



WDSF PROFESSIONAL DIVISION'S FINANCIAL REPORT FOR 2013

To the delegates to the AGM of the Professional Division of WDSF in Bucharest, Romania, June 14, 2014

Dear Delegates, Ladies and Gentlemen

As you know, the Professional Division commenced operating within WDSF in August 2010 when all the assets of the former IPDSC were transferred to the WDSF PD.

I am pleased to be able to report that since its integration as the WDSF Professional Division we have been constantly growing and the growth is also reflected in PD's yearly financial statements.

As shown in the explanations below the comparable Operating Income of CHF 116'589 exceeded the previous year amount of CHF 92'776 by 26 % and the budgeted amount of CHF 95'039 by 23 % resulting in the Operating Surplus of CHF 49'267. This was 44% higher than the previous year. Such a positive financial outcome was the result of the very restrictive approach to all kinds of expenditure, the thinner management structure introduced at the PD AGM in Shanghai and the continuing support by WDSF, mainly in the areas of the Administration and Communications.

The 2013 net profit was added to the capital accumulated in the previous years, including the former IPDSC, and its total value at the end of 2013 reached CHF 147'686.

Income and expenses as well as the assets of the Professional Division are included in the WDSF Financial Statements and its contribution, especially regarding the surplus is not significant. However, we have to understand that PD sources of income are limited to membership, competition and licensing fees and therefore further significant growth and financial performance is not very likely in the short term.

On the expense side, the highest overall costs were for travelling and hospitality expenses for various official and unofficial meetings while all of the duties of the PD officials have been performed on the voluntary basis.

I am glad that the co-operation with the WDSF Treasurer Tony Tilenni and his Staff, with my Colleagues in the PD Management Board, as well as with the majority of the PD Members has always been very constructive and I thank everybody who has supported me in doing this demanding job at my best.

The detailed overview of the PD Finances in 2013 is provided below in the WDSF PD Statement of Income & Expenses and the Balance Sheet as at December 31, 2013 together with the detailed explanations.

Yours Sincerely,

Verena Sulek

WDSF Professional Division Statement of Income & Expenses	See Explanation	Result WDSF PD 2012 CHF	Budget WDSF PD 2013 CHF	Result WDSF PD 2013 CHF	Ratio Res/Bud 2013 (%)	Ratio Result 2013/12 (%)
Income and Expenses						
<i>Operating income</i>						
PD Adjudicator's License Fees	1	19.516	30.800	34.053	111%	174%
PD Athlete's License Fees	2	-	1.529	3.263	213%	
PD Competition Fees	3	41.496	30.410	47.470	156%	114%
Membership Fees	4	31.670	31.700	31.703	100%	100%
WDSF Prize Money Contribution	5	-		79.950		
Other Income	6	94	600	100	17%	
<i>Total Operating Income</i>		92.776	95.039	196.539	207%	212%
<i>Operating Expenses</i>						
Administration	6	- 4.933	- 8.000	- 11.445	143%	232%
Advertising and Promotion	7	- 6.263		- 100		2%
Bank Charges		- 113	- 500	- 473	95%	419%
Communications		- 638	- 8.000	- 1.899	24%	298%
Contingency			- 1.000		0%	
Education			- 2.500		0%	
General Meeting	8	- 13.649	- 13.000	- 17.497	135%	128%
Managing Committee Meetings	9	- 17.946	- 12.000	- 123	1%	1%
Management Board Meetings	10	- 4.085	- 20.000	- 11.551	58%	283%
Prize Money - Competitions	11			- 92.250		
Strategic Development (PD Projects)	12	- 3.301	- 13.000		0%	0%
Travelling , Acommod. & Hospitality Other	13	- 7.623	- 7.000	- 11.934	170%	157%
<i>Total Operating Expenses</i>		- 58.551	- 85.000	- 147.272	173%	252%
Operating Surplus/(Deficiency)		34.225	10.039	49.267	491%	144%
Non-operating Income and Expenses						
Bank interest		53	70	52	74%	98%
Non-operating Income						
Non-operating expenses		- 324	- 70	- 594		
Surplus/(Deficiency)		33.954	10.039	48.725	485%	144%

Explanations to the Statement of Income & Expenses 2013

General

The PD Statements of Income & Expenses are prepared in Swiss Francs (CHF), the currency in which all WDSF and PD fees are reported, while the majority of PD expenses have been paid in EUR.

For the orientation: the 2013 statements the exchange rate used in the reports have been taken as follows: 1 EUR = 1.23 CHF or 1 CHF = 0.81 EUR.

Due to the change in method of reporting the WDSF Prize Money Contribution PD Total Operating Income 2013 and PD Total Operating Expenses are not directly comparable with those in 2012 and in 2013 Budget.

To make the comparison sensible the amount CHF 79'950 needs to be deducted from both, resulting in 2013 Total Operating Income of CHF 116'589 compared to CHF 92'776 in 2012 and 2013 Total Operating Expenses of CHF 67'322 compared to CHF 58'551 in 2012.

Detailed explanations under the numbers, as indicated in the above Statement, are given below.

1. **PD Adjudicator's License Fees**: Additional Adjudicator's License Fee for PD License was implemented in 2011. While in 2012 PD license was paid by 177 adjudicators this number increased to 280 in 2013.
2. **The possibility to charge PD Athlete's Fees** has been built into PD Financial regulations from the very beginning but practically introduced with a symbolic amount CHF 10.- per athlete in 2013. As these fees are collected by PD National Member Bodies the main purpose of this fee is not to collect money but to make PD Members and their national RLS administrators aware of their professional athletes what was in many PD Member Federations not the case.
3. **PD Competition Fees** were paid for the following purposes (figures in brackets are corresponding amounts from 2012): CHF 13'000 (11'750) for World Championships, CHF 3'000 (4'000) for Continental Championships, CHF 4'050 (1'750) for World Cups, CHF 2'000 (1'000) for Continental Cups, CHF 10'420 (11'996) for PD Open Competitions and CHF 15'000 (12'000) for PD World Super Grand Prix.
4. **PD Membership Fees**: Out of 48 members 44 paid full and 2 provisional Membership Fees, while 2 provisional members didn't pay their fees for 2013 yet.
5. **WDSF Prize Money Contribution**: WDSF contributed prize money participation for PD World Super Grand Prix competitions (CHF 14'760 per competition) and for part of the PD Championships already in 2012 (in total CHF 73'800) but this amount was shown neither under PD Income nor under PD Expenses, while for 2013 WDSF Treasurer Tony Tilenni decided to show WDSF contribution under PD Income and under PD Expense.
6. **Other Income**: Other income includes the fines for not paying the invoices before due date. In 2013 there were delayed payments but as the delays were mainly due to clarifications if the invoices items regarding adjudicator's and athlete's fees, which are not easily collected by our members, the automatically generated fines for late payment in the amount of CHF 100.- have been in most cases manually removed from the regenerated unpaid invoices. Therefore the collected fines in 2013 were insignificant.
7. **Administration**: Administration expenses cover postage, telecommunications, bookkeeping assistance, which means the preparation of all financial documentation for

booking, auditing and reporting). While in 2012 and earlier the bookkeeping assistance has been mainly done voluntarily by the Treasurer, this workload has been outsourced since mid 2013. Together with the increased refund of telecommunication costs this is the reason why administration expenses in 2013 exceeded significantly the 2012 amount and the budgeted value.

8. **Advertising, Marketing and Promotion**: These item is supposed to show the expenses for promotional materials and marketing expenses and in 2012 the expenses for live video-streaming to the You Tube DanceSport Portal from 2 World and 2 European Championships were booked by mistake under Advertising & Promotion instead under the Communications. Therefore the budget for these expenses in 2013 has been 0.
9. **Communications**: The amount of CHF 8'000.- budgeted for live video streaming from PD World Super Grand Prix, World Championships and Cups and Continental Championships was not spent because almost all organisers provided video streaming by themselves.
10. **General Meeting**: as the meeting was in Shanghai the budgeted travelling and accommodation expenses for PD Management Board members were underestimated and therefore the actually spent amount exceeded the budgeted value by 35%.
11. **Managing Committee Meetings**: By the decision of the 2013 PD AGM in Shanghai the PD Managing Committee has been eliminated and as there were no Managing Committee Meeting prior to the 2013 AGM, there were practically no expenses under these item.
12. **PD Management Board Meetings**: there were two PD Management Board Meetings in 2013: in Shanghai in connection with the AGM and another one in the frame of German Open in Stuttgart. The travelling and accommodation expenses for the Shanghai meeting are shown under "General Meeting" and the expenses for the second meeting were also much less than budgeted because by the decision of the PD AGM in Shanghai the Management Board has held decreased from 11 to 7 members.
13. **Prize Money for Title Competitions**: As mentioned already under explanation 5 above WDSF is providing significant Prize Money Contributions and the WDSF PD is adding its own funds as a contribution to the organisers of PD World Super Grand Prix, Championships and Cups together with the request that the organisers have to add approximately the same amounts in order to make most important PD competitions attractive for the existing and future WDSF professional couples. In 2013 the WDSF contribution has been CHF 79'950 and PD contribution CHF 12'300.
14. **Strategic Development**: Strategic development is covering special PD projects. In 2011 this was the Teacher/Student Project and in 2012 this was the organisation of the revision of the first 2 WDSF Technique Books (Waltz and Samba). In 2013 there were no such projects.
15. **Travelling Other** covered mainly PD Director's and PD Sport Director's travel expenses to the most important PD title events as well as to the meetings with WDSF officials.

**WDSF PD Balance Sheet at December
31, 2013 vs. 2012**

Balance at **Balance at**
31/12/2012 **31/12/2013**
CHF **CHF**

CURRENT ASSETS	Explan.		
Bank CHF Account 82788465-9440 C (CHF)		92.727	147.808
Bank EUR Account 82788465-9441 L (EUR)	1	5.752	1.030
Cash at Hand	2	1.082	29
Receivables Debtors	3	3.800	930
Other Receivables		0	0
Prepayments	4	0	1.795
TOTAL CURRENT ASSETS		103.361	151.592
NON-CURRENT ASSETS			
N/A		0	0
TOTAL NON-CURRENT ASSETS		0	0
TOTAL ASSETS		103.361	151.592
CURRENT LIABILITIES			
Creditors		0	0
Other Liabilities	5	4.400	3.906
TOTAL CURRENT LIABILITIES		4.400	3.906
TOTAL LIABILITIES		4.400	3.906
NET ASSETS		98.961	147.686
CAPITAL			
Capital as per Jan 1		147.687	98.961
Surplus of the past year		33.054	48.726
TOTAL CAPITAL		98.961	147.687

Explanations to the Balance Sheet as at 31.12.2013

- CHF 1'030.- at PD EUR Bank Account** is the rounded equivalent of EUR 837.07
- CHF 29.- cash at hand** is the rounded equivalent of the actual EUR 23.70
- CHF 930.- Receivables from Debtors:** (CHF 800.- unpaid invoices WGP-80 and WGP-84 for provisional Membership Fees from 2 countries, CHF 20.- unpaid invoice WGP- 96 for athlete's fees, CHF 110.- unpaid invoice WGP-215 for adjudicator's fee, and CHF 800.- unpaid invoice WGP-215 for Competitions Fees.
- CHF 1'795.- Prepayments:**
Prepaid invoices due in 2014 for Membership, Adjudicator's and Athlete's fees
- CHF 3'906 Other Liabilities:**

Turkey WDSF PD World Cup Latin in 2012 (paid but canceled, partly offset)	CF 2012-10	1'730.-
France received payment for Comp fee for cancelled comp Bourg/Bresse	WGP-214	400.-
UBS Credit Card Centre – Billing Statement from 29.12.13 due on 27.01.14		106.-
Received payments due in 2014 for Memb., Adjud. and Athl. fees	several inv.	1'670.-