

**Report of the statutory auditor
on the limited statutory examination**

with financial statements as of 31 December 2021 of

International Hockey Federation, Lausanne

To the Executive Committee of
International Hockey Federation, Lausanne

Lausanne, 27 June 2022

Report of the statutory auditor on the limited statutory examination

As statutory auditor, we have examined the financial statements (balance sheet, income statement and notes) of International Hockey Federation for the year ended 31 December 2021.

These financial statements are the responsibility of the Board of Directors. Our responsibility is to perform a limited statutory examination on these financial statements. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.

We conducted our examination in accordance with the Swiss Standard on the limited statutory examination. This standard requires that we plan and perform a limited statutory examination to identify material misstatements in the financial statements. A limited statutory examination consists primarily of inquiries of company personnel and analytical procedures as well as detailed tests of company documents as considered necessary in the circumstances. However, the testing of operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.

Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the financial statements do not comply with Swiss law and the company's articles of incorporation.

Ernst & Young Ltd

Licensed audit expert
(Auditor in charge)

Licensed audit expert

Enclosure

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

BALANCE SHEET AS OF 31 DECEMBER 2021

	31.12.2021	31.12.2020
	CHF	CHF
ASSETS		
<u>Current Assets</u>	<u>15 249 419,03</u>	<u>8 116 116,64</u>
Cash on Hand and in Banks	12 570 477,42	4 466 744,73
Cash on Hand	2 880,97	3 955,18
Bank Current Accounts	12 549 185,07	4 417 252,11
Payroll Account	18 411,38	45 537,44
Accounts Receivable	1 990 506,47	1 658 727,37
Accounts Receivable - Members	650 517,10	201 030,00
Accounts Receivable - TV Rights	747 401,82	868 789,61
Accounts Receivable - Sponsors & Others	742 188,25	818 568,86
Provision Loss on Receivables	-149 600,70	-229 661,10
Accrued Income/Deferred Expenses	650 000,00	1 300 000,00
Prepaid Expenses & Advances	38 435,14	690 644,54
<u>Non Current Assets</u>	<u>45 495,64</u>	<u>123 125,64</u>
Cars	45 495,64	64 495,64
Other Long Term Debtors	0,00	58 630,00
TOTAL ASSETS	15 294 914,67	8 239 242,28

BALANCE SHEET AS OF 31 DECEMBER 2021

	31.12.2021	31.12.2020
	CHF	CHF
LIABILITIES AND EQUITY		
<u>Short Term Liabilities</u>	<u>7 745 008,15</u>	<u>5 082 370,41</u>
Accounts Payable	1 916 925,65	355 410,73
Accounts Payable - Members	68 301,27	77 945,62
Accounts Payable - TV Rights	353 633,07	60 228,56
Accounts Payable - Others	1 494 991,31	217 236,55
Deferred Income	4 007 854,51	3 617 347,84
Accrued Expenses	369 789,34	395 139,34
Short Term Loans	1 450 438,65	714 472,50
<u>Long Term Liabilities and Equity</u>	<u>7 549 906,52</u>	<u>3 156 871,87</u>
Long Term Loans	500 000,00	1 950 000,00
Equity and Reserves	7 049 906,52	1 206 871,87
Olympic Games Reserve	7 041 660,00	1 285 320,00
General Reserve	-78 448,13	21 336,58
Profit / Loss (-) for the Year	86 694,65	-99 784,71
TOTAL LIABILITIES AND EQUITY	15 294 914,67	8 239 242,28

STATEMENT OF INCOME AND EXPENSES FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
	CHF	CHF
OPERATING INCOME		
Income	4 714 758,69	3 738 539,92
Members - Affiliation Fees	42 094,95	44 225,88
Manufacturers - Licensing Fees	959 817,20	961 702,88
Sponsors	1 916 344,56	1 708 141,05
TV Rights	1 355 029,96	830 804,42
Hosting Fees	250 000,00	0,00
Other Income	191 472,02	193 665,69
Income from IOC	2 475 023,00	3 728 684,00
Olympic Games Annual Allocation	2 410 000,00	3 660 000,00
IOC - Other Contributions	65 023,00	68 684,00
Olympic Games Income	370 109,17	0,00
TOTAL OPERATING INCOME	7 559 890,86	7 467 223,92

STATEMENT OF INCOME AND EXPENSES FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
	CHF	CHF
OPERATING EXPENSES		
Sport & Development	1 371 426,30	1 465 433,57
Competitions	92 337,40	89 645,77
Officials	57 118,55	236 423,28
HP, Coaching, Development	71 049,26	39 195,99
Technical	127 877,74	105 422,66
Medical	122 576,00	10 947,11
Continental Federations	900 467,35	983 798,76
Events, Marketing & Communication	1 827 466,38	1 846 852,34
Events	112 482,79	23 468,75
TV Costs	1 469 423,66	1 477 823,40
Marketing & Communication	112 907,57	92 969,76
Commercial	132 652,36	252 590,43
Olympic Games Expenses	669 637,28	0,00
Corporate & Directorate	3 622 208,50	3 912 737,61
Corporate (EB, President, Committees)	95 318,45	115 672,70
Directorate (CEO, Admin Staff, Legal, Insurance)	96 973,84	98 634,14
Payroll and Fees	3 141 109,74	3 395 662,67
Office	268 887,21	266 031,66
Other Expenses	19 919,26	36 736,44
TOTAL OPERATING EXPENSES	7 490 738,46	7 225 023,52
PROFIT / LOSS (-) before Financial Result and Extraordinary Income & Expenses	69 152,40	242 200,40
carried to the next page		

STATEMENT OF INCOME AND EXPENSES FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 CHF	2020 CHF
<i>PROFIT / LOSS (-) before Financial Result and Extraordinary Income & Expenses</i>	69 152,40	242 200,40
carried from the previous page		
Amortisation and Depreciation on Receivables	0,00	-15 180,00
Loss on Receivables	80 060,40	-115 630,00
Variation Provision Loss on Receivable (Income/Expense)	-80 060,40	100 450,00
Financial Result	17 542,25	-396 805,11
Bank Interest & Exchange Income	829 594,52	207 977,96
Bank Charges & Exchange Loss	-812 052,27	-604 783,07
EXTRAORDINARY INCOME & EXPENSES	0,00	70 000,00
Extraordinary Income	0,00	70 000,00
<i>PROFIT / LOSS (-) FOR THE YEAR</i>	86 694,65	-99 784,71

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

GENERAL

The International Hockey Federation (herein called the "FIH"), founded in 1924, is the exclusive international sport federation (IF) recognized by the International Olympic Committee (IOC) administering field hockey and indoor hockey throughout the world. The FIH is an association according to the provisions of the articles 66ff of the Swiss Civil Code.

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

GENERAL ACCOUNTING PRINCIPLES

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

Revenue Recognition

IOC

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

TV Rights and Sponsoring Income

TV Rights and Sponsoring Income are booked every year according to the existing agreements. Sponsoring Income is recognised on a cash basis.

DETAILS REGARDING SOME BALANCE SHEET AND PROFIT AND LOSS ITEMS

Bank Current Account

Breakdown regarding currency:

	2021			2020		
	Currency	CHF	Rate	Currency	CHF	Rate
CHF		793 920,76			721 226,81	
USD	10 782 135,71	9 955 577,19	0,9233	3 160 752,04	2 779 420,34	0,8794
EUR	1 684 943,42	1 761 187,11	1,0453	829 588,57	905 744,80	1,0918
GBP	30 877,82	38 500,01	1,2469	8 986,48	10 860,16	1,2085
		<u>12 549 185,07</u>			<u>4 417 252,11</u>	

31.12.2021

31.12.2020

Accrued Income / Deferred Expenses

Deferred Expenses Pro League

Other Accrued Income

-650 000,00

-650 000,00

0,00

-1 300 000,00

-1 300 000,00

0,00

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

	31.12.2021	31.12.2020
<u>Prepaid Expenses & Advances</u>	<u>38 435,14</u>	<u>690 644,54</u>
Advance to NAs/CFs	0,00	261 580,00
OG Prepaid Expenses	0,00	365 174,14
Other Prepaid Expenses	38 435,14	63 890,40
<u>Deferred Income</u>	<u>4 007 854,51</u>	<u>1 779 847,84</u>
OG Deferred Income	0,00	270 334,98
PL Deferred Income	1 269 399,51	1 509 512,86
Other Deferred Inc (WCM, WCW, JrWC, Indoor, H5s)	2 738 455,00	1 837 500,00
<u>Accrued Expenses</u>	<u>369 789,34</u>	<u>395 139,34</u>
Accrued Expenses Development	94 496,95	94 496,95
Projects budgeted postponed to next year	49 150,00	78 500,00
Accrued expenses for payroll (holidays, bonus)	226 142,39	222 142,39

Short and Long Term Loans

Affected by the Covid-19 crisis and to ensure its liquidity, the FIH was granted the bridging credits guaranteed by the federal government: credit Covid-19 F1 for CHF 500'000 and credit Covid-19 plus F2 for CHF 600'000. The Foundation awarded the FIH a long term loan of CHF950'000. Apart from Covid-19 F1 credit of CHF 500'000, all loans were reimbursed by the FIH in 2022.

Other Income

It is mainly composed of reimbursement of expenses and the same amount is included in Other Expenses. This item also includes development funds, fines and commissions received on Tax at Source.

Payroll and Fees

Affected by the Covid-19 crisis and to support with the reduction of activities and the loss of income, the FIH was granted government unemployment aid of CHF 949'541,8 in 2021 and of CHF 865'656,65 in 2020.

Other Expenses

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

PROVISION & LOSS

The loss on receivables is referring to GSC and MP Silva partners in liquidation, for which the provision for loss on receivables was used. The remaining amount of the provision is sufficient to cover the open receivables at risk.

EXTRAORDINARY ITEMS

No Extraordinary Items in 2021. In 2020 the Extraordinary Income is composed by write-off of provision for office expenses not used CHF 50'000, and write-off of provision for exchange loss CHF 20'000.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

PRO LEAGUE

Due to the Covid-19 pandemic, the Pro League season 2020 was extended until June 2021. The following seasons were consequently extended. The Pro League season 2021 is held from Sep. 2021 to June 2022.

PRO LEAGUE Details (per calendar year)	31.12.2021	31.12.2020
<u>Income</u>	<u>1 526 257,81</u>	<u>1 522 503,54</u>
Sponsors	864 160,17	696 720,00
TV Rights	662 097,64	825 783,54
<u>Expenses</u>	<u>1 544 005,44</u>	<u>2 347 496,49</u>
Sport	37 092,62	236 182,84
Commercial	37 568,97	100 027,86
TV & Broadcast	854 056,74	1 404 274,73
Marketing & Communication	28 431,62	37 319,50
Events	55 113,90	20 985,82
IT	5 385,45	0,00
Staff expenses	356,14	1 705,74
Payroll	526 000,00	547 000,00
RESULT PRO LEAGUE	-17 747,63	-824 992,95

Value-in-Kind

Additional TV production was realised as value-in-kind for a total of CHF 402'421,25 in 2021 and of CHF 430'136 in 2020.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

OTHER INFORMATION

Engagement for more than one year

Leasing: CHF 0 (2020: CHF 31'109,2)

Office rent CHF 60'000 was waived by the Foundation in 2021 and 2020.

Contingency Commitments

Committed transactions with UBS: CHF 39'938 (2020: CHF57'188)

In Kind

These financial statements do not include in kind services that assist in achieving the FIH mission.

FIH Office Employees

In 2021 and 2020, the FIH average full-time equivalent employees does not exceed 50.

Tax Exemption

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

Covid19 Pandemic & Subsequent Events

Due to the Covid19 pandemic, FIH has received some cash loans and government unemployment aid to support with the reduction of activities and the loss of income in 2020 and 2021. Apart from Covid-19 F1 credit of CHF 500'000, all loans were reimbursed by the FIH in 2022.

The FIH Pro League season 2020 was extended until June 2021. Consequently, it was agreed by all participating nations that the following seasons will now be held from September to June and that the 4 year cycle will end in June 2023 instead of December 2022.

The FIH Budgets for 2022 to 2023 are secured and show important profits generated by the 2 World Cups.