

**WORLD KARATE FEDERATION**  
**INCOME & EXPENDITURE STATEMENT**  
**YEAR ENDED 31 DECEMBER 2023**

	NOTE	2023 chf	2022 chf
<b>INCOME</b>			
Membership Fees		225.076	232.537
WKF Championships		179.951	256.742
Other WKF Events		459.720	341.387
Referee Courses Fees		173.220	205.868
Coach Course Fees		308.417	431.850
IOC Grant (and Others)	2	758.967	1.012.077
Sponsorship Net		850.350	797.767
Other Income		59.390	26.170
Merchandising		0	32.369
TV Rights		85.639	0
Extraordinary Income	3	100.255	575.000
<b>TOTAL INCOME</b>		<b>3.200.985</b>	<b>3.911.767</b>
<b>EXPENDITURE</b>			
Event Management		524.317	461.277
ISB Broadcasting Fee		235.005	176.245
Executive Committee Expenses		42.873	60.517
President's Office Expenses		50.000	50.000
Secretary's Office Expenses		26.000	26.000
Treasurer's Office Expenses		26.000	26.000
Organising Commission		11.592	12.351
Sports Commission		11.490	22.257
Referee Commission		17.370	22.572
Medical Commission		800	1.740
Technical Commission		596	526
Athletes Commission		2.248	7.487
Public Relations		41.942	40.199
Affiliations		5.786	7.059
General Expenditure		38.041	39.007
Website Management		32.924	27.597
Audit		7.463	8.302
IOC, ASOIF, Sport Accord - Issues Management		4.878	13.989
Development Programmes		50.289	18.678
Legal & Translations		25.444	50.943
HQ Staff Structure		327.647	312.134
Olympic Games Programme	4	542.825	306.314
Communications		34.986	45.412
Anti Doping Programme		72.431	70.062
Other Expenses		45.786	71.907
COVID-19		0	90.993
Extraordinary Contingency	4	250.000	999.600
Extraordinary IOC	4	462.840	732.127
Depreciation and Amortisation		14.271	9.990
<b>TOTAL EXPENDITURE</b>		<b>2.905.844</b>	<b>3.711.285</b>
<b>NET SURPLUS (DEFICIT) FOR YEAR BEFORE TAX</b>		<b>295.141</b>	<b>200.482</b>

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**INCOME & EXPENDITURE STATEMENT  
YEAR ENDED 31 DECEMBER 2023**

	<b>NOTE</b>	<b>2023</b>	<b>2022</b>
		<b>chf</b>	<b>chf</b>
<b>NET SURPLUS (DEFICIT) FOR YEAR BEFORE TAX</b>		295.141	200.482
Income Tax Expense		27.630	27.672
<b>NET SURPLUS (DEFICIT) FOR YEAR</b>		<u>267.511</u>	<u>172.810</u>
Retained Earnings at beginning of financial year		<u>2.419.667</u>	<u>2.246.857</u>
<b>RETAINED EARNINGS AT END OF FINANCIAL YEAR</b>		<u>2.687.178</u>	<u>2.419.667</u>

**WORLD KARATE FEDERATION****BALANCE SHEET  
AS AT 31 DECEMBER 2023**

	NOTE	2023 CHF	2022 CHF
<b>NON-CURRENT ASSETS</b>			
Intangible assets	6	12.510	11.686
Building - HQ Office	5	841.640	848.939
		<u>854.150</u>	<u>860.625</u>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		3.085.660	3.374.996
Receivables		80.445	105.622
Prepaid Expenditure		8.934	55.404
Short-Term Investments		920.000	0
Long-Term Investments		958.063	964.217
		<u>5.053.102</u>	<u>4.500.239</u>
<b>TOTAL ASSETS</b>		<b>5.907.252</b>	<b>5.360.864</b>
<b>CURRENT LIABILITIES</b>			
Payables		768.834	709.470
Provisions	4	1.512.840	2.231.727
<b>TOTAL LIABILITIES</b>		<u>2.281.674</u>	<u>2.941.197</u>
<b>NET ASSETS</b>		<u><b>3.625.578</b></u>	<u><b>2.419.667</b></u>
<b>MEMBERS FUNDS</b>			
Reserves	7	938.400	
Retained earnings		2.687.178	2.419.667
<b>TOTAL EQUITY</b>		<u><b>3.625.578</b></u>	<u><b>2.419.667</b></u>

# **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 2023, 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 2023 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 provisions of 1,512,840 CHF at 31/12/2023 in order to:

- develop an Olympic campaign leading up to the 2032 Olympics in Brisbane.
- implement the WKF Strategic Plan for 2022-2025.
- allocate IOC extraordinary assistance to continue its key activities over several years.

A provision for extraordinary contingency (COVID Mitigation) established in 2022 has been transferred to Reserves in Members' Equity at 31/12/2023 (938,400 CHF).

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 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.

  
Norman Hoare  
Registered Company Auditor

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

Dated: 20/5/2024