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61st FIFA Congress

FIFA Financial Report 2010

Zurich, 31 May and 1 June 2011

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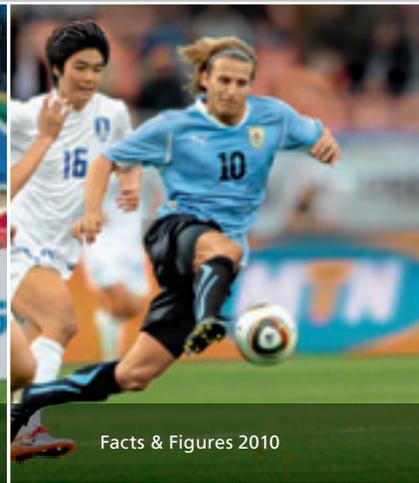
For the Game. For the World.



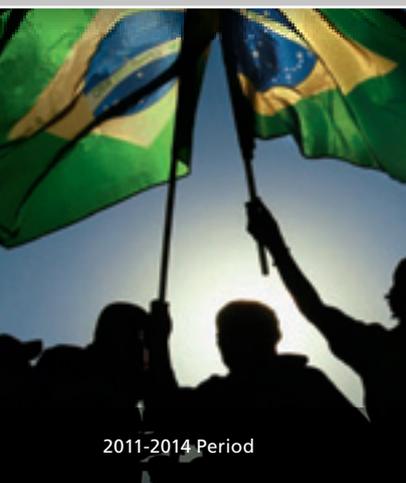
Foreword



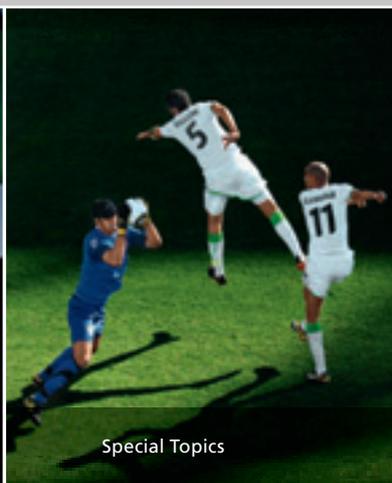
Facts & Figures 2007-2010



Facts & Figures 2010



2011-2014 Period



Special Topics



Annexe 2010



Annexe 2007-2010

Foreword	4
FIFA President	6
Chairman of the Finance Committee	8
Chairman of the Internal Audit Committee	10
<hr/>	
Facts & Figures 2007-2010	12
Overview	14
Income statement	16
Balance sheet	20
Budget comparison	22
<hr/>	
Facts & Figures 2010	26
Income statement	28
<hr/>	
2011-2014 Period	30
Detailed budget for 2012	32
<hr/>	
Special Topics	34
2010 FIFA World Cup™ financial overview	36
2010 FIFA World Cup™ LOC	38
2010 FIFA World Cup™ Legacy Trust	40
2010 FIFA World Cup™ Ticketing	42
2010 FIFA World Cup™ 20 Centres for 2010	44
Development work 2007-2010	46
<hr/>	
Annexe 2010	50
Consolidated financial statements 2010	52
Auditor's report	106
<hr/>	
Annexe 2007-2010	108
Consolidated financial statements 2007-2010	110
Auditor's report	114
Internal Audit Committee report	116



LADARES

18

GU...A

20

FOREWORD





“The first
FIFA World Cup
on African soil”

DEAR MEMBERS OF THE INTERNATIONAL FOOTBALL FAMILY,

This report marks the end of the 2007-2010 period, one that will be fondly remembered particularly because of the successful 2010 FIFA World Cup™, which was a historic event as it was the first to be held in Africa.

FIFA placed its trust in South Africa right from the very start, and the organisers made sure that the event was a success by building a partnership that was always based on respect, efficiency and solidarity. The 2010 FIFA World Cup™ in South Africa was not just successful from a sporting point of view, however, as it also underlined the immense social and cultural power of our game.

Thanks to the conservative and careful financial policies that we followed in the 2007-2010 period, we have been able to considerably increase our investment in football development programmes, and in 2010, we were able to give each member association a total extraordinary FAP payment of USD 550,000 and each confederation USD 5 million.

I am delighted that even before this cycle drew to a close, we were able to conclude long-term contracts with many existing as well as new partners. This proves that although we are in challenging financial times, multinational companies still seek to identify with football in general and with the FIFA World Cup™ in particular. All of this fills me with great optimism and confidence for the period that lies ahead.

I would like to thank you for your support, and I have no doubt that, together, we will meet all of the challenges that come our way.

For the Game. For the World.



Joseph S. Blatter

FIFA President



“Revenue is
being reinvested
in football”

DEAR SIR OR MADAM,

The four-year 2007-2010 period, which was so important from a financial point of view, has now been completed and we can look back with a sense of pride upon the four challenging and exciting years that made up a financial period which was very successful for FIFA.

Even as 2009 drew to a close, there were signs that the four-year cycle would not only be a sporting success but also leave FIFA on a solid financial footing. Ultimately, however, that depended on the FIFA World Cup™ in South Africa being a success and silencing the many critical voices that were heard right up until the end. We all know how it turned out: South Africa thrilled fans all around the world with an impeccably organised and colourful World Cup as well as with their incredible hospitality. The stadiums were virtually sold out (to 97% capacity) and the sponsors were delighted, which ensured that the tournament was a financial success for FIFA and the LOC. FIFA closed the 2007-2010 period with a result of USD 631 million and also increased its reserves to USD 1,280 million.

In 2010, we once again managed to expand our football development programmes all around the world and we successfully organised all of our competitions. In addition, we also founded a legacy trust in South Africa that will work to ensure the sustainable promotion of football, education, health and humanitarian work. FIFA has contributed USD 100 million to this trust, USD 80 million of which will be invested directly in social community projects. The remaining USD 20 million was paid out to the South African Football Association (SAFA) before the World Cup to cover preparation costs and the construction of the association headquarters.

Thanks to its solid reserves, FIFA will increase its investment in football development programmes over the upcoming 2011-2014 period from the USD 691 million that was in the budget for 2007-2010 to USD 800 million. Furthermore, given the healthy state of FIFA's finances, plans have been put in place to ensure that a significant proportion of FIFA's revenue is reinvested in football, which will generally lead to lower annual results than in previous years.

I have no doubt whatsoever that these plans will be in your best interests, and I am looking forward to presenting this financial report in greater detail at the 61st FIFA Congress in Zurich. On behalf of the Finance Committee, I would like to thank you most sincerely for the trust you have placed in us as well as for the support you have given us over the last four years.



Julio H. Grondona

Chairman of the Finance Committee



"FIFA's financial
situation is
very solid"

DEAR SIR OR MADAM,

With the four-year 2007-2010 period having now drawn to a close, the Internal Audit Committee regards FIFA's financial situation as very solid and pleasing. The financial success of the last few years and the regular increase in FIFA's reserves have resulted in FIFA becoming even more financially independent. In contrast to the previous four-year period, 2003-2006, FIFA did not need to borrow any money at all during the period that has just ended.

In the space of just eight years, FIFA has been able to raise its reserves from negative figures to more than USD 1.2 billion by following a successful commercial strategy, strict cost control measures and a far-sighted, disciplined budgeting policy. Although FIFA's financial success is still almost fully dependent upon the successful staging of the FIFA World Cup™, the World Cup risks are now partially covered and the financial risk has decreased thanks to this pleasing development.

In addition, FIFA's internal processes and controls have been continually expanded and improved in recent years. In doing so, FIFA has done more than is legally required and controls all financial, operative and compliance risks to our entire satisfaction.



Dr Franco Carraro

Chairman of the Internal Audit Committee



FACTS & FIGURES 2007-2010



Overview

Income statement and development of reserves

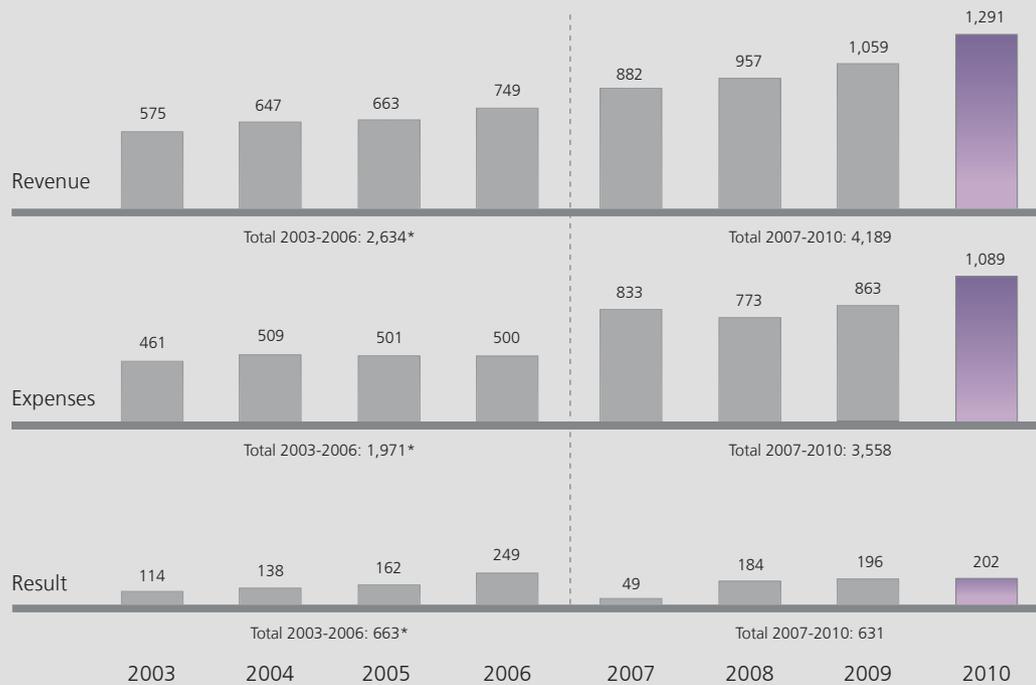
This chapter provides an overview of the **key annual figures** for the 2007-2010 financial period and a comparison with the figures from the previous period (2003-2006).

The following conclusions can be drawn for the **2007-2010 financial period**:

- The **2010 FIFA World Cup South Africa™** was a major success from both an organisational and a financial perspective. Overall, FIFA recorded a positive **four-year result** of **USD 631 million**. This result is based on **total revenue** of **USD 4,189 million** and **total expenditure** of **USD 3,558 million**.
- FIFA has made it through the turbulence in the financial markets and the global financial crisis unscathed and has emerged in a stronger position. **Revenue** further increased compared to the previous four-year period as a result of higher income from the sale of rights, particularly in the areas of marketing and TV.
- **Expenditure** also increased in comparison with the previous period for a number of reasons, including increased investment in football development projects worldwide, more prize money for the 2010 FIFA World Cup South Africa™ and an increase in the many association-specific tasks (e.g. legal matters).
- **Systematic cost control** once again proved its worth and costs were almost in line with the expenses budget.
- FIFA's **conservative investment policy** and the **broad diversification** of investments protected it against losses and led to a positive financial result of USD 77 million.
- The strategy of **hedging foreign currencies** also proved to be fully effective and protected FIFA against losses.
- FIFA's reserves were further strengthened and stood at USD 1,280 million on 31 December 2010. FIFA has reached a **solid level of reserves**. Having sufficient reserves is of great importance to FIFA's financial independence and to its ability to react to unexpected events.

Income statement 2007-2010 and 2003-2006

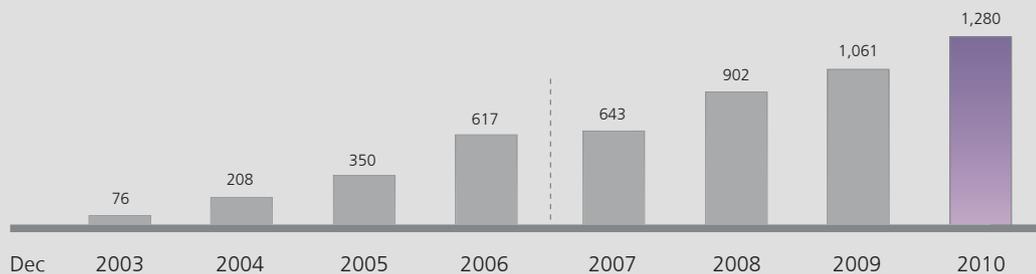
USD million



* Conversion from CHF to USD using the year-end-rates of the respective years

Development of reserves 2003-2010

USD million



Income statement

Revenue 2007-2010

This chapter provides an overview of **total revenue** for the 2007-2010 financial period. The detailed financial statements are shown on pages 52-113 of the annexe. At the FIFA Congress in Zurich in 2007, it was decided that renowned international audit company KPMG would be asked to audit FIFA's financial statements for the 2007-2010 financial period. **KPMG's report** can be found in the annexe on page 114. The report from the **Internal Audit Committee** is on page 116.

Total revenue amounted to **USD 4,189 million**, comprised of event-related revenue, other operating income and financial income.

In terms of **event-related revenue of USD 3,890 million**, USD 2,448 million was attributable to the sale of television rights, of which the lion's share – USD 2,408 million – were for the 2010 FIFA World Cup South Africa™. The second-biggest source of income was the sale of marketing rights worth USD 1,097 million, of which USD 1,072 million was generated by the FIFA World Cup™. The sale of hospitality rights generated USD 120 million and licensing rights USD 71 million. Other event-related income was made up primarily of revenue from the FIFA Club World Cup, which was matched, however, by comparable costs.

The **other operating income** of **USD 172 million** was attributable in particular to income of USD 37 million from brand licensing and USD 33 million from the Quality Concept.

FIFA's **financial income** of **USD 127 million** was the result of the conservative investment strategy and was primarily made up of interest income of USD 51 million and foreign currency gains of USD 64 million.

Revenue 2007-2010

USD million

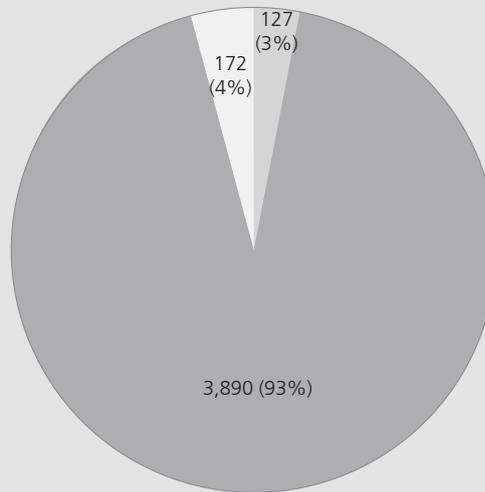
Other operating income

• Brand licensing	37
• Quality Concept	33
• Penalties/appeals/match levies	14
• Other (rental income, film sales)	88
Total	172

Financial income

• Interest	51
• Foreign currency gains	64
• Income from financial assets	12
Total	127

100% = USD 4,189 million



Event-related revenue

• TV broadcasting rights	2,448
– 2010 FIFA World Cup™	2,408
– Other FIFA events	40
• Marketing rights	1,097
– 2010 FIFA World Cup™	1,072
– Other FIFA events	25
• Hospitality rights	120
• Licensing rights	71
• Other	154
Total	3,890

FIFA Partners



Income statement

Expenses 2007-2010

Total expenditure amounted to **USD 3,558 million**, arising from event-related expenses, development-related expenses, other operating expenses, football governance, exploitation of rights and financial expenses. In total, **70% of overall expenditure was invested directly in football**.

Of the **event-related expenses of USD 1,713 million**, USD 1,298 million was related to the 2010 FIFA World Cup South Africa™, with the majority spent on prize money (USD 348 million), the contribution to the LOC (USD 226 million) and TV production costs (USD 214 million). Further details on the World Cup can be found on page 36 of this report. The 23 other competitions organised by FIFA in the 2007-2010 period accounted for expenses of USD 415 million.

FIFA spent a total of **USD 794 million** or **22%** of overall expenditure on **development projects**, allocating USD 209 million to the Financial Assistance Programme (FAP), USD 120 million to the *Goal* Programme and USD 137 million for other development projects. In addition, in view of the financial success of the 2007-2010 period, FIFA made an extraordinary FAP payment of USD 144 million to all its member associations and the confederations (see also page 46).

The **other operating expenses of USD 707 million** were mainly made up of personnel costs of USD 251 million and acquisition and production costs (e.g. FIFA.com and the extranet) of USD 78 million.

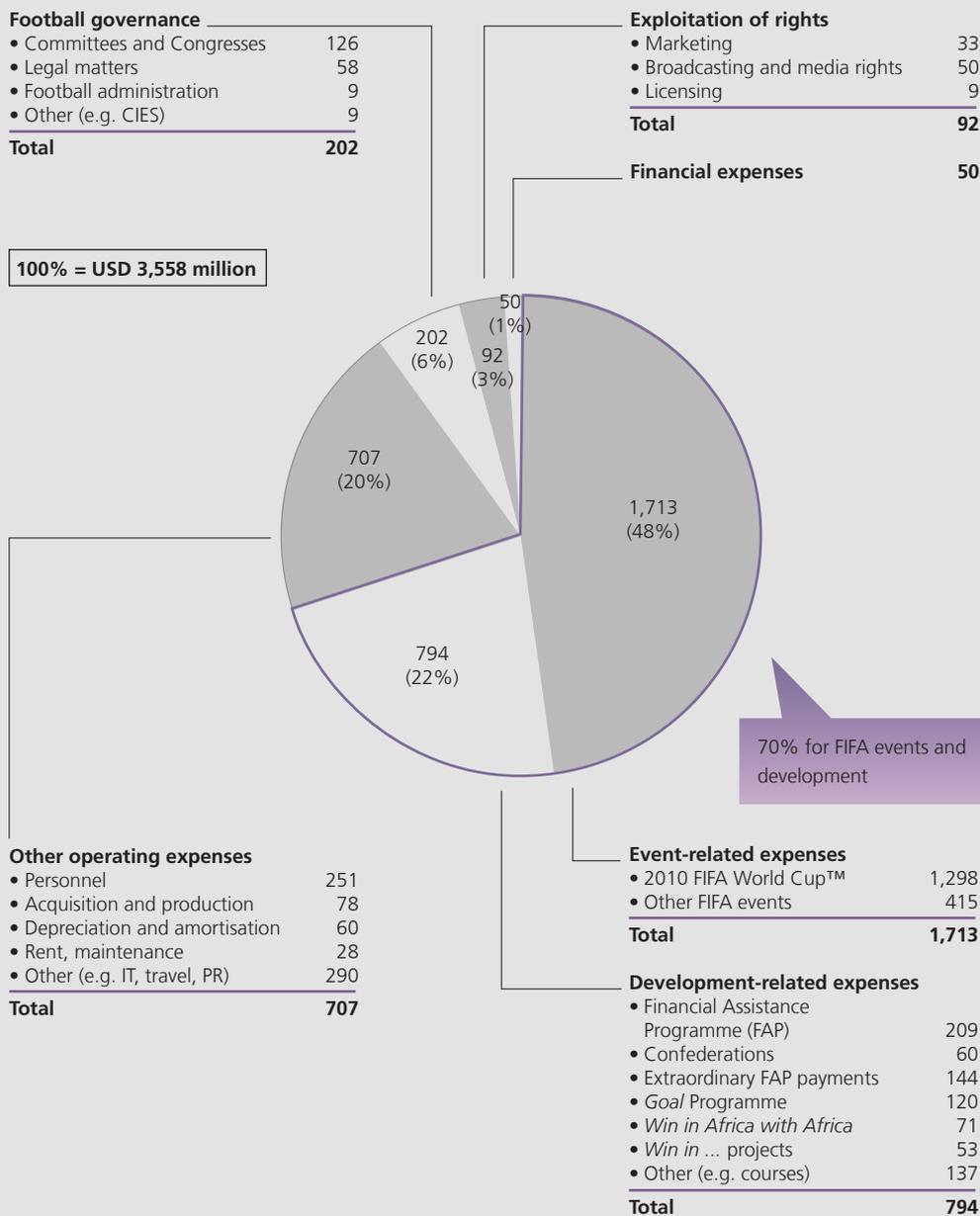
Football governance expenses of USD 202 million covered the organisation of all committees and FIFA Congresses (USD 126 million), legal matters (USD 58 million) and football administration (USD 9 million).

The **USD 92 million** for the **exploitation of rights** included the fulfilment of contractual obligations in relation to marketing, TV and media rights as well as licensing.

Financial expenses of USD 50 million were primarily made up of foreign exchange losses, which were more than offset by corresponding foreign exchange gains.

Expenses 2007-2010

USD million



Balance sheet

Balance sheet and development of reserves

As at 31 December 2010, FIFA's **balance sheet** totalled **USD 2,145 million**, with **reserves** of **USD 1,280 million**. The increase in FIFA's reserves arose from the annual result of USD 202 million and the change in the hedging reserves of USD 17 million.

FIFA has thus reached a **solid level of reserves**. The increase in reserves is attributable to the financial success of the 2007-2010 financial period, particularly the staging of the 2010 FIFA World Cup South Africa™ according to plan, the realisation of the planned income and the effective management of the cost budget.

Art. 69 of the **FIFA Statutes** states that:

- The revenue and expenditure of FIFA shall be managed so that they **balance** out over the financial period; and
- FIFA's major duties in the future shall be guaranteed through the **creation of reserves**.

FIFA met these statutory requirements in the 2007-2010 financial period. The creation of sufficient reserves for the future is of major strategic importance to FIFA, particularly given its financial dependence on the FIFA World Cup™ and the fact that it is almost impossible to find cancellation insurance to cover an event of such magnitude.

The specific **amount of reserves required** cannot, in principle, be given as an absolute value, but rather depends on FIFA's overall costs and the associated operational risks during a four-year period. FIFA's current reserves correspond to approximately **one-third** of total costs for the period.

Having sufficient reserves is of great importance to FIFA's **financial independence** and to its ability to react to **unexpected events**. This has proved particularly vital in the light of the worldwide financial crisis.

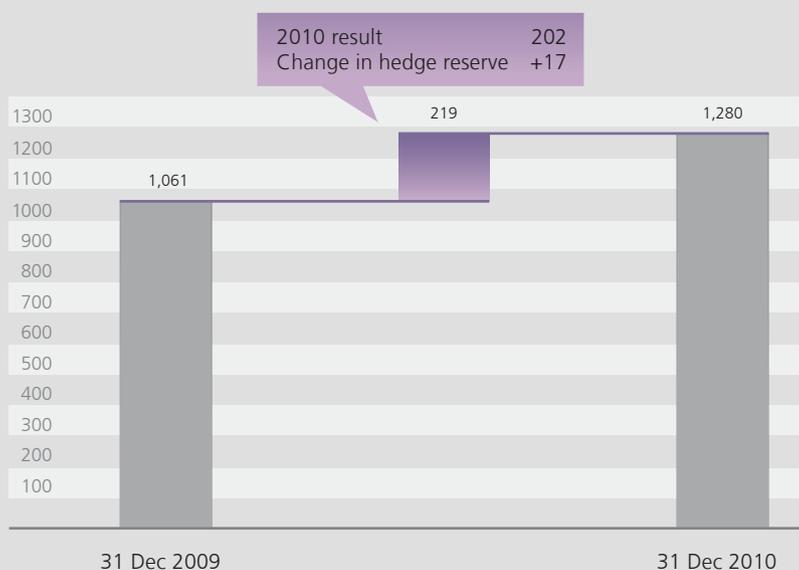
Balance sheet as at 31 December 2010

USD million

Assets	2,145	Liabilities and reserves	2,145
Current assets	1,917	Current liabilities	848
• Cash and cash equivalents	1,610	• Payables	179
• Receivables	218	• Income tax liabilities	1
• Derivative financial assets	19	• Accrued expenses and deferred income	668
• Financial assets	30	Non-current liabilities	17
• Prepaid expenses and accrued income	40		
		Reserves	1,280
Non-current assets	228		
• Property and equipment	189		
• Intangible assets	1		
• Derivative financial assets	10		
• Financial assets	28		

Development of reserves

USD million



Budget comparison

Analysis of revenue for 2007-2010

FIFA's **accounting system** is based on **International Financial Reporting Standards (IFRS)**. As IFRS is not suitable for budgeting and daily cost control on account of its many technical rules and regulations, the budget is drawn up on a cash basis before being approved by the Congress.

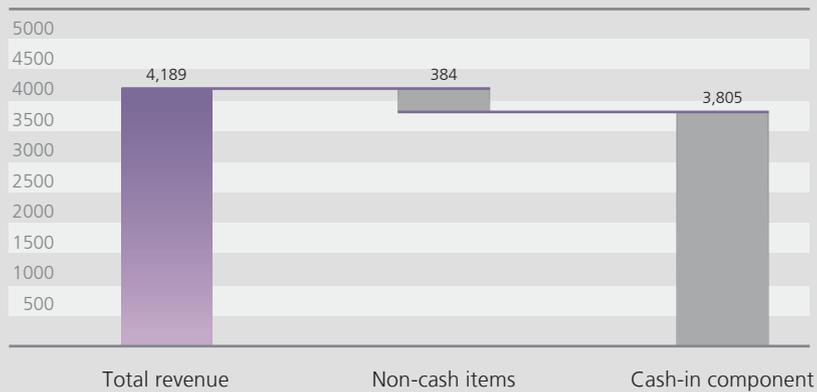
A **transition from IFRS is necessary** in order to enable the actual revenue to be compared with the cash budget. Hence, from the total amount of revenue according to IFRS, an adjustment was made for the revenue that could not be included for a budget comparison. The resultant cash-in component was then compared with the budget.

In order to carry out a budget comparison, **USD 384 million in non-cash items** had to be adjusted from the overall revenue of USD 4,189 million for the 2007-2010 period, leading to a cash-in component of USD 3,805 million. The non-cash items consisted, in particular, of gross effects and value-in-kind revenue, which were not taken into account in the cash budget.

The FIFA Congress passed a **revenue budget** of USD 3,200 million for the 2007-2010 period, which **was exceeded by USD 605 million**. This extra revenue is due to the very successful sale of TV and marketing rights of the 2010 FIFA World Cup South Africa™. This success underscores the huge appeal of FIFA's flagship tournament.

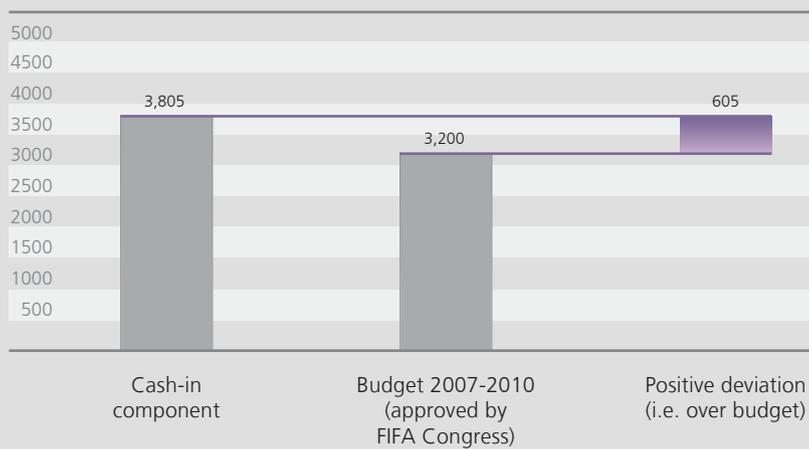
Revenue 2007-2010: Components

USD million



Revenue 2007-2010: Budget comparison

USD million



Budget comparison

Analysis of expenses for 2007-2010

The basic principle described for the analysis of revenue also applies to expenditure.

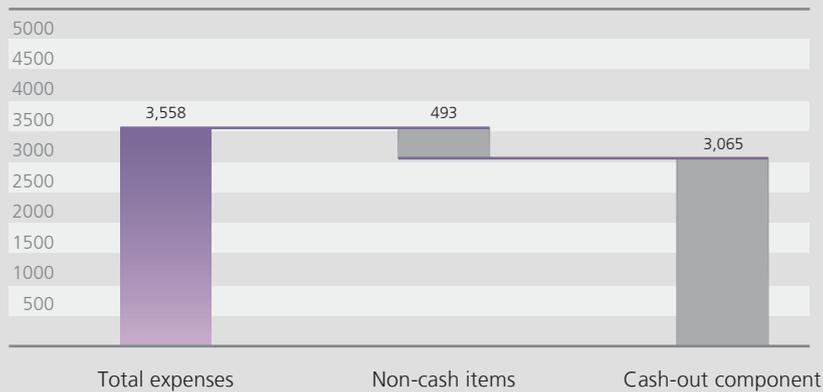
A **transition from IFRS is necessary** in order to enable the actual expenses to be compared with the cash budget. Hence, from the total amount of expenses according to IFRS, an adjustment was made for the expenses that could not be included for a budget comparison. The resultant cash-out component was then compared with the budget.

In order to carry out a budget comparison, **USD 493 million in non-cash items** had to be adjusted from the overall expenses of USD 3,558 million for the 2007-2010 period, leading to a cash-out component of USD 3,065 million. The non-cash items consisted, in particular, of value-in-kind transactions, gross effects and depreciation.

The FIFA Congress passed an **expense budget** of USD 2,960 million for the 2007-2010 period, which **was exceeded by USD 105 million**. The excess was attributable in particular to additional costs for the 2010 FIFA World Cup South Africa™, as well as additional investments in the area of development.

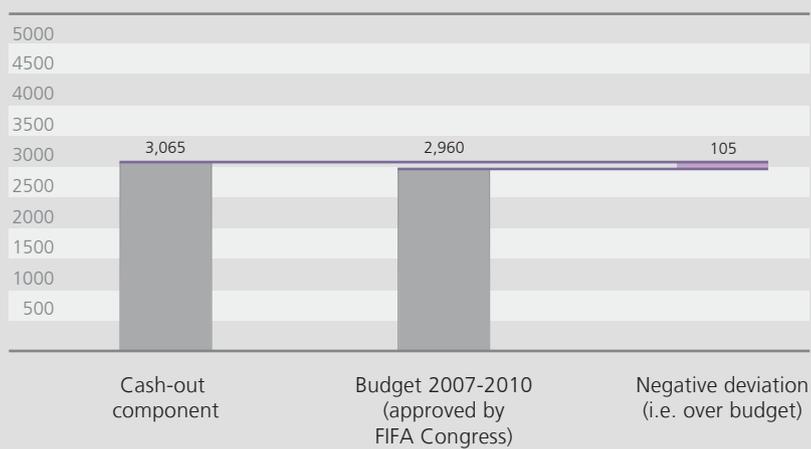
Expenses 2007-2010: Components

USD million



Expenses 2007-2010: Budget comparison

USD million





FACTS & FIGURES 2010



Income statement

Income statement for 2010

This chapter provides an overview of the **income statement** for **2010**. The detailed financial statements are shown on pages 52 to 113 of the annexe.

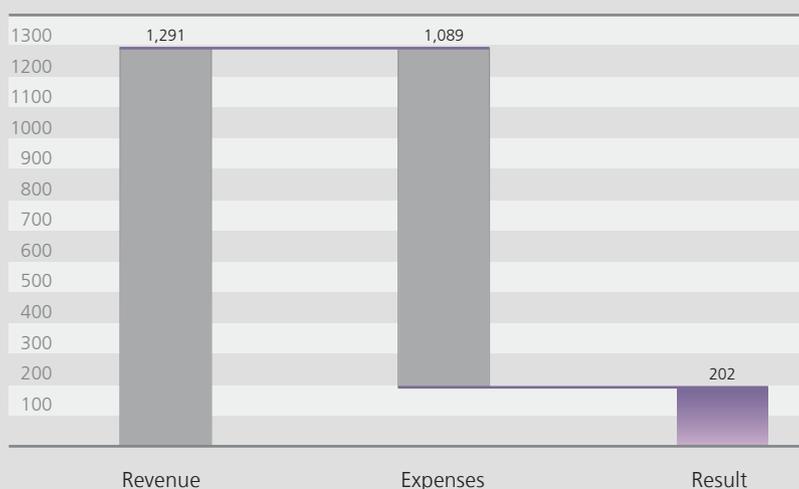
FIFA ended the year 2010 with a **net result** of **USD 202 million**. Revenue of USD 1,291 million was recorded, compared with expenses of USD 1,089 million. The revenue and expenses directly related to the FIFA World Cup™ are recognised in the income statement using the percentage-of-completion method according to IFRS. The revenue and expenses relating to additional FIFA events are listed in the income statement when the event takes place. **FIFA's competitions** and the **2010 FIFA World Cup South Africa™** in particular had a significant impact on revenue and expenditure in the 2010 financial year.

Revenue was comprised of event-related revenue of USD 1,179 million, other operating income of USD 58 million and financial income of USD 54 million.

Expenses were comprised of event-related expenses of USD 430 million, development-related expenses of USD 335 million, football governance of USD 58 million, exploitation of rights of USD 31 million, other operating expenses of USD 195 million and financial expenses of USD 40 million. Overall, **70% of total expenditure was invested directly in football**.

Income statement 2010

USD million



Income statement 2010

USD million

Revenue	1,291
Event-related revenue	1,179
Other operating income	58
Financial income	54
Expenses	1,089
Event-related expenses	430
Development-related expenses	335
Football governance	58
Exploitation of rights	31
Other operating expenses*	195
Financial expenses	40
Result	202

* including expenses for personnel, depreciation and amortisation
(shown separately in the consolidated income statement, p. 55)



2011-2014 PERIOD



Detailed budget for 2012

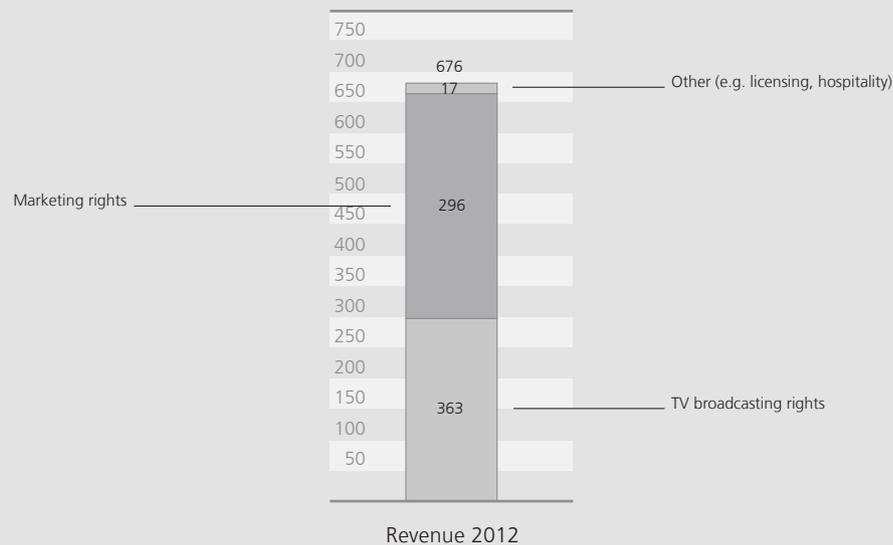
Revenue and investments in 2012

The detailed budget for 2012 has been **approved** by the **FIFA Finance Committee** and the **FIFA Executive Committee** and it now requires **ratification** from the **2011 FIFA Congress**.

The detailed budget for 2012 was part of the overall budget approved by the 2010 Congress for the 2011-2014 period.

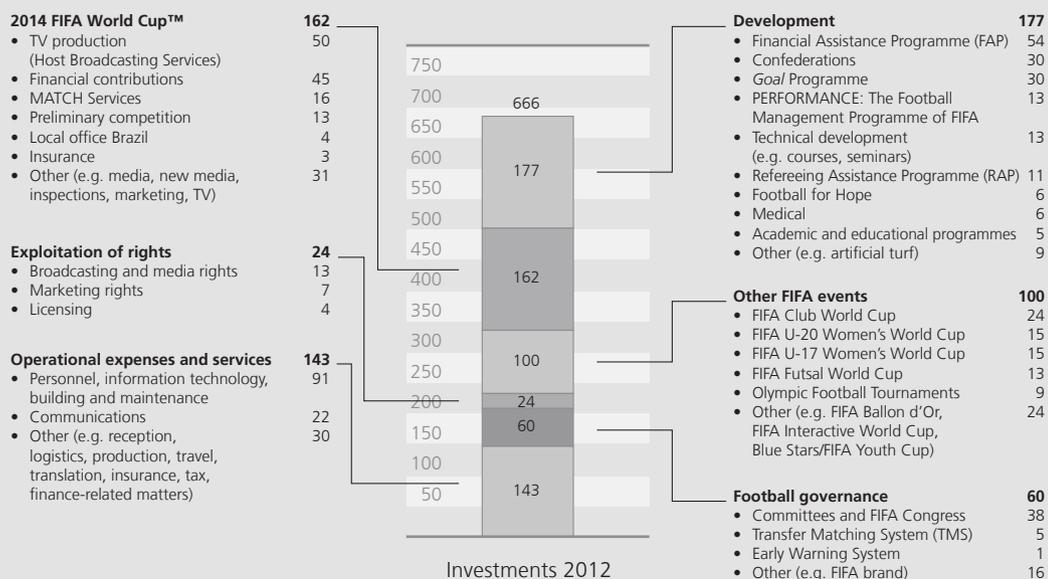
Budget 2012: Revenue

USD million



Budget 2012: Investments

USD million





SPECIAL TOPICS



2010 FIFA World Cup South Africa™

Financial overview

The 2010 FIFA World Cup South Africa™ was a huge success, a fact that was reflected by its financial result.

The figures shown here refer to FIFA's income statement for the entire financial period from 2007 to 2010. The income statement for the 2010 FIFA World Cup Organising Committee South Africa is shown on page 39.

The 2010 FIFA World Cup™ generated **total revenue** of **USD 3,655 million** for FIFA (excluding ticketing revenue) and incurred **total expenses** of **USD 1,298 million**.

Total revenue for the 2010 FIFA World Cup™ comprised in particular income from the sale of TV rights of USD 2,408 million, marketing rights of USD 1,072 million, hospitality rights of USD 120 million and licensing rights of USD 55 million.

USD 348 million of the **total expenses** was prize money for the participating member associations. FIFA made a direct financial contribution of USD 226 million to the Local Organising Committee. In addition, FIFA made available USD 100 million as a World Cup legacy for South Africa. Further details of this can be found on page 40. TV production accounted for USD 214 million.

An **expenses budget** of USD 1,080 million had been drawn up and approved for the 2010 FIFA World Cup South Africa™. The total costs amounted to USD 1,298 million and included USD 187 million in non-cash items. The cash-relevant costs therefore came to a total of USD 1,111 million and exceeded the budget by USD 31 million (3%).

2010 FIFA World Cup™: Revenue

USD million

Revenue 2007-2010		3,655
TV rights		2,408
– Europe	1,289	
– North America	211	
– Rest of the world	908	
Marketing rights		1,072
Hospitality rights		120
Licensing rights		55

2010 FIFA World Cup™: Expenses

USD million

Expenses 2007-2010		1,298
Contributions to the Local Organising Committee		226
World Cup legacy for South Africa		100
– South African Football Association (SAFA)	20	
– 2010 FIFA World Cup™ Legacy Trust	80	
Prize money		348
Preparation cost payment to participating member associations		32
Team lodging and travel		29
Ticketing and accommodation services/IT solution		44
TV production		214
Benefit for clubs		40
Refereeing matters		14
Preliminary competitions		22
Insurance		25
Other (e.g. marketing costs, FIFA Fan Fest™, Kick-off Celebration Concert)		204

Prize money	
Winner	30
Runners-up	24
Third place	20
Fourth place	18
5 th -8 th place (each)	14
9 th -16 th place (each)	9
17 th -32 nd place (each)	8
Total	348

2010 FIFA World Cup South Africa™

2010 FIFA World Cup Organising Committee South Africa

The **2010 FIFA World Cup Organising Committee South Africa** achieved a **slight positive result***. The committee posted **total income of USD 526 million**, consisting of USD 226 million in direct support from FIFA (cash and value in kind) added to FIFA's net revenue of USD 300 million from World Cup ticket sales, which FIFA passed on to the Organising Committee. FIFA has received audited financial reports on the transfer of funds to the Organising Committee for every year up to 2009.

The Organising Committee's **operational expenses** amounted to a total of **USD 516 million**. While the overall costs exceeded the original budget, these were covered by higher revenue from ticket sales, resulting in an anticipated **profit of USD 10 million**. In other words, FIFA covered all of the Organising Committee's operational expenses.

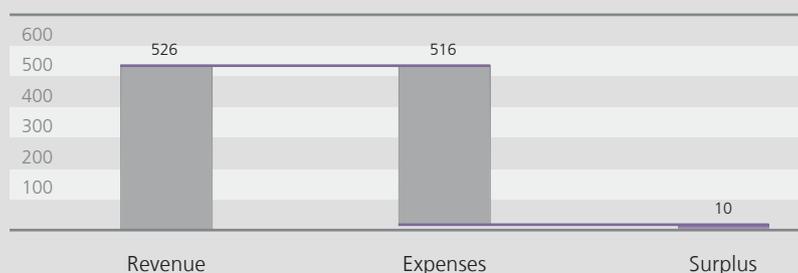
The majority of the costs were attributable to stadium operation (USD 260 million), personnel costs (USD 58 million), transport (USD 34 million) and information technology (USD 26 million). Stadium operation includes the costs for temporary structures (USD 89 million), power supply (USD 87 million), security (USD 22 million) and volunteers (USD 14 million), as well as payments totalling USD 23 million made to the government, the provinces and the venues for the rental of the stadiums.

In addition to covering the operational expenses of the FIFA World Cup™, **FIFA also made a substantial contribution to the 2010 FIFA World Cup™ Legacy Trust** (see page 40).

*Provisional figures: the LOC's income statement assumes full recovery of open financial commitments from third parties, the final accounts remain subject to audit and have not been submitted to FIFA at the date of reporting.

Organising Committee World Cup 2010: Financial situation*

USD million



*Provisional figures: the LOC's income statement assumes full recovery of open financial commitments from third parties, the final accounts remain subject to audit and have not been submitted to FIFA at the date of reporting.

Organising Committee World Cup 2010: Income statement*

USD million

Revenue	526	Expenses	516
FIFA contribution		• Stadium operations	260
• Ticketing	300	– Temporary structures	89
• Cash payments	200	– Power supply	87
• Value in kind	26	– Stadium rental	23
		– Security	22
		– Volunteers	14
		– Other	25
		• Personnel	58
		• Transport	34
		• Information technology	26
		• Marketing	23
		• Accommodation	13
		• Insurance	13
		• Show production	10
		• Other	79

*Provisional figures: the LOC's income statement assumes full recovery of open financial commitments from third parties, the final accounts remain subject to audit and have not been submitted to FIFA at the date of reporting.

2010 FIFA World Cup South Africa™

2010 FIFA World Cup™ Legacy Trust

By launching the **2010 FIFA World Cup™ Legacy Trust**, FIFA kept its promise that South Africans would continue to benefit from the 2010 tournament long after the final whistle had been blown. The trust supports a variety of charitable initiatives, focusing on football development, education, health and humanitarian activities in South Africa.

FIFA has contributed USD 100 million to the trust, USD 80 million of which will be invested directly in social community projects. The remaining USD 20 million was already paid out to the South African Football Association (SAFA) before the tournament to cover World Cup preparations and the construction of the association headquarters. For the first project financed by the trust, FIFA purchased 35 team buses and 52 vehicles which were handed over to SAFA on 13 December 2010 for its regional teams.

The trust is **managed by international audit firm Ernst & Young**. The trust's board is made up of representatives of FIFA, SAFA, the South African government and the private sector, who decide on how the funds are to be spent. All projects must be presented to the board for approval. The projects must fall into one of the following four areas:

- **Football:** administration, development, coordination and promotion of amateur football
- **Education and development:** education in accordance with the South African Schools Act
- **Health:** medical care for communities in need, including prevention of HIV infection and other prevention and education programmes
- **Humanitarian work:** help for people in need and combating poverty

The 2010 FIFA World Cup™ Legacy Trust is **one of several legacy initiatives** launched by FIFA in connection with the 2010 FIFA World Cup™ since 2005, including in particular 20 Centres for 2010, *Win in Africa with Africa*, "11 for Health", and the 2010 FIFA World Cup™ Ticket Fund.

- 1 The Football for Hope Festival 2010 in the township of Alexandra, Johannesburg
- 2 Children drinking from the water fountain at the Football for Hope Centre in Namibia
- 3 Girls enjoying the game
- 4 A training session for young people in Namibia
- 5 Each Football for Hope Centre has an artificial turf pitch with solar-powered floodlights



2010 FIFA World Cup South Africa™

Ticketing

The success of the 2010 FIFA World Cup South Africa™ was reflected in the attendance figures for the matches, with **2,967,349 of the 3 million available tickets sold, or 97.5%**. This counts as a major success, particularly given the widespread concerns before the World Cup that the stadiums would be empty.

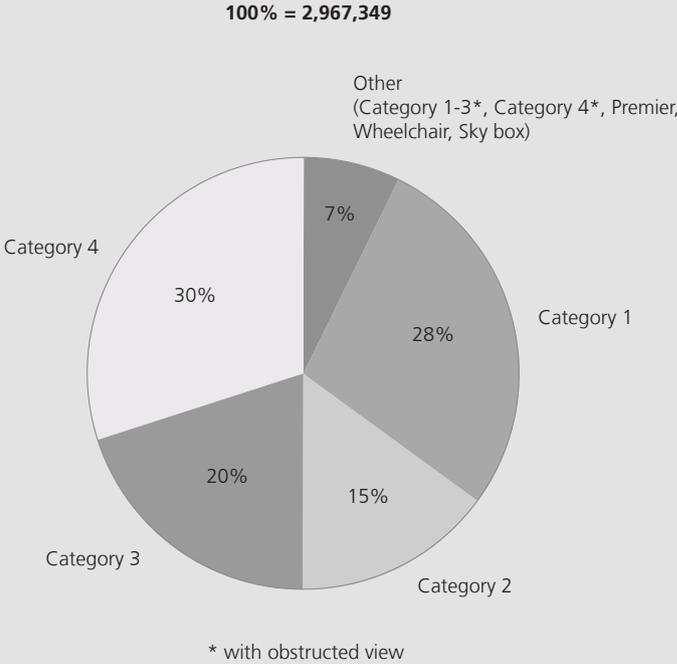
About two-thirds of the tickets were bought by fans directly via FIFA.com, at the ticket centres in the Host Cities or at branches of First National Bank (FNB). International guests were also able to buy tickets as part of the tour operator programme, which included travel to South Africa, hotel accommodation and transport from the hotel to the stadium. About 5% of tickets were sold by participating member associations (PMAs) to their fans.

The hospitality programme was directed in particular at corporate clients and was marketed independently by MATCH Hospitality AG.

FIFA also wanted to make it possible for people without the financial means to buy tickets to attend a match. To this end, **120,000 free tickets** were provided to the stadium construction workers and children through the Ticket Fund. **A fourth ticket category** was also introduced **exclusively for South Africans**, with tickets for group-stage matches costing ZAR 140 (approx. USD 20) in this category.

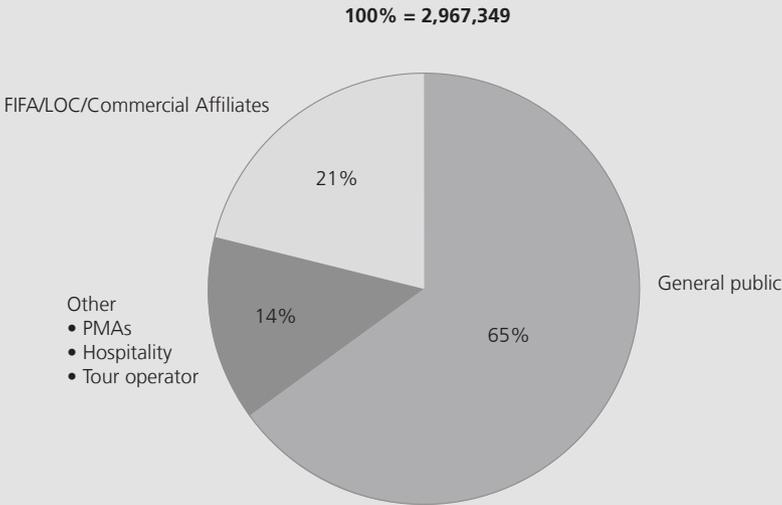
Total ticket sales

As a percentage



Ticket sales by customer group

As a percentage



2010 FIFA World Cup South Africa™

20 Centres for 2010

FIFA's **social responsibility** comprises projects in various fields all around the world. One of the key projects related to the 2010 FIFA World Cup South Africa™ is the Official Campaign, **20 Centres for 2010**, the aim of which is to effect social change by building 20 Football for Hope Centres in African communities.

Many of these communities still face huge **social problems**, thus adding to the importance of the campaign. FIFA visits the communities and works together with a reputable local organisation to evaluate their requirements. The Football for Hope Centre and the programmes (e.g. HIV/Aids education, dyslexia, equality, environmental protection, the integration of disabled people) are then geared towards meeting these requirements.

Following the opening of the first Football for Hope Centre in Khayelitsha (South Africa) in December 2009, three more centres in Kenya, Namibia and Mali were opened in 2010. Further centres in Lesotho, Rwanda, Ghana and four South African communities are currently being developed and constructed and will be completed in 2011. **All 20 centres in Africa are due to open by 2012**, supporting more than 70,000 girls and boys in their personal development. FIFA has guaranteed its ongoing support for a period of three to five years.

In 2010, as part of the project to implement these Football for Hope Centres, FIFA provided financial resources for staffing, development and construction and also to support local organisations. In addition to basic funding of the project to the tune of USD 4 million, FIFA donated its disciplinary fines from the FIFA World Cup™ preliminary and final competitions to the project.

- 1 A dental hygiene programme at the Football for Hope Centre in Namibia
- 2 Katutura Football for Hope Centre, Namibia
- 3 Mathare Football for Hope Centre, Kenya
- 4 Each Football for Hope Centre is equipped with a football turf pitch
- 5 A project leader works with a group of young people



Develop the Game

Development work 2007-2010

Although 2010 was mostly about the FIFA World Cup™ in South Africa, FIFA's development activities continued apace and in line with FIFA's major principles for the development of world football: financial assistance, infrastructure projects, providing international expertise and donating sporting equipment. Overall, **during the 2007-2010 period, a total of USD 794 million was invested in development work.**

USD 209 million of this total was through the **Financial Assistance Programme (FAP)**. The FAP is still one of FIFA's main programmes, enabling many member associations around the world to finance development projects and football activities, and many more simply to carry out their work. Over the same period, the six confederations received financial assistance amounting to USD 60 million, which was used for activities in various areas.

Furthermore, thanks to the financial success of the 2007-2010 period, FIFA also gave each member association a total **extraordinary FAP payment** of USD 550,000 as well as each confederation USD 5 million, which amounted to USD 144 million in total.

The **Goal Programme**, which has total funds of USD 120 million, is the continuation of an initiative that was launched more than ten years ago and is still going from strength to strength, financing 504 football development projects all around the world. These projects have had a positive impact, most notably in terms of the development of technical infrastructure at associations, the improvement of technology and the strengthening of administrations. Educational and training activities have also continued at the same pace as last year with more than 400 courses and seminars held in various areas (training, refereeing, women's football, grassroots football, futsal, beach soccer, etc.). As well as these educational activities, FIFA also organised more than 130 visits to provide advice, all with the objective of improving the general administration of football.

- 1 FIFA grassroots participant in Swaziland
- 2 *Win in CONCACAF with CONCACAF coaching course in Honduras*
- 3 Technical centre in the Cook Islands
- 4 Football turf pitch in the Bahamas



Develop the Game

Development work 2007-2010

The chapter that was the 2010 FIFA World Cup™ in South Africa may now be closed, but FIFA's work for almost six years to ensure that the event had a positive long-term impact on the entire continent continued throughout 2010. The **Win in Africa with Africa** project, which had total funds of USD 71 million, is now drawing to a close four years after it was launched. The last coaching course has been held, the remaining associations have received a player registration and competition management system, and the final touches have been applied to football turf pitches. In short, this project will soon be completed.

Since 2008, however, FIFA has also been working on **other Win in... projects** that have similar objectives and total funds of USD 53 million: a USD 8 million project has been launched in Oceania, for example, which is aimed at developing national leagues, media coverage, football marketing, futsal and a medical project in the region. In South America, another special project, again with a budget of USD 7 million, is focusing on the installation of football turf pitches for each CONMEBOL member association. Finally, a USD 10 million project has been devised for CONCACAF with three objectives: to develop national leagues, to develop youth football and to support the CIES programme of the University of the West Indies (UWI).

Other development projects include the **Football for Hope** humanitarian programme, which has total funds of USD 34 million, the **Refereeing Assistance Programme** with USD 36 million, and **additional projects** such as courses.

A look back at the 1995-1998 period reveals that there has, so far, been **a 57-fold increase in FIFA's total investment in development projects**, which underlines the strategic and statutory importance of this area for FIFA.

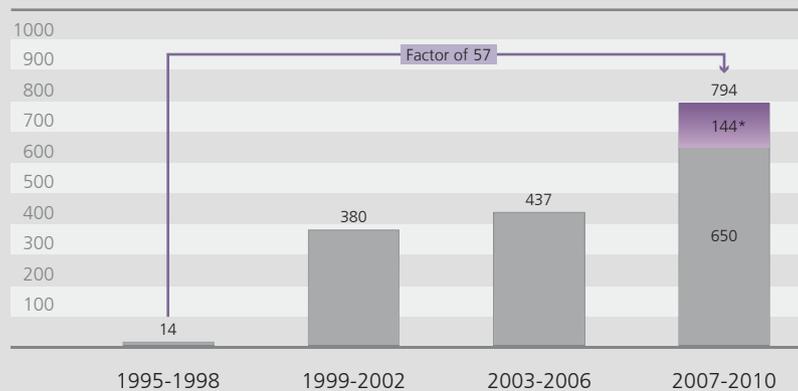
Development-related expenses 2007-2010

USD million

Total	794
Financial Assistance Programme (FAP)	209
Contributions to confederations	60
Extraordinary FAP payments	144
Goal Programme	120
<i>Win in Africa with Africa</i>	71
<i>Win in ... projects</i>	53
Other projects	137

Development-related expenses 1995-2010

USD million



* Extraordinary FAP payment





Consolidated financial statements according to International Financial Reporting Standards (IFRS) as at 31 December 2010

	Page
Consolidated income statement	55
Consolidated balance sheet	56
Consolidated cash flow statement	57
Consolidated statement of changes in reserves	58
Consolidated statement of comprehensive income	59

Notes to the consolidated financial statements

Accounting policies	60
A. General information and statement of compliance	60
B. Basis of presentation	60
C. Basis of consolidation	61
D. Foreign currency translation	61
E. Income statement	62
F. Revenue recognition	62
G. Event-related expenses	63
H. Development-related expenses	64
I. Operating lease payments	64
J. Financial expenses and financial income	64
K. Income taxes	65
L. Cash and cash equivalents	65
M. Derivatives	66
N. Hedging	66
O. Receivables	67
P. Property and equipment	67
Q. Intangible assets	68
R. Financial assets	68
S. Impairment	69
T. Payables	69
U. Interest-bearing liabilities	70
V. Employee benefit obligations	70
W. Provisions	70
X. Reserves	71
Y. Use of estimates and judgments	71

Notes to the consolidated income statement	72
1. Revenue from television broadcasting rights	72
2. Revenue from marketing rights	73
3. Revenue from licensing rights	74
4. Revenue from hospitality rights	74
5. Other event-related revenue	75
6. Event-related expenses	76
7. Other operating income	79
8. Development-related expenses	79
9. Football governance	82
10. Exploitation of rights	83
11. Personnel expenses	83
12. Other operating expenses	87
13. Financial income	87
14. Financial expenses	88
15. Income taxes	88
Notes to the consolidated balance sheet	89
16. Cash and cash equivalents	89
17. Receivables	89
18. Prepaid expenses and accrued income	90
19. Property and equipment	91
20. Intangible assets	92
21. Financial assets	93
22. Payables	94
23. Accrued expenses and deferred income	94
24. Provisions	95
25. Reserves	96

Other disclosures	97
26. Financial risk management	97
27. Hedging activities and derivative financial instruments	101
28. Legal matters and contingent liabilities	102
29. Capital commitments	102
30. Contingent revenue	102
31. Operating leases	103
32. Related-party transactions	103
33. Consolidated subsidiaries	105
34. Post-balance-sheet events	105

These consolidated financial statements are published in English, German, French and Spanish. If there is any divergence in the wording, the English original text is authoritative.

Consolidated income statement

in TUSD	Note	2010	2009
Event-related revenue			
Revenue from television broadcasting rights	1	717,978	649,957
Revenue from marketing rights	2	342,936	277,266
Revenue from licensing rights	3	26,100	10,184
Revenue from hospitality rights	4	40,000	40,500
Other event-related revenue	5	52,215	43,843
Total event-related revenue		1,179,229	1,021,750
Event-related expenses			
FIFA World Cup™ expenses	6	-345,269	-316,834
Other FIFA event expenses	6	-84,174	-139,223
Total event-related expenses		-429,443	-456,057
Event-related gross result		749,786	565,693
Other operating income	7	57,681	22,070
Development-related expenses	8	-335,067	-172,415
Football governance	9	-57,966	-50,179
Exploitation of rights	10	-31,040	-26,142
Personnel expenses	11	-77,433	-63,080
Depreciation and amortisation	19-20	-13,471	-14,187
Other operating expenses	12	-103,858	-79,259
Operating result before financial items		188,632	182,501
Financial income	13	54,066	15,630
Financial expenses	14	-39,859	-926
Result before taxes		202,839	197,205
Income taxes	15	-893	-789
Net result for the year		201,946	196,416

Consolidated balance sheet

in TUSD	Note	31 Dec 2010	31 Dec 2009
Assets			
Cash and cash equivalents	16	1,609,436	1,447,577
Receivables	17	218,039	260,258
Derivative financial assets	27	19,344	22,109
Financial assets	21	30,173	46,407
Prepaid expenses and accrued income	18	39,842	85,426
Current assets		1,916,834	1,861,777
Property and equipment	19	189,244	200,337
Intangible assets	20	1,084	1,625
Derivative financial assets	27	9,734	0
Financial assets	21	27,909	40,041
Non-current assets		227,971	242,003
Total assets		2,144,805	2,103,780
Liabilities and reserves			
Payables	22	179,485	55,633
Income tax liabilities	15	659	710
Derivative financial liabilities	27	0	12,906
Accrued expenses and deferred income	23	667,709	960,856
Current liabilities		847,853	1,030,105
Provisions	24	16,816	12,595
Non-current liabilities		16,816	12,595
Total liabilities		864,669	1,042,700
Association capital	25	4,104	4,104
Hedging reserves	27	26,338	9,203
Currency translation adjustment		-141	-116
Restricted reserves	25	1,047,889	851,473
Net result for the year		201,946	196,416
Reserves		1,280,136	1,061,080
Total liabilities and reserves		2,144,805	2,103,780

Consolidated cash flow statement

in TUSD	Note	2010	2009
Net result for the year		201,946	196,416
Depreciation and amortisation	19-20	13,471	14,187
Net financial result	13-14	-14,207	-14,704
Other non-cash items		4,742	-4,457
Income taxes	15	893	789
Decrease in receivables		42,219	15,277
Decrease in prepaid expenses and accrued income		45,760	6,498
Increase in payables		123,850	12,558
Purchase of foreign currency hedging derivatives		-2,741	0
(Decrease)/Increase in accrued expenses and deferred income		-293,146	296,802
Increase in provisions	24	4,221	268
Income taxes paid		-944	-1,002
Net cash provided by operating activities		126,064	522,632
Purchase of property and equipment	19	-1,849	-513
Investment in financial assets	21	-21,750	-12,320
Repayments and sale of financial assets	21	49,457	219,202
Interest received	13	5,759	7,227
Income from investments in financial assets		42	42
Net cash provided by investing activities		31,659	213,638
Interest paid	14	-427	-508
Net cash used in financing activities		-427	-508
Net increase in cash and cash equivalents		157,296	735,762
Cash and cash equivalents as at 1 January	16	1,447,577	706,358
Effect of exchange rate fluctuations		4,563	5,457
Cash and cash equivalents as at 31 December	16	1,609,436	1,447,577

Consolidated statement of changes in reserves

in TUSD	Association capital	Hedging reserves	Restricted reserves	Currency translation adjustment	Total
Balance as at 1 January 2009	4,104	46,736	851,473	-103	902,210
Effective portion of changes in fair value of hedging instruments	0	-11,544	0	0	-11,544
Net change in fair value of hedging instruments transferred to income statement	0	-25,989	0	0	-25,989
Currency translation adjustment	0	0	0	-13	-13
Total other comprehensive income	0	-37,533	0	-13	-37,546
Net result for the year 2009	0	0	196,416	0	196,416
Total comprehensive income for the year	0	-37,533	196,416	-13	158,870
Balance as at 31 December 2009	4,104	9,203	1,047,889	-116	1,061,080

in TUSD	Association capital	Hedging reserves	Restricted reserves	Currency translation adjustment	Total
Balance as at 1 January 2010	4,104	9,203	1,047,889	-116	1,061,080
Effective portion of changes in fair value of hedging instruments	0	26,338	0	0	26,338
Net change in fair value of hedging instruments transferred to income statement	0	-9,203	0	0	-9,203
Currency translation adjustment	0	0	0	-25	-25
Total other comprehensive income	0	17,135	0	-25	17,110
Net result for the year 2010	0	0	201,946	0	201,946
Total comprehensive income for the year	0	17,135	201,946	-25	219,056
Balance as at 31 December 2010	4,104	26,338	1,249,835	-141	1,280,136

Consolidated statement of comprehensive income

in TUSD	2010	2009
Other comprehensive income		
Effective portion of changes in fair value of hedging instruments	26,338	-11,544
Net change in fair value of hedging instruments transferred to income statement	-9,203	-25,989
Currency translation adjustment	-25	-13
Total other comprehensive income	17,110	-37,546
Net result for the year	201,946	196,416
Total comprehensive income for the year	219,056	158,870

Notes to the consolidated financial statements

Accounting policies

A. General information and statement of compliance

Fédération Internationale de Football Association (FIFA), domiciled in Zurich, Switzerland, is an international non-governmental, non-profit organisation in the form of an association according to Swiss law. FIFA consists of 208 associations affiliated to six confederations. FIFA's principal mission is to promote the game of association football in every way it deems fit. FIFA uses its profits, reserves and funds in pursuit of its principal mission.

FIFA prepares the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS).

Based on the FIFA Statutes, the financial period of FIFA is four years and begins on 1 January in the year following the final competition of the FIFA World Cup™. The reporting financial period therefore runs from 1 January 2007 until 31 December 2010.

B. Basis of presentation

The consolidated financial statements are presented in US dollars (USD). Until 31 December 2006, the financial statements were presented in Swiss francs (CHF). FIFA changed its functional currency to USD because the majority of revenues and expenses in the statutory financial period 2007–2010 are in USD.

The consolidated financial statements are prepared on a historical cost basis, except that the following assets and liabilities are stated at fair value: derivative financial instruments and certain financial assets are classified as "at fair value through profit or loss".

Several new and revised standards and interpretations came into effect in 2010. None of the new or revised standards or interpretations had a significant influence on the financial statements.

FIFA is currently assessing the potential impacts of the new and revised standards that will be effective from 1 January 2011 or later. FIFA does not expect the new and revised standards to have a significant effect on the group's financial position.

c. Basis of consolidation

The term “FIFA” is hereafter also used for the consolidated group, which represents FIFA and its subsidiaries.

Subsidiaries are those enterprises that are controlled by FIFA. Control exists when FIFA has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commenced until the date that control ceased. The individual subsidiaries included in this consolidation are shown in Note 33.

Intra-group balances and transactions and any unrealised gains arising from intra-group transactions are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

d. Foreign currency translation

a) Foreign currency transactions and balances

Transactions in foreign currencies are converted at the foreign exchange rate ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies on the balance sheet date are converted at the foreign exchange rate ruling on that date. Foreign exchange differences arising from conversion are recognised in the income statement. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are converted at the foreign exchange rate ruling on the dates the values were determined.

b) Financial statements of foreign subsidiaries

For FIFA’s foreign subsidiaries, assets and liabilities including fair value adjustments arising on consolidation are converted into USD at the foreign exchange rate ruling on the balance sheet date. The revenue and expenses of foreign subsidiaries are converted into USD on the average foreign exchange rates of the period. Exchange differences arising from conversion of the accounts of foreign subsidiaries are recognised directly in other comprehensive income.

The foreign exchange rates used are as follows (USD per unit):

	31 Dec 2010	Average 2010	31 Dec 2009	Average 2009
CHF	1.0560	0.9505	0.9539	0.9079
EUR	1.3291	1.3443	1.4365	1.3858
GBP	1.5444	1.5517	1.6075	1.5470

E. Income statement

The consolidated income statement has the following elements: event-related revenue, event-related expenses, other operating income, development-related expenses and other expenses. This structure reflects FIFA's objectives to improve the game of football constantly and promote it globally, particularly through youth and development programmes. Event-related revenue and expenses are directly related to the organisation and realisation of the FIFA World Cup™ and other FIFA events. For accounting purposes, FIFA defines other FIFA events as all other football events, such as the FIFA Women's World Cup™, FIFA U-20 World Cup, FIFA U-17 World Cup, FIFA U-20 Women's World Cup, FIFA U-17 Women's World Cup, Olympic Football Tournaments, FIFA Futsal World Cup, FIFA Confederations Cup, FIFA Club World Cup, FIFA Beach Soccer World Cup, Blue Stars/FIFA Youth Cup, FIFA Interactive World Cup, etc.

F. Revenue recognition

Event-related revenue primarily relates to the sale of the following rights:

- Television broadcasting rights
- Marketing rights
- Hospitality rights
- Licensing rights

Under these revenue-generating contracts, FIFA receives either fixed royalty payments or royalties in the form of guaranteed minimum payments plus additional sales-based payments (profit share).

Revenue directly related to the FIFA World Cup™ event is recognised in the income statement using the percentage-of-completion method, if it can be estimated reliably. The stage of completion of the FIFA World Cup™ event is assessed as incurred evenly over the project preparation period, which is four years. While this generally applies to fixed royalty and guaranteed minimum payments, additional sales-based revenue (profit share) is included in the percentage-of-completion method only when the amount is probable and can be measured reliably.

Revenues from rendering of services are recognised in the accounting period in which the services are rendered.

Revenue relating to other FIFA events is deferred during the preparation period and is recognised in the income statement when the event takes place.

Ticket sales in connection with the 2010 FIFA World Cup South Africa™ and the FIFA Confederations Cup South Africa 2009 are not recognised, since the 2010 FIFA World Cup Organising Committee South Africa is the beneficiary of the related net revenue.

FIFA receives value-in-kind revenue from several Commercial Affiliates. This value-in-kind revenue consists of pre-determined services and delivery of goods to be used in connection with the 2010 FIFA World Cup South Africa™ or other FIFA events. The revenue is recognised when the services/goods have been received and the equivalent costs are accounted for in the same period as an event-related expense.

G. Event-related expenses

Event-related expenses are the gross outflow of economic benefits that arise in the ordinary activity of organising an event.

Since FIFA organises the FIFA World Cup™ event over a period of four years, expenses relating to the event are recognised based on the stage of completion of the event, as determined for event-related revenue recognition purposes.

During the four-year preparation period, differences between event-related expenses recognised and event-related expenses incurred are presented as event-related accrued expenses and deferred expenses respectively.

Expenses relating to other FIFA events are deferred during the preparation period, consistent with the treatment of related revenues, and are recognised in the income statement in the period in which the event takes place.

H. Development-related expenses

FIFA gives financial assistance to member associations and confederations in return for past or future compliance with certain conditions relating to their activities. During the four-year period under review, FIFA is providing each member association and confederation with funds under the Financial Assistance Programme (FAP). The *Goal* Programme provides member associations with specific funding for tailor-made projects. The expenses are recorded in the income statement once FIFA has approved the project in question.

For other development projects, expenses are recognised as incurred.

I. Operating lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the respective lease.

J. Financial expenses and financial income

Financial income comprises interest income from interest-bearing receivables and debt securities, foreign exchange gains, gains on derivatives that are not accounted for as hedging instruments and gains arising from a change in the fair value of financial assets designated at fair value through profit or loss. Financial expenses consist of interest on financial liabilities, foreign exchange losses, losses on derivatives not accounted for as hedging instruments and losses arising from a change in the fair value of financial assets designated at fair value through profit or loss.

Interest income is recognised in the income statement using the effective interest rate method. Dividend income is recognised in the income statement on the date that the dividend is declared.

K. Income taxes

FIFA was established in the legal form of an association pursuant to articles 60ff. of the Swiss Civil Code. Pursuant to article 2 of its Statutes, FIFA's objective is to improve the game of football constantly and promote it globally, particularly through youth and development programmes. FIFA is a non-profit organisation and is obliged to spend its reserves for this purpose.

Income tax recognised in the income statement comprises current tax.

FIFA is taxed in Switzerland according to the ordinary taxation rules applying to associations. The non-profit character of FIFA and the four-year accounting cycle are thereby taken into account. The subsidiaries are taxed according to the relevant tax legislation.

Current tax is the expected tax payable on the taxable income for the year using ordinary tax rates applicable to an association or a corporation, respectively.

L. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, post and bank accounts, as well as short-term deposits with an original maturity of 90 days or less.

M. Derivatives

FIFA uses derivative financial instruments to hedge its exposure to foreign exchange rate risks arising from operating activities. FIFA does not hold or issue derivative financial instruments for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Derivatives are initially recognised at fair value. Subsequent to initial recognition, all derivatives are also stated at fair value. Gains and losses on re-measurement of derivatives that do not qualify for hedge accounting are recognised in the income statement immediately.

The fair value of forward exchange contracts is their market price at the balance sheet date, being the present value of the quoted forward price.

N. Hedging

Where a derivative financial instrument hedges the exposure to variability in future cash flows from highly probable forecast transactions, the effective part of any gain or loss on re-measurement of the hedging instrument is recognised directly in the hedging reserves. The ineffective part of any gain or loss is recognised in the income statement immediately.

Gains or losses on a hedging instrument are reclassified from hedging reserves in the same period in which the hedged forecasted cash flows affect profit or loss.

When a hedging instrument or hedge relationship is terminated but the hedged transaction is still expected to occur, the cumulative gain or loss recognised in hedging reserves remains in hedging reserves and is recognised in accordance with the above policy. If the hedged transaction is no longer expected to occur, the cumulative gain or loss recorded in hedging reserves is recognised in the income statement immediately.

O. Receivables

Receivables from the sale of rights and other receivables are stated at amortised cost, which equals nominal value for short-term receivables less any allowance for doubtful debts. Allowances are made for specific known doubtful receivables.

Accounts receivable and payable are offset and the net amount is presented in the balance sheet when FIFA has a legally enforceable right to offset the recognised amounts and the transactions are intended to be settled on a net basis.

P. Property and equipment

Property and equipment are stated at acquisition cost less accumulated depreciation and impairment losses. Where parts of an item of property and equipment have different useful lives, they are accounted for as separate items of property and equipment. Repairs and maintenance costs are recognised in the income statement as an expense as they are incurred.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of property and equipment. Land is not depreciated. The estimated useful lives are as follows:

Operational buildings	20-50 years
Office and other equipment	3-20 years

Q. Intangible assets

Intangible assets acquired by FIFA are stated at acquisition cost less accumulated amortisation and impairment losses. Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives unless lives are indefinite. The estimated useful lives are as follows:

Film archive	10 years
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Expenditure on internally generated goodwill and brands is recognised in the income statement as an expense as it is incurred.

R. Financial assets

Financial assets comprise debt securities, equity securities and other receivables.

Classification

Loans and receivables are those created by FIFA when providing money or services to third parties.

FIFA manages and evaluates the performance of its investments on a fair-value basis in accordance with its documented investment strategy. Therefore the investments are designated at fair value through profit or loss. Instruments include debt and equity securities.

Recognition and measurement

FIFA recognises marketable securities and other investments at fair value, including transaction costs in the case of financial assets or financial liabilities not measured at fair value through profit or loss on the settlement date (the date they are transferred to FIFA). Loans and receivables are recognised when FIFA becomes a party to the respective contract and has a legal right to receive cash or other considerations.

Subsequent to initial recognition, all investments at fair value through profit or loss are measured at fair value. Any instrument that does not have a quoted market price in an active market and for which fair value cannot be reliably measured is classified as available for sale and stated at cost less impairment losses.

Loans and receivables are measured at amortised cost less impairment losses. Amortised cost is calculated using the effective interest rate method. Premiums and discounts, including initial transaction costs, are included in the carrying amount of the related asset and amortised based on the effective interest rate of the instrument. Allowances are made for specific known doubtful loans and receivables.

Gains and losses on subsequent measurement

Gains and losses arising from changes in the fair value of a financial asset at fair value through profit or loss as well as any impairment losses on loans and receivables are recognised in the income statement.

Offsetting

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when FIFA has a legally enforceable right to offset the recognised amounts and the transactions are intended to be settled on a net basis.

s. Impairment

The carrying amounts of FIFA's property and equipment, intangible assets, loans and other investments are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount, being the greater of its fair value less costs to sell and its value in use, is estimated.

An impairment loss is recognised in the income statement whenever the carrying amount of an asset or its cash-generating unit exceeds the respective recoverable amount.

An impairment loss is reversed if the impairment loss no longer exists and there has been a change in the estimates used to determine the recoverable amount.

t. Payables

Payables are stated at amortised cost, which equals nominal value for short-term payables.

u. Interest-bearing liabilities

Interest-bearing liabilities are recognised initially at fair value, less attributable transaction costs. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the borrowing term using the effective interest rate method.

v. Employee benefit obligations

FIFA has established a retirement benefit plan for all of its employees, which is maintained by an insurance company. The plan is funded by employee and employer contributions and has certain defined benefit characteristics. Accordingly, the plan is accounted for as a defined benefit plan. The financial impact of this plan on the consolidated financial statements is determined in accordance with the projected unit credit method.

Any pension surplus is only recognised as an asset if the asset embodies future economic benefits that are actually available to FIFA in the form of refunds or reductions in future employer contributions.

Actuarial gains and losses arising from periodic reassessments are recognised to the extent that they decrease or increase a pension deficit or pension surplus respectively, if and to the extent that they exceed 10% of the higher of the projected benefit obligations and the fair value of plan assets. The amount exceeding this "corridor" is amortised over the expected average remaining working lives of the employees participating in the plan.

w. Provisions

A provision is recognised when FIFA has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time, value of money and, where appropriate, the risks specific to the liability.

x. Reserves

Reserves consist of association capital and restricted reserves, as well as hedging reserves and foreign currency translation reserves. As FIFA is an association, no dividends are paid.

Based on article 69 of the FIFA Statutes, the revenue and expenditure of FIFA shall be managed so that they balance out over the financial period. FIFA's major duties in the future shall be guaranteed through the creation of reserves. Such reserves are presented as restricted reserves in the balance sheet.

In the event of the dissolution of FIFA, its funds shall not be distributed, but transferred to the supreme court of the country in which the headquarters are situated. The supreme court shall invest them in gilt-edged securities until the re-establishment of the federation.

y. Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- Note 11 Personnel expenses: accounting estimates and judgments
- Note 21 Financial assets: accounting estimates and judgments

Notes to the consolidated income statement

1 Revenue from television broadcasting rights

in TUSD	2010	2009
Revenue from television broadcasting rights – FIFA World Cup™		
– Europe	334,089	354,142
– Asia and North Africa	157,625	146,673
– South and Central America	85,528	83,550
– North America and the Caribbean	51,767	53,090
– Rest of the world	34,425	17,796
– Value-in-kind transactions	0	5,728
– Other revenues	110,954	0
– Sales commission	–59,244	–38,042
Total revenue from television broadcasting rights – FIFA World Cup™	715,144	622,937
Other FIFA events	2,834	27,020
Total revenue from television broadcasting rights	717,978	649,957

Other revenues

Other revenues contain the service revenues from broadcasters for the 2010 FIFA World Cup™ and the sale of 3D rights. This item includes also the revenue from public viewing licences, which will be donated by FIFA to the “20 Centres for 2010” initiative.

Sales commission

The broadcasting rights in certain countries, especially in part of Africa and part of Asia, are sold in cooperation with agencies.

Other FIFA events

The revenue from the television broadcasting rights for other FIFA events includes the revenue from the sale of television broadcasting rights and services offered to the broadcasters in connection with the FIFA U-20 Women’s World Cup Germany 2010 and the FIFA U-17 Women’s World Cup Trinidad & Tobago 2010.

2 Revenue from marketing rights

in TUSD	2010	2009
Revenue from marketing rights – FIFA World Cup™		
– FIFA Partners	148,500	148,500
– FIFA World Cup Sponsors	98,175	76,528
– National Supporters	8,333	8,333
– FIFA Fan Fest™	7,034	0
– Value-in-kind transactions	83,414	34,185
– Sales commission	–4,967	–3,431
Total revenue from marketing rights – FIFA World Cup™	340,489	264,115
Other FIFA events	2,447	13,151
Total revenue from marketing rights	342,936	277,266

Value-in-kind transactions

FIFA receives value-in-kind revenue from several Commercial Affiliates. This value-in-kind revenue consists of pre-determined services and delivery of goods to be used in connection with the 2010 FIFA World Cup South Africa™ or other FIFA events. The revenue is recognised when the services/goods have been received and the equivalent costs are accounted for in the same period as an event-related expense. In 2010, the value of the services or goods received amounted to TUSD 83,414.

Other FIFA events

The revenue from other FIFA events includes National Supporter payments in connection with the FIFA U-20 Women's World Cup Germany 2010 and the FIFA U-17 Women's World Cup Trinidad & Tobago 2010. The major part of these payments is transferred to the Local Organising Committees. The relevant costs are shown as event-related expenses (Note 6).

3 Revenue from licensing rights

in TUSD	2010	2009
FIFA World Cup™	24,542	8,769
Other FIFA events	1,558	1,415
Total revenue from licensing rights	26,100	10,184

The revenue from licensing rights includes the minimum guarantee payments and additional royalty payments in connection with the sale of licensed products of the 2010 FIFA World Cup South Africa™.

4 Revenue from hospitality rights

in TUSD	2010	2009
FIFA World Cup™	40,000	40,000
Other FIFA events	0	500
Total revenue from hospitality rights	40,000	40,500

The hospitality rights for the 2010 FIFA World Cup South Africa™ have been granted to MATCH Hospitality AG for USD 120 million.

5 Other event-related revenue

in TUSD	2010	2009
Revenue from the FIFA Club World Cup	38,661	37,425
Match levies from qualifying competitions	923	3,753
Penalties/appeals from qualifying competitions	1,105	2,243
Various event-related revenue	11,526	422
Total other event-related revenue	52,215	43,843

The FIFA Club World Cup was hosted by the United Arab Emirates Football Association. FIFA appointed Dentsu as the exclusive promoter and producer of the event.

Various event-related revenues include the revenue from the Tour Operator Programme of the 2010 FIFA World Cup South Africa™.

6 Event-related expenses

in TUSD	2010	2009
FIFA World Cup™	345,269	316,834
Other FIFA events	84,174	139,223
Total event-related expenses	429,443	456,057

Expenses related to the 2010 FIFA World Cup™

in TUSD	2007-2010
Contributions to the Local Organising Committee	226,500
Legacy for the South African Football Association (SAFA)	20,000
Legacy for the 2010 FIFA World Cup™ Legacy Trust	80,000
Prize money	348,000
Preparation cost payment to participating member associations	32,000
Team lodging and travel	29,164
Ticketing and accommodation services/IT solution	43,570
TV production	214,319
Benefit for clubs	40,000
Refereeing matters	14,083
Preliminary competitions	22,268
Insurance	24,940
Other (e.g. marketing costs, FIFA Fan Fest™, Kick-off Celebration Concert)	203,136
Total expenses related to the 2010 FIFA World Cup™	1,297,980

The accumulated expenses incurred in connection with the 2010 FIFA World Cup South Africa™ amount to USD 1,298 million. The prize money paid out to the 32 participating member associations amounted to USD 348 million, of which the winner of the final received a total amount of USD 30 million. The 2010 FIFA World Cup Organising Committee South Africa received financial support from FIFA in the amount of USD 200 million in cash and USD 26.5 million value-in-kind. In addition, the 2010 FIFA World Cup Organising Committee South Africa received the net ticketing revenue in the amount of more than USD 300 million.

As part of the World Cup legacy for South Africa, the host association, the South African Football Association (SAFA), received the amount of USD 20 million. Due to the success of the event, FIFA decided to contribute USD 80 million to the 2010 FIFA World Cup™ Legacy Trust, which will be established.

TV production includes the cost for the production of the TV signal in the ten venues but also the costs of the International Broadcasting Centre, located in Soweto. For the first time, FIFA also paid a contribution to the clubs of the participating players. The clubs received USD 1,600 per player per day. Other expenses include marketing costs in connection with the FIFA World Cup™, other events such as the FIFA Fan Fest™ and the Kick-off Celebration Concert and travel and accommodation of the delegates.

Expenses related to other FIFA events

in TUSD	2010	2009
FIFA Club World Cup UAE 2010	26,894	0
FIFA U-17 Women's World Cup Trinidad & Tobago 2010	17,462	0
FIFA U-20 Women's World Cup Germany 2010	21,211	0
Youth Olympic Football Tournaments Singapore 2010	2,526	0
FIFA Confederations Cup South Africa 2009	89	44,494
FIFA U-17 World Cup Nigeria 2009	0	42,759
FIFA Club World Cup UAE 2009	0	29,513
FIFA U-20 World Cup Egypt 2009	908	21,473
FIFA Beach Soccer World Cup Dubai 2009	0	4,171
Blue Stars/FIFA Youth Cup	1,074	1,038
Host Announcement/Bidding 2018/2022 FIFA World Cup™	9,350	0
2014 FIFA World Cup Brazil™	3,638	0
Other events	1,022	26
FIFA U-20 World Cup Canada 2007	0	1
FIFA Women's World Cup China 2007™	0	-12
FIFA Club World Cup Japan 2008	0	-33
FIFA Beach Soccer World Cup Marseille 2008	0	-41
Olympic Football Tournaments Beijing 2008	0	-104
FIFA Futsal World Cup Brazil 2008	0	-506
FIFA U-17 Women's World Cup New Zealand 2008	0	-1,571
FIFA U-20 Women's World Cup Chile 2008	0	-1,985
Total expenses related to other FIFA events	84,174	139,223

The expenses for the other FIFA events are recognised in the year when the event takes place. The expenses related to other FIFA events include the financial support to the Local Organising Committee, travel and accommodation costs of the FIFA officials and the participating teams and other expenses. Part of the expenses are incurred as value-in-kind transactions.

The costs in connection with the Host Announcement/Bidding 2018/2022 FIFA World Cup™ include the costs of the announcement which took place in Zurich in December 2010 and the costs in connection with evaluation reports and inspection visits of the 11 bidding countries.

The start-up costs in connection with the 2014 FIFA World Cup Brazil™ incurred until 31 December 2010 are also included.

7 Other operating income

in TUSD	2010	2009
Quality Concept	11,183	6,500
Income from sale of film and video rights	11,978	5,499
Brand licensing	24,474	4,767
Penalties/appeals from friendly matches	1,515	1,602
Rental income	1,024	1,108
Match levies from friendly matches	1,689	872
Other	5,818	1,722
Total other operating income	57,681	22,070

Quality Concept contains the revenue in connection with the test programmes for footballs and football turf. Brand licensing relates to licences granted to use the brand "FIFA".

8 Development-related expenses

in TUSD	2010	2009
Financial Assistance Programme (FAP)	52,255	52,287
Contributions to confederations	15,000	15,000
Extraordinary FAP payments	144,400	0
<i>Goal Programme</i>	42,481	28,179
<i>Win in Africa with Africa</i>	11,834	4,548
<i>Win in ... projects</i>	17,706	34,085
Football for Hope	10,587	5,734
Refereeing Assistance Programme	15,788	8,654
Other projects	25,016	23,928
Total development-related expenses	335,067	172,415

FAP and contributions to confederations

FAP is a financial aid programme under which USD 1 million is granted to each member association and USD 10 million to each confederation during the four-year cycle to improve their administrative and technical infrastructure (see accounting policy H. Development-related expenses).

FIFA grants this assistance for projects that fulfil the following objectives:

- Develop and implement a modern, efficient and functional administrative or sports infrastructure;
- Facilitate the recruitment, training and remuneration of administrative and technical staff employed by the member association;
- Promote youth football;
- Provide basic and further training for member association members, as well as others seconded to the member associations for administrative and technical duties;
- Promote technical and sports development;
- Support member associations in arranging and taking part in official football competitions.

All member associations and confederations have to provide FIFA with an audited financial statement every year. Additionally, FIFA arranges a central audit of 21 member associations and one confederation each year through its statutory auditors KPMG to ensure that all financial assistance payments are in compliance with the FAP Regulations.

As at 31 December 2010, funds committed but not yet paid out amounted to USD 21.7 million (2009: USD 8.7 million).

Extraordinary FAP payments

Due to the financial success of the 2010 FIFA World Cup South Africa™, FIFA was in a position to increase the Financial Assistance Programme with extraordinary payments. The first payment of USD 250,000 to all 208 member associations and USD 2.5 million to the confederations was announced at the FIFA Congress in June 2010. The second payment of USD 300,000 to all 208 member associations and USD 2.5 million to the confederations has been approved by the members of the Emergency Committee and the chairman of the Finance Committee. The total extraordinary financial support amounts to USD 144.4 million. The FAP Regulations as described above also apply to the extraordinary FAP payments. This means that the usage of the funds by the member associations and the confederations is restricted to the purposes defined in the Regulations and is also subject to external audits.

Goal Programme

Goal is a development programme created by FIFA for the benefit of member associations. *Goal* offers funding for tailor-made projects to meet the individual needs of the member associations in the following areas:

- Administration – setting up national and regional associations, including team and office equipment;
- Training – administration, coaching, refereeing, sports medicine;

- Youth football – training youth team coaches, regional and national youth training centres and football schools, talent promotion;
- Infrastructure – the renovation and construction of football pitches, physical training and tuition centres, office buildings;
- Other tailor-made development projects – projects catering to other specific needs of member associations may also be considered if deemed appropriate.

The maximum amount that can be awarded per project is limited to USD 400,000. As at 31 December 2010, funds committed but not yet paid out to *Goal* projects amounted to USD 50.6 million (2009: USD 39.7 million). These commitments are recognised and stated under accrued expenses.

Win in Africa with Africa

The *Win in Africa with Africa* initiative was launched following ratification from the FIFA Congress in 2006. The goal of this initiative was to support football in Africa with a view towards the 2010 FIFA World Cup South Africa™. A major part of the initiative focuses on laying an artificial turf pitch in 52 African countries. Additionally, FIFA is supporting African leagues and clubs and helps to develop partnerships with African universities to provide executive education and develop sports medicine in Africa. The total approved budget for the *Win in Africa with Africa* initiative is USD 70 million. As at 31 December 2010, funds committed but not yet paid amounted to USD 8.9 million (2009: USD 8.7 million).

Win in ... projects

The Special Projects Bureau approved additional *Win in ...* projects, such as *Win in CONMEBOL with CONMEBOL*, *Win in CONCACAF with CONCACAF*, *Win in India with India* and *Win in Oceania with Oceania*. The total approved budget amounted to USD 50 million of which 23.7 million has been committed but not yet paid out (incl. Grassroots Programme). These programmes focus on the construction of football turf pitches, youth development and sports executive education.

Football for Hope

Football for Hope is a social responsibility programme which uses the power of the game for social development. Part of Football for Hope is the 20 Centres for 2010 initiative. Its aim is to create 20 Football for Hope Centres to promote public health, education and football in disadvantaged communities across Africa.

Other projects

Other development-related expenses primarily include contributions to the development efforts supported by FIFA such as the Humanitarian Support Fund, courses such as Com-Unity and FUTURO III, F-MARC (FIFA Medical Assessment and Research Centre) and refereeing.

9 Football governance

in TUSD	2010	2009
Committees and Congress	33,070	32,403
Legal matters	18,433	12,802
Football administration	4,008	3,013
CIES	2,455	1,961
Total football governance	57,966	50,179

Committees and Congress

The costs for committees and the Congress comprise the costs incurred in connection with the 60th FIFA Congress in Johannesburg which took place at the beginning of June 2010, plus the costs of the meetings of more than 25 standing committees and three FIFA judicial bodies (Disciplinary Committee, Appeal Committee and Ethics Committee). The cost for travel and accommodation of the committee members as well as of the official delegates of the 208 member associations, the six confederations and guests for the FIFA Congress are paid by FIFA.

CIES

Together with the International Centre for Sports Studies (CIES) at the University of Neuchâtel in Switzerland, FIFA has set up two special programmes: a master's degree in the business, law and humanities of sport and a scholarship ("João Havelange Scholarship"). FIFA supports both programmes with yearly financial contributions.

10 Exploitation of rights

in TUSD	2010	2009
Marketing	9,060	12,403
Broadcasting and media rights	19,802	11,510
Licensing	2,178	2,229
Total exploitation of rights	31,040	26,142

The costs for exploitation of rights reflect the costs incurred by the FIFA TV & Marketing Division for the commercialisation of marketing and broadcasting rights.

11 Personnel expenses

in TUSD	2010	2009
Wages and salaries	65,280	49,599
Social benefit costs	8,818	6,447
Other employee benefit costs	1,992	4,583
Other	1,343	2,451
Total personnel expenses	77,433	63,080

The average number of employees during the year ending 31 December 2010 was 387 (2009: 361).

The pension plan for FIFA employees is funded by employee and employer contributions. Since the plan has certain defined benefit characteristics, the figures presented below have been determined according to the accounting provisions for defined benefit plans as described in IAS 19.

Change in present value of defined benefit obligations

in TUSD	2010	2009
Defined benefit obligations at beginning of year	64,414	55,225
Current service cost	7,729	6,807
Past service cost	1,136	681
Interest on obligations	2,086	1,601
Actuarial loss	5,531	252
Benefits paid	-2,025	-1,389
Foreign exchange effect	8,499	1,237
Defined benefit obligations at end of year	87,370	64,414

Change in fair value of plan assets

in TUSD	2010	2009
Fair value of plan assets at beginning of year	65,324	56,206
Expected return on plan assets	1,952	1,629
Employer contribution	6,346	6,087
Employees' contribution	1,939	1,882
Benefits paid	-2,025	-1,389
Actuarial loss on plan assets	-338	-339
Foreign exchange effect	7,866	1,248
Fair value of plan assets at end of year	81,064	65,324

The actual annual return on plan assets for the year ending 31 December 2010 amounted to TUSD 1,614 (2009: TUSD 1,290).

Amount recognised in the balance sheet

in TUSD	2010	2009
Present value of defined benefit obligations	87,370	64,414
Fair value of plan assets	-81,064	-65,324
Funded status	6,306	-910
Unrecognised net actuarial (loss)/gain	-6,306	0
Unrecognised pension fund surplus	0	910
Net asset	0	0

The expected contribution to be paid into the plan for 2011 is TUSD 7,191.

Components of pension expenses

in TUSD	2010	2009
Current service cost	7,729	6,807
Past service cost	1,136	681
Interest on obligations	2,086	1,601
Change in unrecognised plan assets	-908	-82
Net actuarial loss recognised in the year	0	591
Expected return on plan assets	-1,952	-1,629
Adjustment due to IAS 19	194	0
Net periodic pension cost	8,285	7,969
Employees' contribution	-1,939	-1,882
Total pension expenses	6,346	6,087

Historical information

in TUSD	2010	2009	2008	2007
Present value of defined benefit obligations	87,370	64,414	55,225	39,906
Fair value of plan assets	-81,064	-65,324	-56,206	-46,905
Funded status	6,306	-910	-981	-6,999
Change in assumptions in plan liabilities	5,091	-2,415	4,977	2,389
Experience loss/(gain) on plan liabilities	440	2,667	779	-3,254
Experience loss/(gain) on plan assets	338	339	691	-89
Total actuarial loss/(gain)	5,869	591	6,447	-954

Principal actuarial assumptions

	31 Dec 2010	31 Dec 2009
Discount rate	2.60%	3.25%
Expected rate of return on plan assets	2.75%	3.00%
Future salary increases	2.00%	2.50%
Future pension increases	0.50%	1.00%

All assets are invested through an insurance contract, therefore the plan assets cannot be split into different categories.

Accounting estimates and judgments

The rates and parameters applied above are based on past experiences. Future developments in capital and labour markets could make adjustments of such rates necessary, which could significantly affect the calculation of pension obligations.

12 Other operating expenses

in TUSD	2010	2009
Transport, travel and accommodation expenses	5,188	9,315
IT expenses	7,937	8,933
Translation services	3,993	1,790
Rental of properties/maintenance and running costs	5,583	5,509
Office equipment and telecommunication costs	2,381	2,522
PR and promotional costs	5,820	8,221
Acquisition and production costs	30,184	19,779
Other	42,772	23,190
Total other operating expenses	103,858	79,259

13 Financial income

in TUSD	2010	2009
Interest income from cash and cash equivalents	5,936	6,034
Total interest income	5,936	6,034
Foreign currency gains	46,225	2,240
Total foreign currency gains	46,225	2,240
Change in fair value	1,905	7,356
Total income from financial assets designated at fair value through profit or loss	1,905	7,356
Total financial income	54,066	15,630

Foreign currency gains result mainly from the valuation of the net asset in foreign currency such as CHF.

14 Financial expenses

in TUSD	2010	2009
Interest expenses	427	508
Total interest expenses	427	508
Foreign currency loss	39,432	397
Total foreign currency loss	39,432	397
Change in fair value	0	21
Total loss from financial assets designated at fair value through profit or loss	0	21
Total financial expenses	39,859	926

Foreign currency loss results mainly from the valuation of the net assets in foreign currency such as GBP or EUR.

15 Income taxes

in TUSD	2010	2009
Current tax expenses	893	789
Total income tax expenses	893	789

FIFA is taxed according to the Swiss taxation rules for associations. Pursuant to these taxation rules, the statutory financial statements are the basis for taxation. In FIFA's statutory financial statements, the character of a non-profit organisation, the obligation to spend the net result, reserves and funds on the development of football, the long-term perspective of development projects, the four-year accounting cycle and the financial risks inherent to FIFA's core event, the FIFA World Cup™, are duly considered (see also Note 26 Financial risk management). FIFA's subsidiaries are taxed based on the applicable local tax regulations.

Therefore, a reconciliation of the effective tax rate to the consolidated profits before tax would not be meaningful. Consequently, this calculation has not been carried out. There are no tax loss carry-forwards.

No income tax was recognised directly in other comprehensive income.

Notes to the consolidated balance sheet

16 Cash and cash equivalents

in TUSD	31 Dec 2010	Weighted average interest rate	31 Dec 2009	Weighted average interest rate
Cash on hand, post and bank accounts	587,377		565,806	
Overnight deposits and fixed-term deposits with maturities of up to 3 months	1,022,059		881,771	
Total cash and cash equivalents	1,609,436	0.35%	1,447,577	0.59%

The fixed-term deposits have an average maturity of 42 days.

A bank account in the amount of TUSD 652 is pledged to cover a bank guarantee towards a third party.

17 Receivables

in TUSD	31 Dec 2010	31 Dec 2009
Receivables from exploitation of rights		
– Due from third parties	181,589	236,505
– Provisions for bad debts	–3,101	–2,840
Total receivables from exploitation of rights	178,488	233,665
Other receivables		
– Due from member associations and confederations	4,899	7,834
– Due from related parties	212	277
– Due from third parties	25,414	18,482
Total other receivables	30,525	26,593
Short-term loans		
– Due from related parties	6,646	0
– Due from third parties	2,380	0
Total short-term loans	9,026	0
Total receivables, net	218,039	260,258

The major part of the open receivables relates to contractual payments from broadcasters and sponsors for the 2014 FIFA World Cup™ which are due in January 2011.

Provisions for bad debts

in TUSD	31 Dec 2010	31 Dec 2009
Provisions for bad debts		
Balance as at 1 January	2,840	2,661
Use	-1,442	-354
Additions	1,661	526
Reversal	0	0
Foreign exchange effect	42	7
Balance as at 31 December	3,101	2,840

Ageing structure of receivables

in TUSD	31 Dec 2010	31 Dec 2009
Receivables		
Not due	212,703	247,322
Overdue – less than 30 days	195	9,820
Overdue – less than 60 days	793	649
Overdue – more than 60 days	7,449	5,307
Total receivables	221,140	263,098

18 Prepaid expenses and accrued income

in TUSD	Note	31 Dec 2010	31 Dec 2009
Accrued income			
– 2010 FIFA World Cup™	1-4	10,368	43,619
– Other FIFA events	1-5	0	3,390
Total accrued income		10,368	47,009
Prepaid expenses			
– 2010 FIFA World Cup™	6	0	19,949
– Other FIFA events	6	21,651	15,759
– Development programmes	8	1,157	1,943
Total prepaid expenses		22,808	37,651
Other prepaid expenses and accrued income		6,666	766
Total prepaid expenses and accrued income		39,842	85,426

19 Property and equipment

in TUSD	Operational buildings	Land	Office and other equipment	Total
Cost				
Balance as at 1 January 2009	224,577	15,124	21,892	261,593
Acquisitions	0	0	513	513
Reclassifications	725	0	-725	0
Foreign exchange effects	0	0	65	65
Balance as at 31 December 2009	225,302	15,124	21,745	262,171
Acquisitions	563	0	1,286	1,849
Foreign exchange effects	0	0	49	49
Disposals	0	0	-337	-337
Balance as at 31 December 2010	225,865	15,124	22,743	263,732
Accumulated depreciation				
Balance as at 1 January 2009	38,244	0	9,916	48,160
Depreciation	11,342	0	2,303	13,645
Reclassifications	256	0	-256	0
Foreign exchange effects	0	0	29	29
Balance as at 31 December 2009	49,842	0	11,992	61,834
Depreciation	11,414	0	1,516	12,930
Foreign exchange effects	0	0	24	24
Disposals	0	0	-300	-300
Balance as at 31 December 2010	61,256	0	13,232	74,488
Net carrying amount				
As at 1 January 2009	186,333	15,124	11,976	213,433
As at 31 December 2009	175,460	15,124	9,753	200,337
As at 31 December 2010	164,609	15,124	9,511	189,244

The column "operational buildings" includes the Home of FIFA, FIFA House and two other buildings in Zurich.

20 Intangible assets

Film archive

in TUSD	2010	2009
Cost		
Balance as at 1 January	5,418	5,418
Acquisitions	0	0
Balance as at 31 December	5,418	5,418
Accumulated amortisation		
Balance as at 1 January	3,793	3,251
Amortisation	541	542
Balance as at 31 December	4,334	3,793
Net carrying amount		
As at 1 January	1,625	2,167
As at 31 December	1,084	1,625

21 Financial assets

in TUSD	31 Dec 2010	31 Dec 2009
Debt securities	30,173	22,463
Other	0	23,944
Current financial assets	30,173	46,407
Debt securities	0	34,130
Equity securities	1,159	911
Other	26,750	5,000
Non-current financial assets	27,909	40,041
Total financial assets	58,082	86,448

Investments in capital-protected participations and capital-guaranteed participations are considered to be structured investments similar to debt securities that limit FIFA's risk of fair-value losses but offer FIFA the chance of market value appreciation of the investment. Interest payments are generally due upon the redemption of the investments before 2011. The counter-party risk has been assessed as remote.

The major part of the investments in capital-protected participations was sold in 2009 and 2010 at a profit.

All debt securities and equity securities are designated at fair value through profit or loss and are therefore stated at fair value. Investments in capital-protected participations, which are not quoted, are valued by using valuation techniques.

Other

In 2009, FIFA granted a loan to the Local Organising Committee for the 2014 FIFA World Cup Brazil™ in order to finance the tasks related to the preparation of the competition. This loan was further increased in 2010.

Accounting estimates and judgments

Debt securities with a value of USD 30.2 million are not quoted and are therefore valued by using valuation techniques. The factors determining the discount rate may change in the future and therefore have an impact on the valuation of the financial assets in future periods.

22 Payables

in TUSD	31 Dec 2010	31 Dec 2009
– Due to member associations and confederations	156,651	45,226
– Due to related parties	6,554	140
– Due to third parties	16,280	10,267
Total payables	179,485	55,633

23 Accrued expenses and deferred income

in TUSD	Note	31 Dec 2010	31 Dec 2009
Accrued expenses			
– 2010 FIFA World Cup™	6	20,213	466,589
– Other FIFA events	6	16,336	12,410
– Development programmes	8	212,068	110,184
Total accrued expenses		248,617	589,183
Deferred income			
– 2010 FIFA World Cup™	1-3	0	304,868
– 2014 FIFA World Cup™	1-3	297,466	0
– 2018 FIFA World Cup™	1-3	6,000	0
– Other FIFA events	1-3	2,625	6,093
Total deferred income		306,091	310,961
Other accrued expenses and deferred income		113,001	60,712
Total accrued expenses and deferred income		667,709	960,856

24 Provisions

in TUSD	2010	2009
Balance as at 1 January	12,595	12,327
Provisions made during the year	4,399	1,042
Provisions used during the year	-308	-237
Adjustments	130	-537
Balance as at 31 December	16,816	12,595

The provisions cover the future costs of the pension plan for members of the FIFA Executive Committee. An annual pension payment will be made to all long-serving FIFA Executive Committee members retiring from 2005 onwards. Under this retirement plan, Executive Committee members receive pension payments if they have served as a member of the committee for eight or more years. The pension is paid for up to a maximum of the number of years that the member served on the committee. Only the FIFA Executive Committee members may benefit from this scheme. Family members or relatives of the Executive Committee member are not entitled to receive any payments. The retirement payments start in the financial year following retirement.

Additional provisions have been created in connection with the earthquake in Haiti in January 2010. FIFA is assisting the reconstruction of the football infrastructure in Haiti with the amount of USD 3 million. In addition, the 32 member associations participating in the 2010 FIFA World Cup South Africa™ were asked to donate 2% of their preparation match revenue to this project.

There are no other legal or constructive obligations that require the establishment of provisions.

25 Reserves

Association capital

The association capital is CHF 5 million.

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash-flow hedging instruments where the hedged transaction has not yet occurred (see Note 27).

Restricted reserves

Pursuant to articles 2 and 69 of the FIFA Statutes, FIFA has to balance out revenue and expenditure over the financial period and has to build up sufficient reserves to guarantee the fulfilment of its major duties.

The purpose of the reserves is to protect FIFA against risks and unforeseen events, in particular in relation to the FIFA World Cup™. The financial dependency of FIFA on the FIFA World Cup™, which takes place only every four years, needs to be considered, since the FIFA World Cup™ is FIFA's main revenue source.

The usage of the reserves is restricted to FIFA's statutory duties such as organisation of international competitions, in particular the FIFA World Cup™, and implementation of football-related development programmes.

Capital management

FIFA was established in the legal form of an association pursuant to articles 60ff. of the Swiss Civil Code. Pursuant to article 2 of its Statutes, FIFA's objective is to improve the game of football constantly and promote it globally, particularly through youth and development programmes. FIFA is a non-profit organisation and is obliged to spend its profits, reserves and funds for this purpose. As FIFA is an association, no dividends are paid.

In the event of the dissolution of FIFA, its funds shall not be distributed, but transferred to the supreme court of the country in which the headquarters are situated. The supreme court shall invest them in gilt-edged securities until the re-establishment of the federation.

FIFA's strategy is to increase reserves to cover inherent risks in connection with the FIFA World Cup™ (see also Note 26).

Other disclosures

26 Financial risk management

Exposure to currency and interest risks as well as credit and liquidity risks arises in the course of FIFA's normal operations.

Credit risk

In line with FIFA's marketing and TV strategy, FIFA sold the television broadcasting rights in the key markets for the final competitions of the 2010 and 2014 FIFA World Cups™ directly to broadcasters. For the 2006 FIFA World Cup™, the rights were sold in packages to intermediaries.

In the area of marketing, FIFA implemented a new strategy from 2007 onwards and now distinguishes between FIFA Partner, FIFA World Cup Sponsor and National Supporter. In this context, the number of FIFA Partners was reduced from 15 in the 2003-2006 period to six for the 2007-2010 cycle.

The revenue from television and marketing rights is received from large multinational companies and public broadcasters. Part of the outstanding revenue is also covered by bank guarantees. Additionally, the contracts include a default clause, whereby the contract terminates as soon as one party is in default. In the event of a Commercial Affiliate defaulting, FIFA is not required to reimburse any of the services or contributions received. FIFA is also entitled to replace terminated contracts with new marketing or broadcasting agreements.

Material credit risks could potentially arise if several Commercial Affiliates were unable to meet their contractual obligations and if FIFA was unable to find a replacement in due time. The FIFA management monitors the credit standing of Commercial Affiliates very closely on an ongoing basis. Given their good credit ratings and the high diversification of the Commercial Affiliates portfolio, FIFA management believes that this scenario is very unlikely to occur.

Investments and derivative financial instruments are executed only with counter-parties with high credit ratings.

Interest rate risk

FIFA is exposed to fluctuations in interest rates on its short-term placements in fixed-term deposits. Since the interest rate of all short-term deposits is fixed at year end, there is no direct interest rate exposure.

An interest rate risk arises on the valuation of the financial assets valued by using valuation techniques. If the interest rates on 31 December 2010 had been 1% higher (lower), the net result would have been USD 0.3 million lower (higher).

As at 31 December 2010, there is no interest rate risk arising from financing transactions because FIFA is fully self-financed.

Foreign currency risk

On 1 January 2007, FIFA changed its functional currency from the Swiss franc to the US dollar because the majority of its cash flows are denominated in the latter. Exposure to foreign currency exchange rates arises from transactions denominated in currencies other than USD, especially in EUR, CHF and GBP.

FIFA receives foreign currency cash inflows in the form of revenue from the sale of certain rights denominated in EUR, GBP or CHF. On the other side, FIFA has substantial costs, especially employee costs and operating costs in connection with FIFA's offices in Zurich, denominated in CHF, while no major costs are expected in EUR or GBP. For the 2011-2014 period, FIFA will also have costs in connection with the 2014 FIFA World Cup Brazil™ denominated in BRL. The Controlling & Strategic Planning Department regularly forecasts the liquidity and foreign exchange requirements up to the 2014 FIFA World Cup™. If any foreign currency risks are identified, FIFA uses forward currency exchange contracts and structured derivative products to hedge this exposure (see also Note 27).

As at 31 December 2010, FIFA is exposed to the following foreign exchange fluctuation risks:

- If the EUR had gained (lost) 10% against the USD as at 31 December 2010, the net result would have been USD 15.3 million higher (lower).
- If the CHF had gained (lost) 10% against the USD as at 31 December 2010, the net result would have been USD 21.0 million higher (lower).
- If the GBP had gained (lost) 10% against the USD as at 31 December 2010, the net result would have been USD 0.2 million higher (lower).

This fluctuation analysis only shows the effect from an accounting perspective and not realised gains or losses.

Positions exposed to foreign currency risk as at 31 December 2010

in thousands	CHF	EUR	GBP
Cash and cash equivalents	194,050	86,512	718
Receivables	10,920	35,750	62
Prepaid expenses and accrued income	280	0	0
Financial assets	0	2,062	0
Total assets in foreign currency	205,250	124,324	780
Payables	3,628	9,469	6
Accrued expenses and deferred income	2,474	0	0
Total liabilities in foreign currency	6,102	9,469	6
Net exposure in foreign currency	199,148	114,855	774

Liquidity risk

As at 31 December 2010, FIFA is fully self-financed. Additionally, FIFA has access to contractual or secured short-term credit facilities in the amount of CHF 158 million, guaranteed by its own properties, which could be used to cover any additional liquidity needs.

Maturity of financial liabilities

in TUSD	31 December 2010		31 December 2009	
	90 days	1 year or less	90 days	1 year or less
Payables – associations and confederations	0	156,651	0	45,226
Payables – related parties	6,554	0	140	0
Payables – third parties	16,280	0	10,267	0
Derivative financial liabilities	0	0	0	12,906
Total	22,834	156,651	10,407	58,132

Payables and receivables to/from associations and confederations do not have a specific maturity date. Generally, the accounts are used to settle new invoices to and from associations and confederations. In accordance with the FIFA Statutes, payables and receivables can be netted.

Cancellation risk

FIFA's financial position depends on the successful staging of the FIFA World Cup™ because almost all contracts with Commercial Affiliates are related to this event. In the event of cancellation, curtailment or abandonment of the FIFA World Cup™, FIFA would run the risk of some of the revenues already received and accounted for having to be repaid.

Until the 2002 FIFA World Cup™, FIFA was able to cover this risk through an insurance company. However, since 9/11, it has practically been impossible to find comparable insurance coverage. For the 2006 FIFA World Cup™, part of the risks were transferred to the capital market by means of a capital market transaction ("cancellation bond").

At its meeting on 24 October 2008, the Executive Committee decided to insure against the risk of postponement and/or relocation of the 2010 and 2014 FIFA World Cups™. The risks covered include natural catastrophe, accidents, turmoil, war, acts of terrorism, non-participation of teams and epidemic diseases. The cancellation of the event is not covered by the insurance and would need to be covered by FIFA's own financial resources.

The maximum insurance volume is USD 650 million to cover FIFA's additional costs in case of a postponement and/or relocation of the event.

As at 31 December 2010, the insurance coverage for the 2014 FIFA World Cup™ has been fully placed on the insurance market.

Classification of financial assets

in TUSD	31 December 2010			31 December 2009		
	Loans and receivables	Financial assets at fair value through P&L	Derivates used for hedging activities	Loans and receivables	Financial assets at fair value through P&L	Derivates used for hedging activities
Cash and cash equivalents	1,609,436	0	0	1,447,577	0	0
Receivables	218,039	0	0	260,258	0	0
Derivative financial assets	0	0	29,078	0	0	22,109
Financial assets	26,750	31,332	0	28,944	57,504	0
Accrued income	10,368	0	0	47,009	0	0
Total	1,864,593	31,332	29,078	1,783,788	57,504	22,109

Due to their short maturity, the carrying amount of the financial assets approximates the fair value.

Classification of financial liabilities

in TUSD	31 December 2010			31 December 2009		
	Financial liabilities at fair value through P&L	Financial liabilities at amortised costs	Derivates used for hedging activities	Financial liabilities at fair value through P&L	Financial liabilities at amortised costs	Derivates used for hedging activities
Payables	0	179,485	0	0	55,633	0
Derivative financial liabilities	0	0	0	0	0	12,906
Accrued expenses	0	345,320	0	0	589,183	0
Total	0	524,805	0	0	644,816	12,906

Due to their short maturity, the carrying amount of the payables approximates the fair value.

Fair value disclosure

Financial assets designated at fair value through profit or loss in the amount of USD 1.2 million are traded in active markets and the fair value is based on unadjusted quoted market prices on the balance sheet date (Level 1). Financial assets designated at fair value through profit or loss in the amount of USD 30.2 million and derivatives used for hedging activities in the amount of USD 29.1 million are not traded in active markets and the fair value on the balance sheet date is determined by using valuation techniques (Level 2) with observable market data.

27 Hedging activities and derivative financial instruments

FIFA uses foreign currency derivatives and forwards to hedge the exposure on revenue from TV rights denominated in EUR or GBP. Depending on the expected needs based on the forecast, the revenue is converted into CHF or USD. All hedging transactions cover revenue which is contractually defined. Additionally, FIFA hedges its exposure in BRL for future costs in connection with the 2014 FIFA World Cup Brazil™. All hedging transactions are in line with the strategy decided by the FIFA Executive Committee.

FIFA uses hedge accounting in accordance with IFRS to reduce the volatility of earnings. All transactions are classified as "cash flow hedge". All hedging transactions are expected to be highly effective, as the amount, the currency and the maturity of the underlying and hedging transaction are identical.

As of 31 December 2010, FIFA has hedged part of the broadcasting rights in connection with the 2014 FIFA World Cup™ in EUR in the amount of EUR 154.2 million and the expected costs in connection with the 2014 FIFA World Cup™ in BRL in the amount of BRL 186.9 million.

in TUSD	31 December 2010		31 December 2009	
	Positive fair value	Negative fair value	Positive fair value	Negative fair value
Cash flow hedges				
– effective in the next year	19,344	0	22,109	12,906
– effective in the following year	9,734	0	0	0
Total	29,078	0	22,109	12,906
whereof				
– recognised in hedging reserves	26,338	0	9,203	0

The effective part of the hedge transactions has been recognised in the hedge reserves. As at 31 December 2010, there is no significant ineffectiveness. From the previous year's hedge reserves, an amount of TUSD 9,203 was transferred to the income statement. The revenue from television broadcasting has been increased by TUSD 4,349. The difference reflects the change in fair value of the hedging instruments between the beginning of the year and the settlement date.

28 Legal matters and contingent liabilities

There are no material lawsuits or other information to be disclosed.

29 Capital commitments

As at 31 December 2010, FIFA has no capital commitments.

30 Contingent revenue

Several agreements with Commercial Affiliates in connection with the rights granted for the 2010 and 2014 FIFA World Cups™ include contingent revenue in addition to the already recognised minimum payments. Such revenue elements are only recognised if it is likely that FIFA will receive additional payments.

31 Operating leases

in TUSD	31 Dec 2010	31 Dec 2009
Less than 1 year	216	1,015
1-5 years	625	2
Total	841	1,017

FIFA leases office space, vehicles and office equipment under operating leases. The leases typically extend over an initial period of between one and five years, with an option to renew the lease after that period. None of the leases include contingent rentals.

In 2010, a total amount of TUSD 1,068 (2009: TUSD 1,214) was recognised as an expense in the income statement for operating leases.

32 Related-party transactions

Identity of related parties

FIFA as an association has 208 members. The member associations affiliated to FIFA also form confederations. Additionally, from FIFA's perspective, the following persons are regarded as related parties: members of the Executive Committee, the Finance Committee and other key management personnel.

Transactions with related parties

Each member of FIFA must pay an annual subscription fee, currently CHF 300, and for every international match – including friendly matches, tournaments and all the matches of the Olympic Football Tournaments – played between two international "A" teams, the member association of the country in which the match is being played pays a share of the gross receipts from the match to FIFA. Revenue from international matches totalled USD 2.6 million in 2010 (2009: USD 4.6 million).

FIFA makes yearly contributions to the member associations and confederations (FAP, *Goal Programme*) to support their efforts in promoting and developing football in their region (see Note 8). These development expenses totalled USD 335.1 million in 2010 (2009: USD 172.4 million). The accumulated development expenses accrued as per 31 December 2010 totalled USD 212 million (2009: USD 110.2 million).

FIFA organises the FIFA World Cup™ and other FIFA events. In connection with these competitions, FIFA offers financial support to Local Organising Committees and compensates teams for travel and accommodation expenses. For the FIFA World Cup™, the qualifying teams also receive a subsidy to cover the cost of their preparations. In 2010, FIFA paid USD 348 million in prize money (2006: CHF 300 million) to the participating associations.

The total financial support allocated to Local Organising Committees for other FIFA events amounted to USD 16.8 million. The total payments for teams and confederations for other FIFA events amounted to USD 19.6 million.

FIFA has outstanding receivables from related parties amounting to USD 5.1 million (2009: USD 8.1 million), while outstanding payables total USD 163.2 million (2009: USD 45.4 million).

Key management personnel

Members of the Executive Committee, the Finance Committee and the FIFA management, in particular the directors, are regarded as key management personnel. In 2010, short-term employee benefits of USD 32.6 million were paid to the key management personnel (2009: USD 20.9 million). In addition to these short-term employee benefits, FIFA contributes to defined post-employment benefit plans. The recognised post-employment benefit expenses in 2010 amounted to USD 1.9 million (2009: USD 2.1 million).

33 Consolidated subsidiaries

	Location of incorporation	Activity	Ownership interest 2010	Ownership interest 2009
FIFA Travel GmbH	Zurich, Switzerland	Travel agency	100%	100%
Early Warning System GmbH	Zurich, Switzerland	Service company	95%	95%
FIFA Transfer Matching System GmbH	Zurich, Switzerland	Service company	95%	95%
FIFA Beach Soccer S.L.	Barcelona, Spain	Event management	70%	70%
2010 FIFA World Cup Ticketing (Pty) Ltd	Nasrec, South Africa	Ticket sales	100%	100%
FIFA World Cup South Africa (Pty) Ltd	Nasrec, South Africa	Service company	100%	100%
FWC 2014 Assessoria Ltda	Rio de Janeiro, Brazil	Service company	95%	n/a
FIFA Marketing & TV AG	Zurich, Switzerland	No activity	100%	100%
FIFA Ticketing AG (formerly FIFA Media AG)	Zurich, Switzerland	No activity	100%	100%
FIFA Marketing & TV Deutschland GmbH	Germany	No activity	In liquidation	In liquidation

The subsidiary in Brazil was incorporated in 2010. Due to legal requirements in Brazil, FIFA cannot own 100% of the shares. However, FIFA is the full beneficial owner of the company.

34 Post-balance-sheet events

The FIFA Executive Committee authorised the issue of these consolidated financial statements on 3 March 2011.

The consolidated financial statements for 2010 will be submitted to the FIFA Congress for approval on 31 May/1 June 2011.

No events have occurred since 31 December 2010 that would require any adjustment to the carrying amounts of FIFA's assets and liabilities as of 31 December 2010 and/or disclosure.



Auditor's report to the FIFA Congress

As statutory auditor, we have audited the accompanying consolidated financial statements of Fédération Internationale de Football Association (FIFA), which comprise the balance sheet, income statement, cash flow statement, statement of changes in reserves, statement of comprehensive income and notes for the year ended 31 December 2010.

FIFA Executive Committee's Responsibility

The FIFA Executive Committee is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) and the requirements of Swiss law. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The FIFA Executive Committee is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards as well as International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements for the year ended 31 December 2010 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with International Financial Reporting Standards (IFRS) and comply with Swiss law.

Report on Other Legal Requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the FIFA Executive Committee.

We recommend that the consolidated financial statements submitted to you be approved.

KPMG AG



Fredy Luthiger
Licensed Audit Expert
Auditor in Charge



Alex Fähndrich
Licensed Audit Expert

Zurich, 3 March 2011



ANNEXE 2007-2010



Consolidated income statement 2007-2010

in TUSD	2007	2008	2009	2010	Total 2007-2010
Event-related revenue					
Revenue from television broadcasting rights	524,524	555,484	649,957	717,978	2,447,943
Revenue from marketing rights	223,398	253,406	277,266	342,936	1,097,006
Revenue from licensing rights	19,388	15,105	10,184	26,100	70,777
Revenue from hospitality rights	0	40,000	40,500	40,000	120,500
Other event-related revenue	19,325	38,502	43,843	52,215	153,885
Total event-related revenue	786,635	902,497	1,021,750	1,179,229	3,890,111
Event-related expenses					
FIFA World Cup™ expenses	-290,957	-344,920	-316,834	-345,269	-1,297,980
Other FIFA event expenses	-95,488	-96,504	-139,223	-84,174	-415,389
Total event-related expenses	-386,445	-441,424	-456,057	-429,443	-1,713,369
Event-related gross result	400,190	461,073	565,693	749,786	2,176,742
Other operating income	60,108	32,185	22,070	57,681	172,044
Development-related expenses	-153,666	-133,189	-172,415	-335,067	-794,337
Football governance	-46,742	-46,270	-50,179	-57,966	-201,157
Exploitation of rights	-16,539	-17,602	-26,142	-31,040	-91,323
Personnel expenses	-58,504	-52,372	-63,080	-77,433	-251,389
Depreciation and amortisation	-16,084	-15,777	-14,187	-13,471	-59,519
Other operating expenses	-151,148	-60,125	-79,259	-103,858	-394,390
Operating result before financial items	17,615	167,923	182,501	188,632	556,671
Financial income	35,196	22,273	15,630	54,066	127,165
Financial expenses	-2,732	-5,921	-926	-39,859	-49,438
Result before taxes	50,079	184,275	197,205	202,839	634,398
Income taxes	-833	-620	-789	-893	-3,135
Net result	49,246	183,655	196,416	201,946	631,263

Aggregated consolidated income statement 2007-2010

in TUSD	2007-2010	2003-2006
Event-related revenue		
Revenue from television broadcasting rights	2,447,943	1,320,993
Revenue from marketing rights	1,097,006	559,988
Revenue from licensing rights	70,777	72,914
Revenue from hospitality rights	120,500	203,946
Other event-related revenue	153,885	185,567
Total event-related revenue	3,890,111	2,343,408
Event-related expenses		
FIFA World Cup™ expenses	-1,297,980	-691,135
Other FIFA event expenses	-415,389	-191,100
Total event-related expenses	-1,713,369	-882,235
Event-related gross result	2,176,742	1,461,173
Other operating income	172,044	96,920
Development-related expenses	-794,337	-436,529
Football governance	-201,157	-90,665
Exploitation of rights	-91,323	-25,134
Personnel expenses	-251,389	-165,586
Depreciation and amortisation	-59,519	-25,321
Other operating expenses	-394,390	-179,891
Operating result before financial items	556,671	634,967
Financial income	127,165	102,280
Financial expenses	-49,438	-92,393
Result before taxes	634,398	644,854
Income taxes	-3,135	-2,842
Net result for the four-year period	631,263	642,012

Consolidated balance sheet

in TUSD	31 Dec 2010	31 Dec 2006
Assets		
Cash and cash equivalents	1,609,436	377,760
Receivables	218,039	223,566
Derivative financial assets	19,344	0
Financial assets	30,173	0
Prepaid expenses and accrued income	39,842	93,989
Current assets	1,916,834	695,315
Property and equipment	189,244	231,746
Investment properties	0	21,862
Intangible assets	1,084	3,251
Derivative financial assets	9,734	0
Financial assets	27,909	243,632
Non-current assets	227,971	500,491
Total assets	2,144,805	1,195,806
Liabilities and reserves		
Payables	179,485	51,072
Income tax liabilities	659	727
Interest-bearing liabilities	0	14,776
Derivative financial liabilities	0	5,752
Accrued expenses and deferred income	667,709	495,762
Current liabilities	847,853	568,089
Provisions	16,816	10,793
Non-current liabilities	16,816	10,793
Total liabilities	864,669	578,882
Association capital	4,104	4,104
Hedging reserves	26,338	-5,752
Restricted reserves	1,249,694	618,572
Reserves	1,280,136	616,924
Total liabilities and reserves	2,144,805	1,195,806

Basis of preparation

The financial information for the four-year period ended 31 December 2010 has been compiled as follows:

Presentation of the consolidated income statements 2007 to 2010 as reported in the audited financial statements 2007, 2008, 2009 and 2010; aggregation to cumulative income statement for the four-year period

Presentation of the consolidated income statements 2003 to 2006 as reported in the audited financial statements 2003, 2004, 2005 and 2006; aggregation to cumulative income statement for the four-year period, conversion from CHF to USD using the average rates of the respective years. The presentation of the aggregated consolidated income statement 2003 to 2006 has been adjusted to the presentation used in 2007 to 2010.

Consolidated balance sheet as of 31 December 2010 as reported in the audited financial statement for the year ended 31 December 2010; except for currency translation adjustments, restricted reserves and the net result for the four-year period which are summarised in the line item "total restricted reserves"

Consolidated balance sheet as of 31 December 2006 as reported in the audited financial statement for the year ended 31 December 2006; conversion from CHF to USD using the year-end rate as at 31 December 2006 (1.2182); except for currency translation adjustments, restricted reserves and the net result for the four-year period which are summarised in the line item "total restricted reserves"

Each of the consolidated financial statements used to compile the financial information for the four-year period ended 31 December 2010 have been prepared in accordance with the International Financial Reporting Standards (IFRS). Changes in IFRS within this four-year period have not retroactively been applied to earlier years of the four-year period.

The financial information for the four-year period ended 31 December 2010 does not contain all primary statements and the disclosures required by International Financial Reporting Standards (IFRS). Reading such financial information, therefore, is not a substitute for reading the audited financial statements of FIFA for each of the four years ended 31 December 2007, 2008, 2009 and 2010, respectively.



Independent Assurance Report to the FIFA Congress on the consolidated financial information of FIFA for the four years ended 31 December 2010, based on Article 69 of the FIFA statutes

We were engaged by the FIFA Executive Committee to provide reasonable assurance on the compilation of the consolidated financial information containing the consolidated income statements for each of the four years ended 31 December 2007, 2008, 2009 and 2010, respectively, the aggregated consolidated income statement for the four-year period ended 31 December 2010 and the consolidated balance sheet as of 31 December 2010. The consolidated financial information is derived from the annual consolidated financial statements of FIFA for each of the four years ended 31 December 2007, 2008, 2009 and 2010, respectively, which were audited by us.

The FIFA Executive Committee is responsible for the consolidated financial information including adoption of the applicable financial reporting framework.

Our responsibility is to carry out a reasonable assurance engagement and to express an opinion on the compilation of such consolidated financial information based on the work performed.

We conducted our work in accordance with the International Standard on Assurance Engagements 3000, *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. This standard requires that we plan and perform the engagement to obtain reasonable assurance about whether the consolidated financial information has been properly compiled, in all material respects, on the basis stated and that such basis is consistent with the basis of preparation and the accounting principles set out in the notes to the annual consolidated financial statements for each of the four years ended 31 December 2007, 2008, 2009 and 2010, respectively.

In our opinion, the consolidated financial information has been properly compiled, in all material respects, on the basis stated and such basis is consistent with the basis of preparation and the accounting principles set out in the notes to the annual consolidated financial statements for each of the four years ended 31 December 2007, 2008, 2009 and 2010, respectively.

KPMG AG



Fredy Luthiger



Alex Fähndrich

Zurich, 3 March 2011

Internal Audit Committee report to the FIFA Congress

In our function as the Internal Audit Committee of FIFA, we have assessed the consolidated financial statements (balance sheet, income statement, statement of changes in reserves, the cash flow statement, statement of comprehensive income and notes) of the Fédération Internationale de Football Association for the period from 1 January 2010 to 31 December 2010.

Our responsibility is to express an opinion on these financial statements based on our assessment in compliance with the audit charter of 5 March 2003. We have assessed the 2010 financial statements through:

- Examination of the audit reports of the external auditors;
- Examination of the 2010 Comprehensive Auditor's Report to the Executive Committee;
- Discussion of the financial statements during the meetings of the Internal Audit Committee held on 6 June 2010 and 1 March 2011 in the presence of the FIFA President, the Secretary General, the Director of Finance & Administration and the external auditors.

In addition, we have reviewed the consolidated income statement and balance sheet for the four-year period ending 31 December 2010 based on Article 69 of the FIFA Statutes. The statements agree with the IFRS financial statements for 2007-2010, which have been audited by KPMG and approved by the FIFA Congress.

We have also assessed the accounting principles used, significant estimates made and the overall presentation of the financial statements. We believe that our assessment provides a reasonable basis for our opinion. Furthermore, we confirm that we have had unrestricted and complete access to all the relevant documents and information necessary for our assessment.

On this basis, we recommend that the FIFA Congress approve the consolidated financial statements for 2010.

For the Internal Audit Committee



Dr Franco Carraro
Chairman

Zurich, 1 March 2011