



EUROPEAN TABLE TENNIS UNION

Non profit making Association

LEGAL SEAT
L-1520 Luxembourg
73 rue Adolphe Fischer

FINANCIAL STATEMENTS

2022

INDEPENDENT AUDITOR'S REPORT

To the Executive Board of
Europäische Tisch-Tennis Union a.s.b.l.
73, rue Adolphe Fischer
L-1520 Luxembourg

Opinion

We have audited the financial statements of Europäische Tisch-Tennis Union a.s.b.l. (the "Association"), which comprise the balance sheet as at 31 December 2022 and the profit and loss account for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at 31 December 2022 and the results of its operations for the year then ended, in accordance with the Association's accounting policies as described in note 2.1 of the financial statements.

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISA) as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF). Our responsibilities under the Law of 23 July 2016 and ISA as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of the "réviseur d'entreprises agréé" for the audit of the financial statements » section of our report. We are also independent of the Association in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Basis of accounting and restriction on distribution and use, and correction of error

We draw attention to note 2.1 to the financial statements, which describes the basis of accounting. The financial statements are prepared for the purpose of presenting the Association's financial position and results to the members of Europäische Tisch-Tennis Union and the International Table Tennis Federation (ITTF). As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Association, its members and the ITTF and should not be distributed to or used by other parties.

In addition, we also draw attention to note 2.3 to the financial statements, which describes the correction of an error identified during the current year and relating to the 2021 financial year.

Our opinion is not modified in respect of these matters.

Other matter

We draw attention to the fact that the financial statements of the Association for the year ended 31 December 2021 were not audited.

Responsibilities of the Executive Board for the financial statements

The Executive Board is responsible for the preparation and fair presentation of these financial statements in accordance with the Association's accounting policies as described in the note 2.1 of the financial statements, and for such internal control as the Executive Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Responsibilities of the "réviseur d'entreprises agréé" for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" 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 Law of 23 July 2016 and with ISA as adopted for Luxembourg by the CSSF 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 these financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISA as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Board.
- Conclude on the appropriateness of Executive Board'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 report of the "*réviseur d'entreprises agréé*" to the related disclosures in the financial statements 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 report of the "*réviseur d'entreprises agréé*". 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 statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

Luxembourg, 6 July 2023

PKF Audit & Conseil Sàrl
Cabinet de révision agréé

DocuSigned by:

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Joëlle Mounier

EUROPEAN TABLE TENNIS UNION - FINANCIAL STATEMENTS 2022

BALANCE SHEET

	Notes	31.12.2022 EUR	31.12.2021 EUR
Assets			
A. Fixed Assets		-	-
1. <i>Tangible Assets</i>	3	-	-
B. Currents Assets		1.141.261	1.144.249
1. <i>Debtors</i>	4	162.454	287.398
2. <i>Cash at bank and in hand</i>	5	978.807	856.851
C. Prepayments		1.477	-
Total Assets		1.142.738	1.144.249
Capital, Reserves and Liabilities			
A. Capital and Reserves	6	1.045.034	832.085
1. <i>Association's Reserves</i>		400.000	400.000
2. <i>Transferred results</i>		432.085	217.921
3. <i>Result of the year</i>		212.949	214.164
B. Liabilities		84.875	46.664
1. <i>Creditors</i>	7	84.875	46.664
D. Deferred income	8	12.829	265.500
Total Capital, Reserves and Liabilities		1.142.738	1.144.249

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INCOME STATEMENT

	Notes	31.12.2022 EUR	31.12.2021 EUR
Income Statement			
1. Revenue from ordinary activities	9	286.834	262.064
2. Grants and Sponsoring	10	1.503.796	1.291.244
3. Event and operating expenses	11	-683.896	-707.611
4. Other operating income	12	48.769	37.100
5. General and administrative expenses	13	-678.861	-523.834
6. Staff costs	14	-126.990	-115.893
7. Value adjustments	4	-73.680	-
8. Other operating expenses	15	-51.490	-28.001
9. Other interest receivable and similar income		-	495
10. Interest payable and similar expenses		-11.533	-1.400
Result of the year		212.949	214.164

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GENERAL NOTES

1 - General activity

Europäische Tisch-Tennis Union (hereinafter "ETTU" or the "Association") was incorporated on 11 August 2006 and is organized under the laws of Luxembourg as an "Association sans but lucratif" for an unlimited period.

ETTU is registered with the "Registre de Commerce et des Sociétés" under number F4227.

According to the ETTU Informal Meeting decision of the 27th April 1997 in Manchester (England), ETTU has been vested the status of a non profit making Association (in French: "Association sans but lucratif") under Luxembourg law (ETTU Constitution, article A.1.1.1.).

The registered office of the Association is established at 73 rue Adolphe Fischer, L-1520 Luxembourg.

ETTU's financial year starts on 1st January and ends on 31st December of each year.

The social object of ETTU is the organization of the competitions in table tennis.

2 - Summary of significant accounting policies and valuation rules

2.1 - Basis of preparation

The financial statements have been prepared in accordance with Luxembourg legal and regulatory requirements under the historical cost convention, with some deviations in presentation compared to the legal format

necessary to present the Association's balance sheet and income statement with clarity for the intended users

The figures of the year ended 31 December 2021 have been reclassified to ensure comparability with the figures for the year ended 31 December 2022.

Accounting policies and valuation rules are, besides the ones laid down by the law of 19 December 2002 as amended, determined and applied by the Executive Board.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires the Executive Board to exercise their judgment in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period in which the assumptions changed. Executive Board believes that the underlying assumptions are appropriate and that the financial statements therefore present the financial position and results fairly.

ETTU makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2.2 - Significant accounting policies and valuation rules

The main accounting policies and valuation rules applied by ETTU are the following:

2.2.1 - Foreign currency translation

Unless otherwise specified, all amounts reported in these Financial Statements are in euro (EUR). Transactions expressed in currencies other than Euro are translated into Euro at the exchange rate effective at the time of the transaction.

Cash at bank is translated at the exchange rate effective at the balance sheet date. Exchange losses and gains are recorded in the profit and loss account of the year.

Year-end USD exchange rate used was 0,93280 USD/EUR.

The Association has no other balances denominated in foreign currencies.

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GENERAL NOTES

2.2.2 - Tangible fixed assets

Tangible fixed assets are valued at purchase price including the expenses incidental thereto or at production cost. Tangible fixed assets are depreciated over their estimated useful economic lives.

The depreciation rates and methods applied are as follows:

	Depreciation rate	Depreciation method
Other fixtures and fittings, tools and equipment (including rolling stock)	10% - 33%	Linear

2.2.3 - Debtors

Debtors are valued at their nominal value. They are subject to value adjustments where their recovery is compromised. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

2.2.4 - Cash at bank and in hand

Cash at bank and in hand is valued at nominal value.

2.2.5 - Prepayments

This asset item includes expenditures incurred during the financial year but relating to a subsequent financial year.

2.2.6 - Creditors

Creditors are recorded at their reimbursement value. Where the amount repayable on account is greater than the amount received, the difference is recorded in the profit and loss account when the debt is issued.

2.2.7 - Deferred income

This liability item includes income received during the financial year but relating to a subsequent financial year.

2.3 - Correction of error

The financial statements as at 31 December 2022 include the correction of an error identified during the current year and relating to the 2021 financial year. The Association's deferred income for the year ended on 31 December 2021 included an amount of EUR 200.000 related to a sponsorship agreement, which was supposed to be terminated on 31 December 2021. The Executive Board however resolved to defer this amount from the financial year ended on 31 December 2021 to the next financial year, which contravenes the Association's accounting policies.

Further information on this adjustment can be found in the notes to the financial statements relating to deferred income and grants and sponsoring (notes 8 & 10 respectively).

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GENERAL NOTES

3 - Tangible fixed assets

The movements for the year are as follows:

	Other fixtures and fittings, tools and equipment
Gross book value - opening balance	17.258
Gross book value - closing balance	17.258
Accumulated value adjustment - opening balance	17.258
Accumulated value adjustment - closing balance	17.258
Net book value - opening balance	-
Net book value - closing balance	-

4 - Debtors

Debtors are composed as follows :

	2022	2021
Receivables from internal debtors <i>Members Associations, ITTF, Clubs</i>	224.635	229.156
Receivables from external debtors <i>Supplier pool and partner</i>	11.499	94.242
Invoices & credit notes to be established	-	-36.000
Value adjustments	-73.680	-
	162.454	287.398

Following hacking attacks and the criminal complaints lodged by ETTU and by FITET, a value adjustment regarding the receivable towards FITET for an amount of EUR 73'680 was recorded due to the prudence principle. However, the ETTU is still expecting to receive the full amount outstanding following the outcome of this complaint.

5 - Cash at bank and in hand

5.1 - Cash at bank

	2022	2021
Account 'euro' - LU34	128.519	2.620
Account 'euro' - LU84	101.761	221
Account 'euro' - LU47	337.775	443.164
Account 'euro' - LU80	4.240	-
Account 'euro' - LU55	401.185	399.985
Account 'US Dollar' (\$ 3.966,58)	3.700	3.521
	977.180	849.511

5.2 - Cash in hand

	2022	2021
Cash Secretariat	1.627	7.005
Cash Development Management	-	335
	1.627	7.340

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GENERAL NOTES

6 - Capital and Reserves

The movements for the year are as follows:

	Association's Reserves	Transferred results	Result of the year
As at 31/12/2021	400.000	217.921	214.164
Movements for the year :			
Allocation of previous year's profit or loss	-	214.164	-214.164
Profit or loss for the year	-	-	212.949
As at 31/12/2022	400.000	432.085	212.949

The reserve has been set up to cover the current costs of the ETTU Secretariat for a period of about two (2) years, for the case there will be any unexpected drop in ETTU's regular income. The reserve fund has been set up in 1997 at the amount of 300.000 CHF, and has been increased, according to the related decisions of the ETTU Congress in 2003 and 2006 to the level of 400.000 EUR.

7 - Creditors

Creditors are composed as follows :

	2022	2021
Payables to internal creditors	-	-
Payables to external creditors	1.822	720
Suppliers - not yet received invoices	83.053	45.944
Total	84.875	46.664

8 - Deferred income

For the previous year, an amount of EUR 265.500 concerning sponsoring has been booked in deferred income. This amount included an amount of EUR 200.000 related to a sponsorship agreement, which was supposed to be terminated on 31 December 2021 and had been incorrectly deferred to the next financial year (see note 2.3 - Correction of error). This amount has been totally reversed in the financial statements 2022.

9 - Revenue from ordinary activities

Revenue from ordinary activities are composed of the following income :

	2022	2021
European Championships	86.800	155.950
European Veteran Championships	73.680	-
Champions League	31.800	41.500
Top 16	28.250	8.000
Membership subscriptions	20.300	20.300
Europe Trophy	17.500	-
Europe Cup	12.800	12.400
Youth Championships	5.000	5.125
U21 Championships	10.250	10.700
European Olympic Qualifications	-	7.600
World Championships	-	489
Extraordinary Congress	454	-
	286.834	262.064

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GENERAL NOTES

10 - Grants and Sponsoring

Grants and sponsoring are composed of the following income :

	2022	2021
Sponsorship events *	659.631	691.500
Events support and rights	552.460	174.426
Income sponsor and ITTF	196.998	338.623
Governance grant	94.707	86.695
	1.503.796	1.291.244

* includes in 2022 an amount of EUR 200.000 not accounted for in 2021 (see note 2.3 - Correction of error)

11 - Event and operating expenses

Event and operating expenses are composed of the following expenses :

	2022	2021
Sponsorship events	205.505	351.571
Events support and rights	164.471	20.206
Eurotalents and Hopes camps	115.731	113.528
Promotion and marketing activities	63.950	118.907
NA Assistance	41.389	22.491
Champions Leagues	36.000	8.900
Para TT Activity	6.010	15.496
Annual Coaching Conference	4.422	14.132
Scholarships	22.657	-
Additional activities	1.411	18.147
U21 Program	-	300
Women's activity	6.850	8.622
Europe Trophy	8.000	1.350
Top 16	-	900
Europe Cup	7.500	8.700
World Championships	-	4.361
	683.896	707.611

12. Other operating income

Other operating income are composed of the following income :

	2022	2021
Others	-	16.100
SP - Suppliers	32.500	74.000
Ukraine crowdfunding	1.784	-
Penalties and Fines	9.485	-
Training	1.000	-
Appeal Fee	2.000	-
Exceptional operations	2.000	-53.000
	48.769	37.100

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GENERAL NOTES

13 - General and administrative expenses

General and administrative expenses are composed of the following expenses :

	2022	2021
Contract deeds	295.850	200.000
Meetings / Travels	146.918	114.882
Media advisor	57.150	84.009
Juridical assistance	43.965	16.024
Website management	34.039	35.224
Accounting / Payroll / Audit	33.050	21.446
President's remuneration	30.000	38.700
Congresses	22.130	522
Technical operating	158	171
Communication	8.448	8.075
Office Equipment	6.555	4.203
Insurance	598	578
	678.861	523.834

ETTU had 1 person (the Secretary General) on a full time service contract and 5 persons on part time service contracts.

14. Staff costs

On 31st December 2022, ETTU had two (2) persons employed (contrat à durée indéterminée).

15 - Other operating expenses

Other operating expenses are composed of the following expenses :

	2022	2021
Others	-	-16.100
Training	-	5.278
Rebranding	-	-12.572
Ukraine support	-21.579	-
Ukraine crowdfunding	-703	-
Fines on contracts and default penalties on purchases and sales	-23.386	-
Gifts and Tips	-	-
Exceptional operations	-	-4.607
Outstanding engagements	-5.822	-
	-51.490	-28.001

16. Subsequent events

There aren't any subsequent events at the closing date of 31 December 2022 which could significantly impact the financial situation of ETTU.