

**WORLD KARATE FEDERATION**  
**INCOME & EXPENDITURE STATEMENT**  
**YEAR ENDED 31 DECEMBER 2021**

	NOTE	2021 chf	2020 chf
<b>INCOME</b>			
Membership Fees		225.674	198.997
WKF Championships		213.963	0
Other WKF Events		282.099	138.600
Referee Courses Fees		123.583	69.125
Coach Course Fees		345.233	70.609
IOC Grant	2	1.497.391	113.967
Merchandising		53.708	29.401
Sponsorship Net		518.842	715.808
Other Income		60.301	220.875
Extraordinary Income	3	429.000	0
<b>TOTAL INCOME</b>		<b>3.749.794</b>	<b>1.557.382</b>
<b>EXPENDITURE</b>			
Event Management		392.498	164.974
ISB Broadcasting Fee		163.749	48.322
Executive Committee Expenses		10.490	5.322
President's Office Expenses		50.000	50.000
Secretary's Office Expenses		26.000	26.000
Treasurer's Office Expenses		26.000	26.000
Treasury Office Australia		0	18.566
Organising Commission		756	1.632
Sports Commission		3.410	1.632
Referee Commission		966	1.632
Medical Commission		617	1.381
Technical Commission		1.453	1.632
Athletes Commission		2.508	0
Public Relations		22.149	18.574
Affiliations		9.962	6.564
General Expenditure		24.839	3.582
Website Management		27.244	35.527
Audit		7.079	14.892
IOC, ASOIF, Sport Accord - Issues Management		228	723
Olympic Issues Management		256.642	44.089
Development Programmes		60.973	9.108
WKF Tokyo Office		100.000	90.908
Legal & Translations		53.553	39.275
HQ Staff Structure		262.852	291.190
Olympic Games 2024 and beyond	4	519.000	283
Communications		59.436	91.200
Anti Doping Programme		102.932	108.293
Other Expenses		39.223	93.340
COVID-19	4	138.428	298.132
Extraordinary Contingency	4	300.000	0
Extraordinary IOC	4	975.927	0
Depreciation and Amortisation		7.872	6.891
<b>TOTAL EXPENDITURE</b>		<b>3.646.786</b>	<b>1.523.038</b>
<b>NET SURPLUS (DEFICIT) FOR YEAR BEFORE TAX</b>		<b>103.008</b>	<b>56.717</b>

**WORLD KARATE FEDERATION**

**INCOME & EXPENDITURE STATEMENT  
YEAR ENDED 31 DECEMBER 2021**

	<b>NOTE</b>	<b>2021</b>	<b>2020</b>
		<b>chf</b>	<b>chf</b>
<b>NET SURPLUS (DEFICIT) FOR YEAR BEFORE TAX</b>		103.008	56.717
Income Tax Expense		1.362	22.373
<b>NET SURPLUS (DEFICIT) FOR YEAR</b>		<u>101.646</u>	<u>34.344</u>
Retained Earnings at beginning of financial year		<u>2.145.211</u>	<u>2.145.211</u>
<b>RETAINED EARNINGS AT END OF FINANCIAL YEAR</b>		<u>2.246.857</u>	<u>2.145.211</u>

**WORLD KARATE FEDERATION****BALANCE SHEET  
AS AT 31 DECEMBER 2021**

	NOTE	2021 chf	2020 chf
<b>NON-CURRENT ASSETS</b>			
Intangible assets	6	10.721	2396
Building - HQ Office	5	829.052	835.444
		<u>839.773</u>	<u>837.840</u>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		3.754.338	2.636.178
Receivables		192.007	136.297
Prepaid Expenditure		55.715	36.828
Vouchers Travel Agency		7.817	8.173
		<u>4.009.877</u>	<u>2.817.476</u>
<b>TOTAL ASSETS</b>		<b>4.849.650</b>	<b>3.655.316</b>
<b>CURRENT LIABILITIES</b>			
Payables		551.866	905.105
Provisions	4	2.050.927	605.000
		<u>2.602.793</u>	<u>1.510.105</u>
<b>TOTAL LIABILITIES</b>		<b>2.602.793</b>	<b>1.510.105</b>
<b>NET ASSETS</b>		<b><u>2.246.857</u></b>	<b><u>2.145.210</u></b>
<b>MEMBERS FUNDS</b>			
Retained earnings		<b><u>2.246.857</u></b>	<b><u>2.145.210</u></b>

# **WORLD KARATE FEDERATION**

## **INDEPENDENT AUDIT REPORT TO THE MEMBERS OF WORLD KARATE FEDERATION**

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

#### ***Opinion***

We have audited the financial report of the World Karate Federation, which comprises the balance sheet as at 31 December 2021, the income and expenditure statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by the Treasurer on the annual statements giving a true and fair view of the financial position and performance of the federation.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the federation as at 31 December 2021 and its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the Federation's Statutes.

#### ***Basis for Opinion***

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

#### ***Emphasis of Matter***

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the federation to meet the requirements of the Federation's Statutes. As a result, the financial report may not be suitable for another purpose.

We draw attention to Note 4 to the financial statements which details the raising of provisions of 1,775,927 CHF in order to :-

- develop an Olympic campaign leading up to the 2028 Olympics.
- implement the WKF Strategic Plan for 2022-2025.
- assist in overcoming the consequences of the Covid-19 pandemic and managing and dealing with future crises and similar contingencies.

The audit opinion expressed in this report has been formed on the above basis and is not modified in respect of the above matters.

#### ***Responsibilities of the Committee for the Financial Report***

The committee is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the World Karate Federation and for such internal control as the committee determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

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

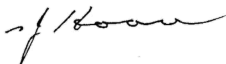
### ***Auditor's Responsibilities for the Audit of the Financial Report***

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the Australian Auditing Standards 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 this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the federation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committee.
- Conclude on the appropriateness of the committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



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Norman J Hoare  
Registered Company Auditor

Morris & Batzloff  
Chartered Accountants  
141 Logan Road, Woolloongabba  
Queensland, Australia

Dated: 31 March 2022