations	3	1,242,168	1,148,015
Programs and services – development	4	513,384	550,220
Programs and services – facilities and technical	5	18,958	1,029
Programs and services – other	6	58,026	91,234
Competitions	7	612,421	793,085
Finance	8	42,055	22,362
International and corporate relations		9,929	6,260
Media expenses		192,142	240,041
Administrative expenses		152	334
Marketing		1,065,216	1,214,058
Broadcasting	9	1,674,919	2,097,300
Bad debt		-	14,860
(Gain)/loss on capital assets		(6,316)	2,878
Loss/(gain) on foreign exchange transactions		433,949	(11,757)
Olympic Games		7,609	310,906
World Anti Doping Agency		<u>52,935</u>	<u>87,227</u>
		<b><u>6,292,016</u></b>	<b><u>6,919,091</u></b>
<b>Surplus for the Year</b>		<b>491,917</b>	<b>554,696</b>
<b>Reserves Brought Forward</b>		<b><u>7,658,253</u></b>	<b><u>7,103,557</u></b>
<b>Reserves Carried Forward</b>		<b><u>8,150,170</u></b>	<b><u>7,658,253</u></b>

# WORLD CURLING FEDERATION AND SUBSIDIARY COMPANY

## BALANCE SHEET

AS AT 30TH JUNE 2015

	NOTE	2015 US \$	2014 US \$
<b>Fixed Assets</b>			
Tangible assets	10	868,762	307,184
Investments	11	<u>11,989,717</u>	<u>6,134,558</u>
		<u>12,858,479</u>	<u>6,441,742</u>
<b>Other Assets</b>			
Stock	12	417,115	546,422
Debtors and prepayments – due after one year	13	<u>1,654,129</u>	<u>1,038,369</u>
		<u>2,071,244</u>	<u>1,584,791</u>
<b>Current Assets</b>			
Debtors and prepayments – due within one year	14	1,445,988	1,193,534
Cash at bank and in hand	15	<u>6,864,644</u>	<u>2,182,447</u>
		<u>8,310,632</u>	<u>3,375,981</u>
<b>Current Liabilities</b>			
Creditors and accruals	16	<u>5,571,435</u>	<u>1,494,261</u>
<b>Net Current Assets</b>		<u>2,739,197</u>	<u>1,881,720</u>
<b>Total Assets Less Current Liabilities</b>		<u>17,668,920</u>	<u>9,908,253</u>
<b>Long Term Liabilities</b>	17	<u>9,518,750</u>	<u>2,250,000</u>
<b>Total Assets Less Total Liabilities</b>		<u>8,150,170</u>	<u>7,658,253</u>
Represented by:			
<b>Retained reserves</b>	18	<u>8,150,170</u>	<u>7,658,253</u>

Approved on

.....  
Kate Caithness  
President

.....  
A. M. Anderson  
Director

# WORLD CURLING FEDERATION AND SUBSIDIARY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2015

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### Accounting Policies

#### Accounting Convention

The financial statements are prepared under the historical cost convention, and comply with United Kingdom Generally Accepted Accounting Practice, as amended for the recognition of income as set out in note 1.

The financial statements combine the transactions of World Curling Federation and its subsidiary company, The World Curling Federation Limited, a company registered in Canada.

#### Fixed Assets

Provision is made for the depreciation of fixed assets in order to write off the cost or valuation of these assets over their expected useful lives.

The annual depreciation rates and methods are as follows:

Office Furniture	:	10% straight line
Office Equipment	:	33.33% straight line
Curling Equipment	:	10% straight line
Competition Curling Stones	:	5% straight line
Curling Venue Decoration	:	20% straight line

Heritable property is carried at current year value at the balance sheet date. A full valuation will be obtained from a qualified valuer every four years in line with the Olympic cycle.

#### Investments

Investments are stated at cost less any permanent diminution in value on a portfolio basis.

#### Stock

Stock, which consists of curling stones and raw materials, is stated at cost. Cost is based on the value of the stones. Net realisable value is based upon estimated selling price.

#### Foreign Currencies

Assets and liabilities in foreign currencies are translated into US Dollars at the rates of exchange ruling at the end of the period.

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Differences arising due to exchange fluctuations have been reflected in the income and expenditure account.

#### Investment Income

Investment and interest receivable have been accounted for on an accruals basis and gains on investments are included when the relevant investments have been sold.

#### Payments

Expenses of the Federation are accounted for on an accruals basis.



# **WORLD CURLING FEDERATION AND SUBSIDIARY COMPANY**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30TH JUNE 2015**

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### **Accounting Policies (continued)**

#### **Deferred Purchases**

Where sale with deferred payment agreements for the sales of curling stones at cost to member associations have been entered into, no interest or finance charges are levied and amounts receivable are included within debtors with subsequent repayments reducing the debtor balance.

#### **Taxation Status**

The Federation is considered by HM Revenue & Customs to be non-resident for United Kingdom tax purposes.

# WORLD CURLING FEDERATION AND SUBSIDIARY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2014

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### 1. **Income**

Income received from the IOC relating to the participation in the Winter Olympic Games will be deferred and split over the following Olympic cycle. Any subsequent additional payments are released to income over the remaining part of the four year cycle.

Income relating to rights fees are from the member associations who have held major competitions. This is accounted for on a receipts basis, where the income cannot be quantified until the surplus or deficit of the event has been calculated and the World Curling Federation's share can be accurately assessed. This process may take more than a year to complete.

### 2. **Board Expenses & Congress**

	2015	2014
	US \$	US \$
Spring meeting	49,945	42,014
Congress	193,812	179,373
December meeting	20,349	-
Miscellaneous	5,877	9,161
Members at Large	16,266	19,700
President	53,275	33,348
Vice President	18,195	3,357
Director of Finance	-	<u>2,085</u>
	<u>357,719</u>	<u>289,038</u>

Included within the President's expenses is an honorarium of \$28,539 (2014: \$nil) approved by the General Assembly (Reno, 2014).

### 3. **Operations**

	2015	2014
	US \$	US \$
Employment costs	843,600	833,736
Office expenses	100,534	76,024
Communication	11,504	7,890
Printing, stationery and supplies	21,789	14,779
Travel expenses	5,317	4,287
Bank charges	17,653	9,490
Depreciation	68,014	75,363
Minor capital items	-	1,542
Equipment maintenance	28,084	20,160
Staff expenses	77,910	58,422
Miscellaneous operations	<u>67,763</u>	<u>46,322</u>
	<u>1,242,168</u>	<u>1,148,015</u>

# WORLD CURLING FEDERATION AND SUBSIDIARY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2015

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### 4. Programs and Services – Development

Included within Programs and services - development are the development costs in 40 countries (2014:38)

	2015 US \$	2014 US \$
Clinics	153,310	130,778
Development assistance programs	354,288	378,769
Development projects	2,490	32,292
Development administration	92	1,725
Manuals	<u>3,204</u>	<u>6,656</u>
	<b><u>513,384</u></b>	<b><u>550,220</u></b>

### 5. Programs and Services – Facilities and Technical

	2015 US \$	2014 US \$
Technical	7,120	-
Facilities projects	11,620	1,029
Facilities administration	<u>218</u>	<u>-</u>
	<b><u>18,958</u></b>	<b><u>1,029</u></b>

### 6. Programs and Services - Other

	2015 US \$	2014 US \$
Other projects	15,799	36,052
Equipment	35,398	51,418
Program and services - sundry	-	1,660
Freight charges	<u>6,829</u>	<u>2,104</u>
	<b><u>58,026</u></b>	<b><u>91,234</u></b>

# WORLD CURLING FEDERATION AND SUBSIDIARY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2015

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### 7. Competitions

	2015 US \$	2014 US \$
World Men's Curling Championship	22,389	100,503
World Women's Curling Championship	79,238	20,600
World Junior Curling Championships	106,262	106,239
World Wheelchair Curling Championship	40,343	(2,218)
World Mixed Doubles Curling Championship	26,327	46,072
World Seniors Curling Championship	20,925	40,061
FISU & EYOF (2015 FISU only)	1,920	9,914
European Junior Challenge	48,283	60,596
Continental Cup	-	114,194
European Curling Championship – C Division	12,120	17,400
European Curling Championships	64,203	106,466
Pacific Asia Junior Curling Championship	87,324	52,602
WWhCQ	23,427	740
Pacific Asia Curling Championships	25,687	14,620
European Mixed Curling Championship	22,952	23,241
Winter Olympic Qualifying Event	-	36,550
Americas Challenge	126	-
Statistics	<u>30,895</u>	<u>45,505</u>
	<u>612,421</u>	<u>793,085</u>

### 8. Finance

	2015 US \$	2014 US \$
Audit and accountancy	6,911	7,498
Other	<u>35,144</u>	<u>14,864</u>
	<u>42,055</u>	<u>22,362</u>

### 9. Broadcasting

In the year there were 3 major events (2014: 4) being Champéry, Switzerland; Sapporo, Japan; and Halifax, Canada (2014: Stavanger, Norway; Fussen, Germany; Saint John, Canada; and Beijing, China).

# WORLD CURLING FEDERATION AND SUBSIDIARY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2015

### 10. Tangible Fixed Assets

	Heritable property	Curling Stones	Office Furniture	Office Equipment	Curling Equipment	Curling Venue Decoration	Total
	US \$	US \$	US \$	US \$	US \$	US \$	US \$
<b>Cost</b>							
At beginning	-	181,470	2,234	123,608	228,989	45,555	581,856
Additions	594,594	-	-	7,964	27,197	-	629,755
Disposals	-	-	-	(2,720)	(6,556)	-	(9,276)
	<b>594,594</b>	<b>181,470</b>	<b>2,234</b>	<b>128,852</b>	<b>249,630</b>	<b>45,555</b>	<b>1,202,335</b>
<b>Depreciation</b>							
At beginning	-	45,132	1,434	59,082	147,571	21,453	274,672
Charge for year	-	9,074	223	30,677	9,817	9,110	58,901
Eliminated on disposal	-	-	-	-	-	-	-
	-	<b>54,206</b>	<b>1,657</b>	<b>89,759</b>	<b>157,388</b>	<b>30,563</b>	<b>333,573</b>
<b>Net Book Value</b>	<b>594,594</b>	<b>127,264</b>	<b>577</b>	<b>39,093</b>	<b>92,242</b>	<b>14,992</b>	<b>868,762</b>
<b>Net Book Value At Beginning</b>	-	<b>136,338</b>	<b>800</b>	<b>64,526</b>	<b>81,418</b>	<b>24,102</b>	<b>307,184</b>

### 11. Investments

	2015 US \$	2014 US \$
<b>Cost</b>		
Balance at beginning	6,134,558	758,870
Additions	11,258,287	6,296,219
Disposals	<u>(5,403,128)</u>	<u>(920,531)</u>
Balance at end	<b><u>11,989,717</u></b>	<b><u>6,134,558</u></b>

The market value of the investments at 30 June 2015 was \$12,031,519 (2014: \$6,393,504)

### 12. Stock

	2015 US \$	2014 US \$
Ailsa Craig Project	-	419,248
Curling stones and raw materials	<b><u>417,115</u></b>	<b><u>127,174</u></b>
	<b><u>417,115</u></b>	<b><u>546,422</u></b>

# WORLD CURLING FEDERATION AND SUBSIDIARY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2015

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13. **Debtors: Amounts falling due after one year**

	2015 US \$	2014 US \$
Development loans advanced to member nations	637,500	347,025
Deferred purchase receivables	1,016,629	691,137
Prepayments	-	207
	<u>1,654,129</u>	<u>1,038,369</u>

14. **Debtors: Amounts falling due within one year**

	2015 US \$	2014 US \$
Sundry debtors	529,065	328,260
Goods and services tax/harmonised sales tax	12,637	1,392
VAT recoverable	73,526	42,148
Deferred purchase receivables	170,666	203,054
Development loans advanced to member nations	18,602	138,651
Prepayments and accrued income	641,492	480,029
	<u>1,445,988</u>	<u>1,193,534</u>

Included in deferred purchase receivables are 13 (2014: 10) ice-cutting machines that have been sold to member nations, subject to receipt of the debtor balances from the member nations. Title to the assets will not transfer to the member nation until all amounts have been received.

15. **Cash at bank and in hand**

Included in cash at bank and in hand are sums amounting to \$1,108,899 (2014: \$1,329,325) earmarked for lending to Member Associations.

16. **Creditors: Amounts falling due within one year**

	2015 US \$	2014 US \$
Trade creditors and accruals	794,386	730,273
Deferred income – IOC monies	4,759,375	750,000
Other taxes and social security costs	17,674	13,988
	<u>5,571,435</u>	<u>1,494,261</u>

17. **Creditors: Amounts falling due after one year**

	2015 US \$	2014 US \$
Deferred income – IOC monies	<u>9,518,750</u>	<u>2,250,000</u>

# WORLD CURLING FEDERATION AND SUBSIDIARY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2015

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17. **Retained reserves**

Included within retained reserves is \$108,262 (2014: \$nil) representing legacy funds from the European Curling Federation to be used under the direction of the European Zonal Commission.