

**Internationaler Schießsportverband e.V.  
(International Shooting Sport Federation)  
ISSF  
Widenmayerstr. 16  
80538 Munich, Germany**

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**ANNUAL ACCOUNTS**

**as of December 31, 2019**

Table of contents

	<u>Page</u>
A. Assignment and execution of the assignment	1 - 2
B. Legal basis	3 - 4
C. Economic conditions	4
D. The annual accounts as of December 31, 2019	5 - 6
Evidence	
Valuation	
Statement	
E. Completeness, signature	7
F. Accounting	8
G. Concluding remarks and final note	8

Attachments:

Balance sheet as of December 31, 2019	
Profit and loss account for the period from January 01, 2019 to December 31, 2019 and statements of accounts relating to the balance sheet and P&L account attachment	1 - 15
Attachment 1: Development of fixed assets 2019	1 - 16
Attachment 2: Profit and loss statement for 2019 - adjusted to previous years	1 - 7
Attachment 3: General Terms of Assignment	

Abbreviations:

ISSF

Internationaler Schießsportverband e.V. - ISSF  
(International Shooting Sport Federation), Munich

## **A. Assignment and execution of the assignment**

The Secretary General of the

### **Internationaler Schießsportverband e.V. - ISSF (International Shooting Sport Federation), Munich**

Mr. Alexander Ratner, has commissioned me to prepare the annual financial statements as of December 31, 2019, based on documentation provided to me, namely the accounting records compiled by the ISSF itself, as well as additional documents, accounts and inventory records, which in accordance with my assignment have not been audited by me, but which I have assessed for plausibility, taking into account the information provided to me and in compliance with generally accepted accounting principles, and to prepare a report in accordance with professional standards - corresponding to the previous year's reports.

I carried out the assignment issued to me in the period from June 24 to September 25, 2020 at the Company's premises and at my own Munich office. At the same time, the auditing company "PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft" carried out, as commissioned and in accordance with Section 316 et seq. of the German Commercial Code (HGB), a voluntary audit of the draft annual financial statements as of 12/31/2019, which I prepared at the end of September 2020. At the beginning of 2021, "PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft" completed its audit procedures to such an extent that I was able to finalize my assignment to prepare the annual financial statements in the required form applicable to small corporations within the meaning of Section 267 (1) and (4) of the HGB as of January 10, 2021.

My commission to prepare the annual financial statements did not include any activities beyond the type of assignment and therefore did not include any extended responsibilities as a tax consultant.

The obligation to prepare the annual financial statements was incumbent on the legal representative of the association who commissioned me to prepare them and who had to decide on the exercise of all options and legal acts associated with the preparation of the annual financial statements.

I informed my client about matters that led to the exercise of choices and obtained decision guiding the exercise of substantive and formal choices (recognition, valuation and statement choices) as well as discretionary decisions from my client.

The assignment awarded to me to prepare the annual financial statements comprised all activities required to prepare the annual financial statements stipulated by commercial

law, consisting of the balance sheet, profit and loss account and appendix, on the basis of the accounting records and the inventory, as well as the information obtained on recognition, statement and valuation issues and the specifications on the accounting and valuation methods to be applied, while making the closing entries.

In preparing and reporting on the annual financial statements, I have complied with the relevant standards of my professional obligations, including the principles of independence, confidentiality and personal responsibility (Section 57 StBerG).

Information was obtained from the Secretary General, Mr. Alexander Ratner, the accountant, Ms. Valeria Goldt, and the ISSF staff member Ms. Franziska Zeitlhofer, as well as from the Munich-based company "Reitmeier und Lausch Steuerberatungsgesellschaft GmbH & Co. KG.", responsible for providing tax consulting services to the ISSF until the end of 2019.

The information and evidence I requested was readily provided and the records I requested were made available to the extent necessary.

In terms of documents, I had at my disposal the records and writings as well as the accounting documents of the ISSF.

The General Terms and Conditions of Contract for Tax Consultants (as of November 2018), which are appended to this report as Attachment 19, are authoritative for the performance of my assignment and for my responsibility - also in relation to third parties.

## **B. Legal conditions**

Name of the association:	Internationaler Schießsportverband e.V. ISSF
Seat:	80538 Munich, Widenmayerstr. 16
Statutes:	new version from December 07, 2019
Register of Associations:	District Court of Munich, No. 10152, registered on 08/05/1981; Date of last entry: 6/10/2020 (new Statutes)
Business year:	Calendar year
Purpose:	The purpose of the ISSF e.V. is to promote and accompany the development of shooting sports without discrimination on political, racial or religious grounds and to strengthen the friendly relations between the shooting associations of all nations.
Members:	160 member associations in 147 countries
Bodies of the association:	The main bodies (Clause 4 of the Statutes) of the Association are the General Assembly (Clause 6 of the Statutes), which must be held at least every two years, and the Board, consisting of the President (Clause 9 of the Statutes) and the Secretary General (Clause 11 of the Statutes), which is elected by the General Assembly for a term of four years (Clause 4.6.2 of the Statutes).
Board:	<b>Vladimir Lisin, President</b> - from 12/01/2018 Moscow/Russia - c/o ISSF e.V. 80538 Munich <b>Alexander Ratner, Secretary General</b> - from 12/01/2018 Frankfurt am Main - c/o ISSF e.V. 80538 Munich. President and Secretary General have sole power of representation.
Tax conditions:	According to the assessment notice pursuant to Section 60a of the German Tax Code (AO) dated 06/05/2014 and the annex to the corporate income tax notice 2018 dated 10/30/2019, the ISSF e.V. is recognized as a non-profit association. Tax liability extends only to the economic business operation, comprising: Advertising business in the ISSF News (until 12/31/2018), advertising on the occasion of sporting

events and on the Internet, trade in shooting products. Furthermore, the ISSF e.V. is exempt from corporate income tax and trade tax due to the exclusive and direct pursuit of tax-privileged purposes through the promotion of sports.

For the "Development Fund" established in 2019, all necessary documents were submitted to the tax office and explained in detail. According to the binding information of 08/21/2019, the submitted documents for the establishment of a development fund at the ISSF e.V. comply with the legal provisions of non-profit status.

Tax office: Munich tax office for corporations  
 Tax number: 143/217/40716

### **C. Economic conditions**

The subsidies allocated to the ISSF e.V. since 2012 by the IOC International Olympic Committee in Lausanne, which the IOC distributes to the participating International Federations from the revenues of the Olympic Games held every four years, are also distributed equally over four years at the ISSF e.V., and one quarter of each such allotment is shown as income in the profit and loss account; as a result, the profit and loss account closes with an annual profit of € 1,513,599.01.

The net result for 2019 has thus increased by € 1,282k compared with the previous year.

The improvement in the annual result is mainly attributable to the revenue side, in addition to the increase in dues (€ 196k, PY 98k), and also to the grants from the Development Fund established in 2019 (€ 785k), while on the expenses side the discontinuation of the distribution of the ISSF NEWS (€ 0k, PY € 381k), the reduction in expenses for multimedia/TV (€ 362k, PY € 794k) and the decline in personnel costs (€ 673k, previous year: € 863k) and for the executive bodies (€ 1,326k, PY € 1,561k) were responsible for the annual result, in addition to other cost changes.

### **D. The annual accounts as of December 31, 2019**

#### Evidence:

Fixed assets are recorded in a computerized asset register, from which all legally required information could be retrieved. The physical inventory review was performed by

Association staff in connection with the April 2019 move to the Widenmayerstraße office and based on the fixed asset inventory as of the balance sheet date.

Reported supplies were evidenced by inventory lists that recorded the results of physical stocktaking by quantity and value as of December 31, 2019.

The balances of receivables and other assets are shown in lists of account balances.

Cash balances can be seen in the cash books and are confirmed by bank statements.

The liabilities are shown in lists of balances.

Valuation:

The valuation methods comply with generally accepted accounting principles.

The general valuation principles pursuant to Section 252 (1) HGB

- Balance sheet continuity
- Continuation of operations (going concern)
- Individual and cut-off date valuation
- Principle of prudence (imparity and realization principle)
- Period accrual
- Principle of continuity

have been observed. None of these principles were deviated from.

Supplies were valued at the acquisition cost or at the lower current values. Receivables, other assets and cash and cash equivalents (cash on hand, bank balances) are capitalized at nominal value or cost. For foreign currency accounts (Swiss francs and US dollars), the official exchange rates as of December 31, 2019 were used in each case.

Other provisions take into account all identifiable risks and uncertain obligations.

Statement:

The structure of the annual financial statements has been prepared in accordance with the classification requirements of German commercial law.

The balance sheet has been prepared in account form.

The items referred to in Section 265 (2) and (3) of the HGB are shown in the prescribed order.

The profit and loss account has been prepared in graduated form in accordance with the total cost method and largely follows the structure prescribed in Section 266 of the HGB.

**E Completeness and signature**Completeness

I hereby declare as Secretary General of the "Internationaler Schießsportverband e.V.", Munich, with sole power of representation, that the documents relating to the accounts and the annual financial statements as of December 31, 2019, together with the information and evidence provided, are complete and correct.

Signature

The above declaration of completeness and the following financial statements, consisting of the balance sheet, profit and loss account, appendix and list of attachments, are signed by me.

Munich, January 10, 2021

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Alexander Ratner

**F Accounting**

The financial accounting is prepared electronically (DATEV system) by Mrs. Valeria Goldt. The records are properly evidenced, adequately explained and are filed in an orderly manner.

According to my findings, the accounting records comply with the legal requirements.

The financial statements have been derived from the accounting records by me.

**G Concluding remarks and final note**

Based on my findings, I issue the following certificate:

"In accordance with my assignment, I have prepared the following annual financial statements - comprising balance sheet, profit and loss account and appendix - for the financial year from January 1, 2019 to December 31, 2019, in compliance with the provisions of German commercial and tax law and the supplementary provisions of the Statutes. The basis for the preparation were the records, accounts and inventory evidence presented to me, which, in accordance with my assignment, were not audited by me, as well as the information provided to me. The accounting records and the compilation of the inventory and the annual financial statements in accordance with German commercial and tax law and the supplementary provisions of the Statutes are the responsibility of the client's legal representatives.

I conducted my assignment in accordance with the pronouncement of the German Federal Chamber of Tax Consultants on the principles for the preparation of financial statements. This includes the preparation of the balance sheet, the profit and loss account and appendix on the basis of the accounting records and inventory, as well as the specifications on the accounting and valuation methods to be applied."

Munich, January 10, 2021

[signature]

Dipl.-Kfm W.- Jürgen von Freyburg  
Statutory auditor - Tax consultant

## **ATTACHMENTS**

## BALANCE SHEET as of December 31, 2019

**Internationaler Schießsportverband e. V. - ISSF  
(International Shooting Sport Federation), Munich**

## ASSETS

<b>A. Fixed assets</b>	EUR	Business year EUR	Previous year EUR
I. Intangible assets			
1. Concessions, industrial property rights and similar rights and assets acquired in return for payment, as well as licenses to such rights and assets		2,195.00	3,513.00
II. Tangible assets			
1. Other property, plant and equipment		247,353.00	73,734.00
III. Financial assets		•	
1. Investments		1,750.00	1,750.00
<b>B. Current assets</b>			
I. Inventory			
1. Finished goods and merchandise		65,206.79	88,652.54
II. Receivables and other assets			
1. Accounts receivable	71,466.33		30,411.22
2. Other assets	<u>523,712.76</u>	595,179.09	6,000.63
III. Cash balances, Bundesbank balances, bank balances and checks		4,827,127.88	6,371,502.19
<b>C. Prepaid expenses</b>		<u>2,913.38</u>	<u>6,738.00</u>
		<u>5,741,725.14</u>	<u>6,582,301.58</u>

## BALANCE SHEET as of December 31, 2019

**Internationaler Schießsportverband e. V. - ISSF  
(International Shooting Sport Federation), Munich**

## LIABILITIES

<b>A. Equity</b>	EUR	Business year EUR	Previous year EUR
I. Retained earnings			
1. Statutory reserve		2,458,474.30	2,226,908.22
II. Net income		1,513,599.01	231,566.08
<b>B. Special item for grants and allowances, unused funds allocated by the IOC</b>		0.00	3,995,942.70
<b>C. Special item for grants, donation funds not yet used, Development Fund</b>		1,404,618.78	0.00
<b>D. Provisions</b>			
1. Other provisions		31,000.00	7,500.00
<b>E. Liabilities</b>			
1. Liabilities to banks - thereof with a residual term of one year or less EUR 0.00 (EUR 1.84)	0.00		1.84
		125,927.95	2,190.41
2. Advance payments received on account of orders - thereof with a residual term of one year or less EUR 125,927.95 (EUR 2,190.41)		192,126.95	0.00
3. Accounts payable - thereof with a remaining term of one year or less EUR 192,126.95 (EUR 0.00)		<u>15,978.15</u>	334,033.05
4. Other liabilities - thereof from taxes EUR 13,396.31 (EUR 51,007.27) - thereof for social security .EUR 306.60 (EUR 179.43) - thereof with a residual term of one year or less bis zu einem Jahr EUR 15,978.15 (EUR 118,192.33)			118,192.33
		<u>5,741,725.14</u>	<u>6,582,301.58</u>

PROFIT AND LOSS ACCOUNT from 1/1/2019 to 12/31/2019

**Internationaler Schießsportverband e. V. - ISSF  
(International Shooting Sport Federation), Munich**

	EUR	Business year EUR	Previous year EUR
1. Revenues		<b>451,577.06</b>	786,520.03
2. Other operating income - thereof expenses from currency translation EUR 195,084.21 (EUR 265,225.74)		<b>5,248,851.65</b>	4,307,265.30
3. Cost of materials a) Cost of raw materials, supplies and purchased goods		<b>59,063.97</b>	129,847.22
4. Personnel expenses	598,813.95		704,180.55
a) Wages and salaries			
b) Social security contributions and expenses for retirement benefits and support payments	<u>74,164.09</u>	•	<u>158,945.98</u>
		<b>672,978.04</b>	863,126.53
5. Depreciation a) of intangible and tangible fixed assets		<b>37,085.77</b>	14,636.75
6. Other operating expenses		<b>3,545,432.62</b>	3,907,665.18
7. Other interest and similar income		<b>141,037.64</b>	65,308.26
8. Taxes on income and profit		<b><u>12,371.94</u></b>	<u>11,416.83</u>
<b>9. Earnings after taxes</b>		<b>1,514,534.01</b>	232,401.08
10. Other taxes		<b><u>935.00</u></b>	<u>835.00</u>
<b>11. Net income</b>		<b><u>1,513,599.01</u></b>	<u>231,566.08</u>

Munich, January 10, 202