

To the congress of the

Fédération Internationale de Philatélie (F.I.P.)

**Report of the statutory auditor on the limited statutory examination
of the financial statements for the year 2018**

(for the year ended 31.12.2018)

4 July 2019
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REF

Report of the statutory auditor on the limited statutory examination
to the congress of the

Fédération Internationale de Philatélie (F.I.P.), Zurich

As statutory auditor, we have examined the financial statements (balance sheet, income statement and notes) of the Fédération Internationale de Philatélie (F.I.P.) for the financial year ended 31st December 2018.

These financial statements are the responsibility of the executive board. 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 articles of association.

Zurich, 4 July 2019

BDO AG



Renzo Ferretti

Auditor in Charge
Licensed Audit Expert



Marc Kuratli

Licensed Audit Expert

Enclosure
Financial statements

BALANCE SHEET

ASSETS	31.12.2018	Previous Year
	CHF	CHF
Cash	389'773	398'045
Securities listed on a stock exchange	1'634'670	1'731'906
Trade accounts receivable		
Membership fees	1'690	34'775
Jury Academy Sponsors	1'729	0
Exhibitions	0	75'900
	3'419	110'675
Other short-term receivables	546	0
Prepaid expenses and accrued income	4'925	3'919
TOTAL CURRENT ASSETS	2'033'334	2'244'545
Financial assets	370'873	373'924
TOTAL NON-CURRENT ASSETS	370'873	373'924
TOTAL ASSETS	2'404'207	2'618'469

BALANCE SHEET

LIABILITIES AND EQUITY	31.12.2018 CHF	Previous Year CHF
Trade accounts payable	0	3'414
Prepayments		
Membership fees	5'000	9'775
Patronage	66'000	52'800
Approvals	10'000	0
	81'000	62'575
Accrued expenses and deferred income	24'149	25'965
TOTAL CURRENT LIABILITIES	105'149	91'954
Capital of the association		
Retained earnings	2'526'515	2'308'499
Profit for the year	-227'457	218'016
	2'299'058	2'526'515
TOTAL EQUITY	2'299'058	2'526'515
TOTAL LIABILITIES AND EQUITY	2'404'207	2'618'469

INCOME STATEMENT

	2018 CHF	Previous Year CHF
Operating income		
Membership fees	115'600	116'025
Exhibition fees	136'000	89'200
Other income	1'200	600
	252'800	205'825
Personnel expenses	-100'268	-86'379
Other operating expenses		
Administrative expenses	-22'323	-4'389
Meeting expenses	-81'376	-38'210
Project expenses	-30'514	0
Other operating expenses	-34'226	-23'911
	-168'439	-66'511
OPERATING RESULT	-15'906	52'935
Financial expenses		
Interest/bank fees/commissions/custodian fees	-2'387	-3'240
Valuation and foreign exchange losses on securities	-298'605	-14'038
	-300'992	-17'278
Financial income		
Bank interest	87	0
Interest and dividend income from securities	98'902	118'662
Valuation and foreign exchange gains on securities	2'037	89'089
	101'026	207'751
OPERATING RESULT BEFORE TAXES AND EXTRAORDINARY EXPENSES AND INCOME	-215'872	243'409
Extraordinary expenses	-7'636	0
PROFIT FOR THE YEAR BEFORE TAXES	-223'508	243'409
Direct taxes	-3'949	-25'393
PROFIT FOR THE YEAR	-227'457	218'016

NOTES

1. ACCOUNTING PRINCIPLES

The financial statements are prepared in accordance with the Swiss law, in particular the articles on accounting and financial reporting of the Swiss Code of Obligations (art. 957 to 960e).

2. FULL-TIME EQUIVALENTS

The annual average number of full-time equivalents for the reporting year, as well as the previous year, did not exceed 10.

3. EVENTS AFTER THE BALANCE SHEET DATE

There are no significant events after the balance sheet date.

PROPOSED APPROPRIATION OF AVAILABLE EARNINGS

Proposal of Board of Directors:

	2018 CHF	Previous Year CHF
Balance at the beginning of the year	2'526'515	2'308'499
Profit for the year	-227'457	218'016
Balance at the end of the year	2'299'058	2'526'515
Attribution to reserves	0	0
Retained earnings to be carried forward	2'299'058	2'526'515