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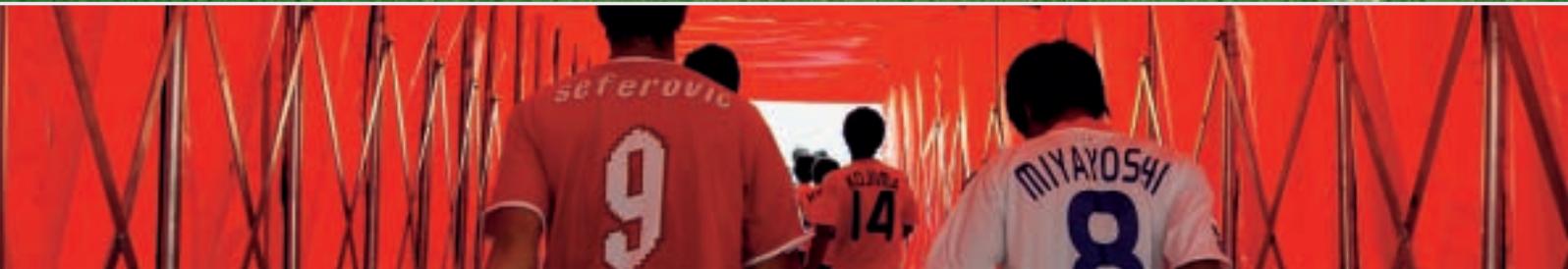
60th FIFA Congress

FIFA Financial Report 2009

Johannesburg, 9 and 10 June 2010

FIFA[®]

For the Game. For the World.



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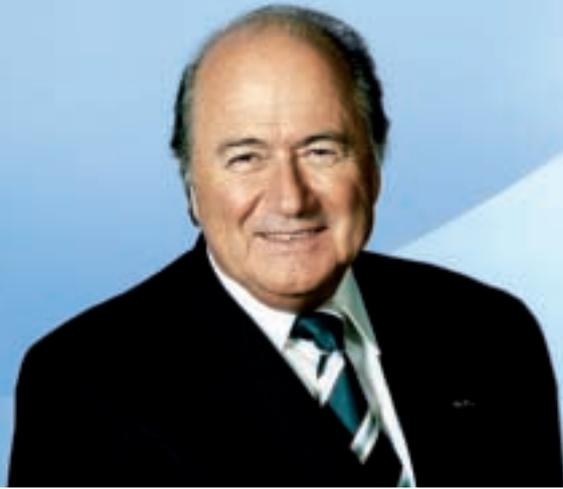
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Record income
underlines trust
in Africa



Foreword





“Our trust in Africa
was well placed”

DEAR MEMBERS OF THE INTERNATIONAL FOOTBALL FAMILY,

When we cast our minds back over 2009, our thoughts turn firstly to Africa and the three FIFA competitions that were held there. There was much speculation about how well these competitions would be organised and whether they would go to plan. Those who heavily criticised the decision to award the FIFA World Cup™ to South Africa from the outset believed that the FIFA Confederations Cup in June would provide the first evidence that their misgivings had been justified.

The sceptics were disappointed, however, and the world was treated to an extremely hospitable South Africa and a FIFA Confederations Cup that hit the headlines as a result of high-quality football, fans celebrating peacefully, the now world-renowned vuvuzelas and a strong performance by the home team. The FIFA Confederations Cup, regarded as a dress rehearsal for the FIFA World Cup™, was a huge success and the FIFA administration, the Local Organising Committee and the authorities were able to gain a wealth of key insights for the upcoming FIFA World Cup™. Everyone involved is now eagerly working on the final adjustments and improvements. For me personally, it was important to see that the trust that FIFA and the football family has placed in South Africa and the Local Organising Committee was well founded.

The FIFA U-20 World Cup in Egypt and the FIFA U-17 World Cup in Nigeria were both a sporting and an organisational success and left a positive legacy in terms of infrastructure, organisation and medicine for the host associations.

As this financial report shows, it is also pleasing that our trust in Africa was well placed from a financial perspective, with income from the FIFA World Cup South Africa™ reaching an all-time high. This will enable us to push further ahead with our efforts to promote football development, inspire the world through our sport and use the power of football to build a better future. As FIFA President, I take great pride in this and thank you for your support.

“For the Game. For the World.”



Joseph S. Blatter

FIFA President



“Solid equity
basis achieved”

DEAR SIR OR MADAM,

We are all eagerly awaiting the 2010 FIFA World Cup™, which will also conclude the financially significant 2007–2010 four-year cycle. Initial concerns that the marketing of the first FIFA World Cup™ in Africa would not be able to replicate the success of the two previous FIFA World Cups™ have proven to be unfounded, with the posting of record revenues that even surpass the results of the previous two tournaments.

The cycle was not long under way when the financial world was rocked by turbulence on the international stock exchanges, and this led to a global financial crisis whose impact will continue to be felt in the next few years. It therefore gives me particular pleasure against this backdrop of instability to present the encouraging development in FIFA's finances. Based on another year of stable revenue growth, FIFA achieved a positive result of USD 196 million in 2009 and increased its equity to USD 1,061 million – thus topping the USD 1 billion mark – and now has a solid equity basis.

Looking ahead, the 2014 FIFA World Cup™ in Brazil is already proving to be a major draw and we have signed the first contracts with national and international sponsors to line up alongside the six existing FIFA Partners. The world's biggest sports event yields an unwavering appeal, perhaps all the more so in times of economic uncertainty, by offering excitement, entertainment and top-class sporting action and therefore provides an excellent platform for commercial brands.

Nevertheless, the financial success of the 2007-2010 cycle depends on the successful staging of the 2010 FIFA World Cup™ in South Africa, and our experiences at the FIFA Confederations Cup give us every reason to look forward with optimism to a colourful celebration that will inspire the world.

I will provide you with detailed information about this FIFA Financial Report 2009 at the 60th FIFA Congress, which will be held shortly before the 2010 FIFA World Cup™ kicks off in South Africa. However, let me take the opportunity now to thank you on behalf of the Finance Committee for your interest, trust and support.



Julio H. Grondona

Chairman of the Finance Committee



“Continued strengthening
of internal control”

DEAR SIR OR MADAM,

The Internal Audit Committee took great satisfaction from FIFA's 2009 financial result. Equity is now solid, but when considering this figure we must not lose sight of the risks that it has to cover. FIFA's financial health continues to hinge almost entirely on the successful staging of the FIFA World Cup™. In accordance with the mandate it has been given by the FIFA Congress, the Internal Audit Committee feels obligated to point out that, while equity of over a billion US dollars may seem relatively high, the financial risks exceed this figure many times over. This level of equity, for example, would only cover the costs of the next year and a half.

The external auditors from KPMG and the FIFA management have kept the members of the Internal Audit Committee personally informed about the current expansion of the internal control system (ICS). Communication with KPMG is extremely important for the members of the Internal Audit Committee because KPMG as external auditors have a very detailed picture of the FIFA ICS following the in-depth audits that they have performed. KPMG confirm in their report on page 106 the existence of an internal control system in line with legal requirements. The Internal Audit Committee notes with satisfaction that FIFA has not only fulfilled the minimum legal requirements but also intends to continue strengthening its internal control mechanisms in order to optimise its regulation of all financial, operational and compliance risks.



Dr Franco Carraro

Chairman of the Internal Audit Committee

73% of expenditure
directly invested
in football



Facts & Figures 2009



Overview

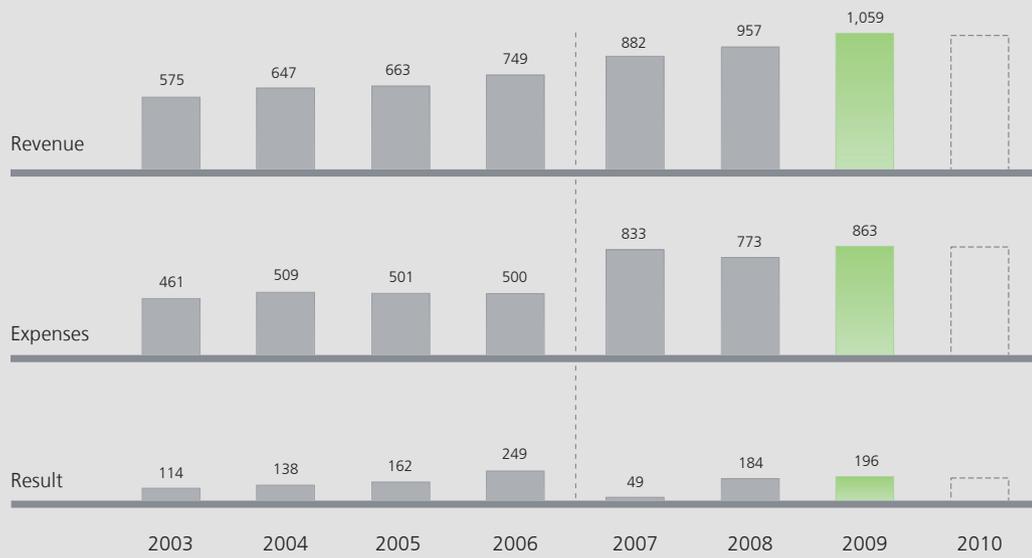
Income statement and equity development

This page provides an overview of the figures for the 2009 business year and a comparison with the key annual figures from the previous period (2003-2006) as well as 2007 and 2008. The end of 2009 marked the three-quarter stage in the 2007-2010 four-year cycle. At the same time, the year of the 2010 FIFA World Cup South Africa™ has begun. FIFA has thus far made it through the turbulence in the financial markets and the global recession **unscathed** and has **emerged from the crisis in a stronger position**, as demonstrated by the following:

- 2009 was once again a very successful year for FIFA, with a positive **annual result of USD 196 million**.
- Revenue further increased compared to previous years and for the first time reached the threshold of USD 1 billion. The reasons for this are basically **increased revenue** from the **sale of rights** as a result of newly concluded contracts in the areas of marketing and TV.
- **Systematic cost control** once again proved its worth and costs were in line with the 2009 expense budget.
- The strategy of **hedging foreign currencies** also proved to be fully effective in 2009 and protected FIFA against losses.
- FIFA's **equity was further strengthened** and stood at **USD 1,061 million** on 31 December 2009. FIFA has thus reached a **solid equity level**. Nevertheless, the equity situation can only be definitively assessed after the 2010 FIFA World Cup™ has taken place. Having sufficient equity is of great importance to FIFA's **financial independence** and to its ability to react to **unexpected events**.

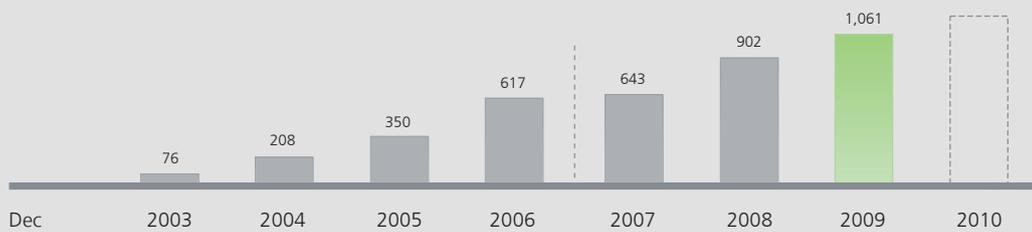
Income statement (IFRS)

USD million



Equity development (IFRS)

USD million



Income statement

Income statement for 2009

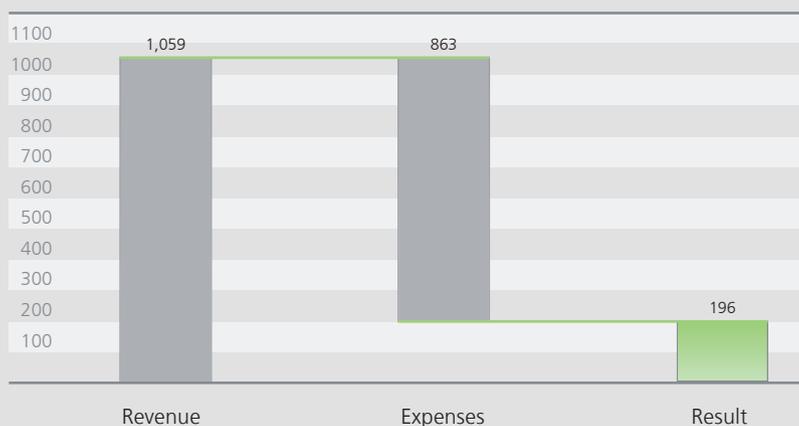
The detailed closing accounts are shown on pages 54-105 of the annexe. At the FIFA Congress in Zurich in 2007, it was decided that renowned international audit company KPMG would be asked to audit FIFA's financial statements for the 2007-2010 financial period. **KPMG's report** for 2009 can be found in the annexe on page 106. The report from the **Internal Audit Committee** is on page 108.

In 2009, FIFA recorded revenue of USD 1,059 million and expenses of USD 863 million, producing a **net result** of **USD 196 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, whereby revenue and expenses are distributed over the four-year period. The revenue and expenses relating to additional FIFA events are listed in the income statement when the event takes place.

FIFA's income statement comprises revenue items such as event-related revenue, other operating income and financial income, whereas the expenditure items include expenses for events, development projects, football governance, exploitation of rights as well as other operating and financial expenses. These different items reflect FIFA's **principal objectives** of **organising international competitions** as well as **constantly improving and promoting football** through youth and development programmes. FIFA's event-related revenue in 2009 amounted to USD 1,022 million. Event-related expenses totalled USD 456 million. A total of USD 172 million was spent on FIFA's various development programmes.

Income statement 2009 (IFRS)

USD million



Income statement 2009 (IFRS)

USD million

Revenue	1,059
Event-related revenue	1,022
Other operating income	22
Financial income	15
Expenses	863
Event-related expenses	456
Development-related expenses	172
Football governance	50
Exploitation of rights	26
Other operating expenses*	158
Financial expenses	1
Result	196

* Including expenses for personnel, depreciation and amortisation (shown separately in the consolidated income statement, p. 57)

Income statement

Revenue and expenses for 2009

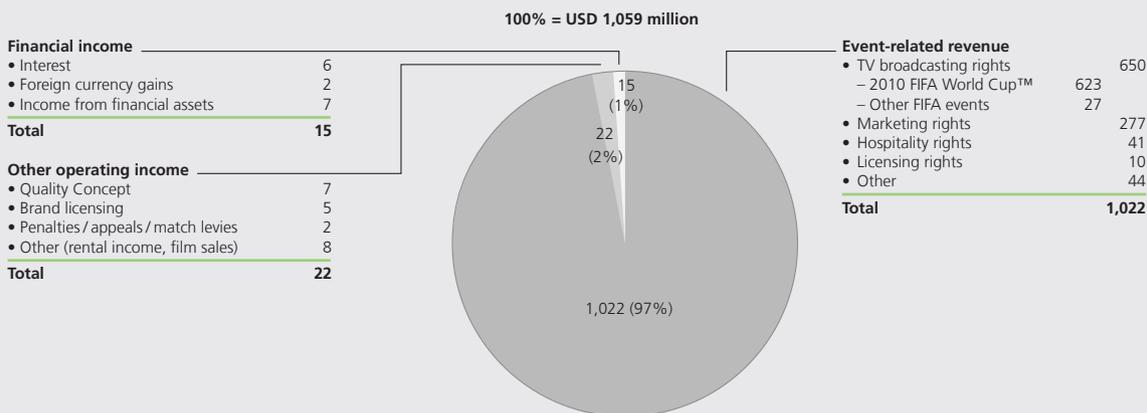
FIFA's competitions and the **2010 FIFA World Cup South Africa™** in particular had a significant impact on the 2009 financial year. The expenses for FIFA's events and development projects meant that **73%** of FIFA's **overall expenditure** in 2009 was **invested directly in football**.

FIFA's events generated USD 1,022 million of the **total revenue** of **USD 1,059 million**, i.e. 97%. The lion's share of this figure was attributable to the sale of television (USD 650 million) and marketing (USD 277 million) rights. The other operating income of USD 22 million was predominantly attributable to brand licensing and the FIFA Quality Concept. FIFA's financial income of USD 15 million mainly came from interest.

On the other hand, 53% (USD 456 million) of the **total expenses** of **USD 863 million** were absorbed by FIFA events. USD 172 million or 20% of expenditure was spent on FIFA's development projects. Other operating expenses totalled USD 158 million. Football governance accounted for USD 50 million, exploitation of rights for USD 26 million and financial expenses for USD 1 million.

Revenue 2009 (IFRS)

USD million

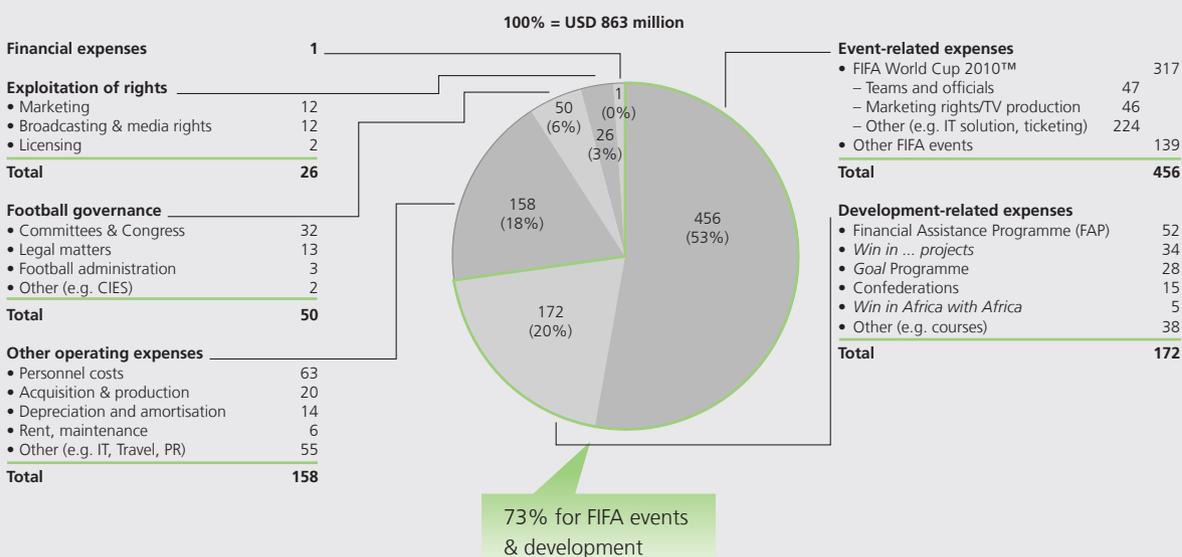


FIFA Partners



Expenses 2009 (IFRS)

USD million



Balance sheet

Balance sheet and equity development

As at 31 December 2009, FIFA's **balance sheet** totalled **USD 2,104 million**, with **equity** of **USD 1,061 million**, signifying that FIFA has reached a **solid equity level**. The increase in equity is chiefly attributable to FIFA's financial success in 2009. Nevertheless, the equity situation can only be definitively assessed after the 2010 FIFA World Cup™ has taken place. Having sufficient equity 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.

As at 31 December 2009, FIFA's **current assets** amounted to **USD 1,862 million** with liquid assets of USD 1,448 million and receivables, financial assets and derivative financial assets totalling USD 328 million. Prepaid expenses and accrued income totalled USD 86 million. FIFA's **non-current assets** amounted to **USD 242 million** including property and equipment of USD 200 million and financial assets of USD 40 million.

FIFA's **total liabilities** of **USD 1,043 million** mainly consisted of accrued expenses and deferred income amounting to USD 961 million. The majority of these were payments by FIFA commercial partners which had yet to be entered as revenue and costs that had already been entered as expenses but had yet to lead to an outflow of funds.

When the annual result of USD 196 million is taken into account together with the USD 37 million change in the hedge reserve, FIFA's **equity** as at 31 December 2009 was **USD 1,061 million**.

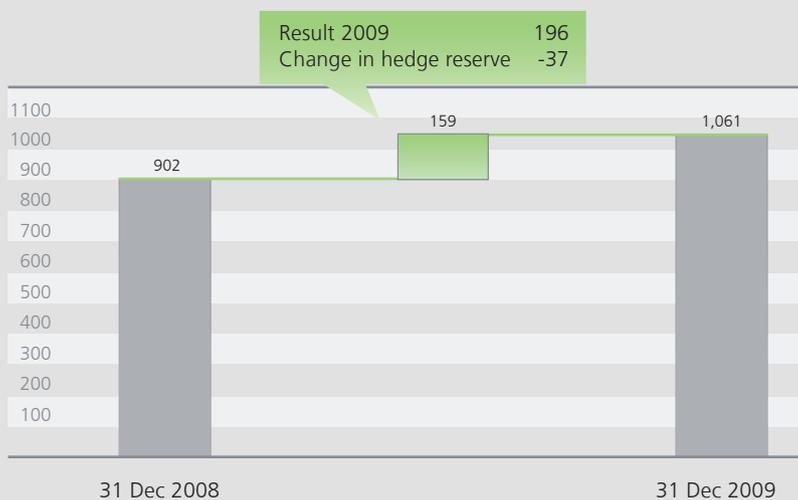
Balance sheet as at 31 December 2009 (IFRS)

USD million

ASSETS		2,104	LIABILITIES AND EQUITY		2,104
Current assets		1,862	Current liabilities		1,030
• Cash and cash equivalents	1,448		• Payables	55	
• Receivables	260		• Income tax liabilities	1	
• Derivative financial assets	22		• Derivative financial liabilities	13	
• Financial assets	46		• Accrued expenses and deferred income	961	
• Prepaid expenses and accrued income	86				
Non-current assets		242	Non-current liabilities		13
• Property and equipment	200				
• Intangible assets	2				
• Financial assets	40		Equity		1,061

Equity development (IFRS)

USD million



Budget comparison

Analysis of revenue for 2009

FIFA's **accounting system** is based on **International Financial Reporting Standards (IFRS)**. As IFRS are not suitable for budgeting and daily cost control on account of their many technical rules and regulations, the annual **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, a total of USD 57 million had to be adjusted from the overall revenue for 2009 of USD 1,059 million, resulting in a cash-in component of USD 1,002 million. The amounts adjusted consisted primarily of revenue relating to the percentage-of-completion method.

The FIFA Congress approved a **revenue budget** of USD 742 million for 2009, which was **surpassed by USD 260 million**. This extra revenue is mainly due to income from additional contracts and foreign currency effects.

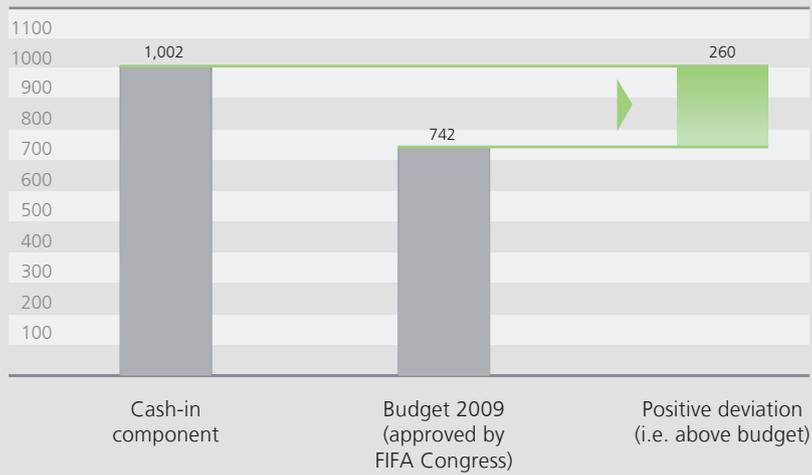
Revenue 2009: Components

USD million



Revenue 2009: Budget comparison

USD million



Budget comparison

Analysis of expenses for 2009

The basic principle described on the previous page also applies to expenses.

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, a total of USD 271 million had to be adjusted from the overall expenses for 2009 of USD 863 million, resulting in a cash-out component of USD 592 million. The amounts adjusted consisted primarily of expenses relating to the percentage-of-completion method.

The FIFA Congress approved an **expense budget** of USD 722 million for 2009, which was **underspent by USD 130 million**. This underspending is mainly due to an advanced payment to the 2010 FIFA World Cup Organising Committee and cost savings.

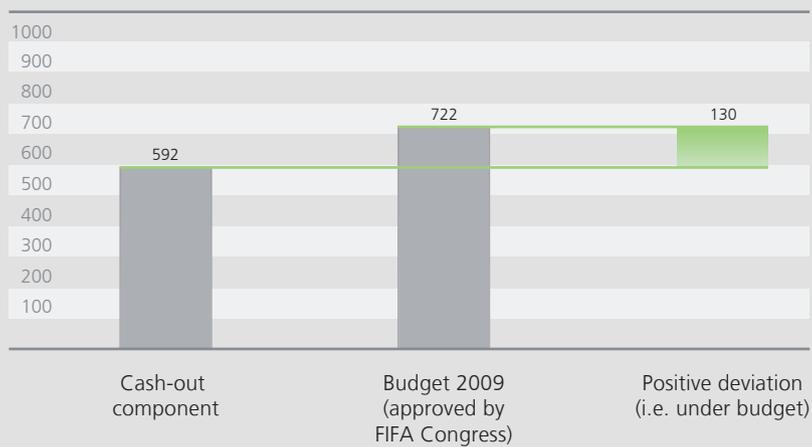
Expenses 2009: Components

USD million



Expenses 2009: Budget comparison

USD million



Highlights 2009

Three FIFA competitions in Africa

Three of FIFA's five competitions in 2009 were held in Africa. As well as events on the pitch and the organisation of the tournaments, people also had an eye on the legacy the tournaments would leave, particularly with the upcoming FIFA World Cup™ in South Africa in mind.

The action on the pitch was high-calibre and also surprising. Few would have predicted that Switzerland would emerge as winners of the **FIFA U-17 World Cup in Nigeria** or that Ghana's *Black Satellites* would triumph in the **FIFA U-20 World Cup in Egypt**. Brazil's close-run victory over the USA in the final of the **FIFA Confederations Cup in South Africa** was proof once again of the closing gap in standard among national teams worldwide.

The impending FIFA World Cup™ meant there was particular interest around the world in how the tournaments would be organised and unfold, especially with the FIFA Confederations Cup serving as a dress rehearsal for the FIFA World Cup™. The fine organisation, coupled with the outstanding hospitality and enthusiasm of the South African people, helped to lay a solid foundation for the 2010 FIFA World Cup™.

As regards the long-term benefits of staging a FIFA tournament, stadiums were completely renovated and brought into line with international standards, IT systems were upgraded and courses were organised to give local physicians and physiotherapists special medical knowledge which they in turn can pass on and thus leave an even greater legacy for football.

- 1 FIFA U-20 World Cup: Ghana after their victory
- 2 FIFA U-20 World Cup: Two young Egypt fans
- 3 FIFA U-17 World Cup: Nigeria fans
- 4 FIFA U-17 World Cup: Swiss players after their victory
- 5 FIFA Confederations Cup: Brazilian players with the trophy



Highlights 2009

Win in Africa with Africa

On 15 May 2004, South Africa was awarded more than simply the FIFA World Cup™. The 2010 edition will not only be the first FIFA World Cup™ on African soil, but it will also underline FIFA's commitment to a continent that has given the world of football so much.

Win in Africa with Africa is an initiative launched by FIFA President Joseph S. Blatter to ensure that the entire African continent benefits from football's biggest event, which will take centre stage between 11 June and 11 July 2010. *Win in Africa with Africa* is not about sending aid to Africa as the initiative aims to give the whole continent the tools and development know-how it needs to progress.

Win in Africa with Africa is part of FIFA's tripartite mission to develop the game, touch the world and build a better future, and it focuses on three main areas: **developing infrastructure, training football's key stakeholders** and **bringing more professionalism to the African game**.

This initiative, which has a **total budget of USD 70 million**, will lead to the installation of 53 football turf pitches across Africa, while FIFA will also provide support with the professionalisation of football and African clubs as well as with the training of persons involved in the game (coaches, referees, managers, media representatives, etc.). There will also be a number of activities linked to FIFA's competitions in Africa and CAF's 50th anniversary celebrations, as well as a medical research and educational programme.

- 1 The Municipal Stadium in Chad (before)
- 2 The Municipal Stadium in Chad (after)
- 3 Participants of administrative course in Malawi
- 4 Match on football turf pitch in the Comoros
- 5 The practical part of a coaching course in Guinea-Bissau



Highlights 2009

20 Centres for 2010 – the Official Campaign of the 2010 FIFA World Cup South Africa™

FIFA's **social responsibility activities** comprise 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, which aims to effect social change by **building 20 Football for Hope centres in African communities**.

The first Football for Hope centre was opened in Khayelitsha (South Africa) on 5 December 2009. The centre in Khayelitsha was built in an area once known for its high levels of crime and violence and is part of an initiative to enhance and breathe new life into the community. It is led by the South African NGO Grassroot Soccer, which teaches young people about HIV/Aids through football and thus protects them against the risk of infection.

2009 also saw further progress being made in the development and construction of the centres in Kenya, Mali, Namibia, Ghana and Rwanda. Here too, the main concern of FIFA and its strategic partner streetfootballworld is to evaluate local requirements in collaboration with a reputable local organisation and build the centre in line with these requirements.

In 2009, 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 600,000, FIFA donated their disciplinary fines from the FIFA World Cup™ preliminary competition (which by June 2009 amounted to around USD 1.6 million) to the project.

- 1 Opening of Khayelitsha Football for Hope Centre
- 2 Joseph S. Blatter at the Football for Hope Forum 2009
- 3 Grassroot Soccer in Zimbabwe
- 4 Kick4Life in Lesotho
- 5 Khayelitsha Football for Hope Centre, South Africa



Highlights 2009

Goal and FAP

Ten years after its launch, the **Goal Programme**, the cornerstone of FIFA's development work, has taken on a new dimension. Apart from the ever-increasing number of projects, which passed the symbolic 400 mark in 2009, the programme has moved in a new direction with the *Goal* Football projects, which will focus on the usage of technical infrastructure built over the past ten years, allowing member associations to form academies to develop young players.

By the end of 2009, **more than 400 projects**, with a **total value of USD 170 million**, had been completed or were under way **in 191 member associations**. Besides the *Goal* Football projects, the new projects that were approved in 2009 involved constructing new infrastructure, maintaining completed projects and installing new types of facilities such as IT systems or medical centres for football.

The **Financial Assistance Programme (FAP)**, which is greatly appreciated by FIFA's member associations because of the freedom it affords them in carrying out their development activities, was once again in 2009 an important tool in the implementation of FIFA's activities aimed at professionalisation and technical development. FAP gives FIFA's member associations the opportunity to create long-term projects and invest in the development of youth football.

2009 was also a year of transition due to the progressive introduction of the new FAP regulations. This was a significant step as associations must now employ a technical director if they wish to receive FAP funds.

- 1 Tahiti: the National Training Centre
- 2 Thailand: football turf pitch in Nongjok
- 3 Wales: the National Training Centre
- 4 Seychelles: football turf pitch in Praslin



USD 2.7 billion
investment
in football



2011-2014 Period



Budget for 2011-2014

Planning process for the 2011-2014 budget

FIFA has set aside a **revenue budget of USD 3.8 billion** and an **investment budget of USD 3.6 billion** for the 2011-2014 period, leading to a planned result of USD 200 million. It is important to note that, as in previous budget periods, for consistency and convenience, these figures are **cash budgets**.

The budget for the 2011-2014 period was drawn up as part of the comprehensive, detailed budgeting process which began in June 2009. The process involved firstly calculating future revenue, which is made up on the one hand of revenue from contracts that have already been concluded, to the value of USD 3.2 billion, and on the other from projected additional revenue potential of USD 0.6 billion.

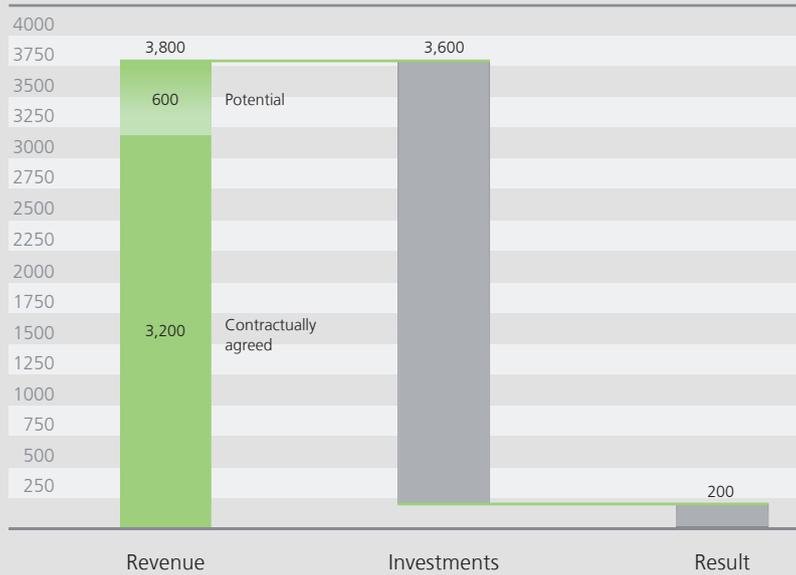
On the basis of the budgeted revenue of USD 3.8 billion and the corresponding assumption that FIFA now has a **solid equity basis**, and therefore will **only need to set aside limited further reserves**, an investment budget of USD 3.6 billion was drawn up. This means that the result for the four-year period will be USD 200 million and accordingly, taking account of depreciation, there will be a moderate increase in equity, as planned, of USD 140 million by the end of 2014.

Working on the basis of this investment expenditure of USD 3.6 billion, a comprehensive bottom-up budgeting phase which lasted several months was implemented, during which all divisions had to present their budgetary requirements for future tournaments, development projects and other activities.

The final budget for 2011-2014 and the detailed budget for 2011 were presented to and **approved by** the **FIFA Finance Committee** and **Executive Committee**. The **2010 FIFA Congress will grant final approval** for this budget.

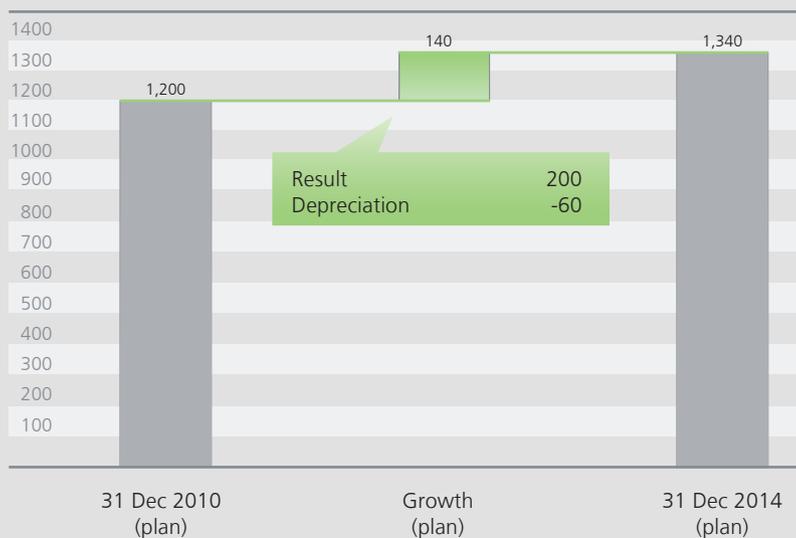
Budget 2011-2014

USD million



Equity development 2011-2014

USD million



Budget for 2011-2014

Total budget for 2011-2014 at a glance

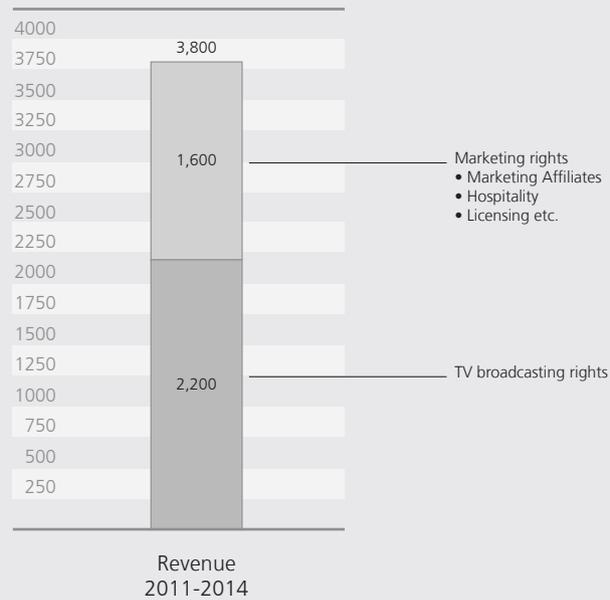
FIFA is working on the basis of **total revenue of USD 3.8 billion** for the 2011-2014 period. This total is made up of income from TV rights of USD 2.2 billion and marketing rights of USD 1.6 billion. The income from marketing rights includes in particular revenue from the FIFA Partners, the FIFA World Cup Sponsors and the National Supporters. Marketing income is also made up of revenue from licensing rights and hospitality rights.

The **total investment budget of USD 3.6 billion** is made up of investments in six core areas. A budget of USD 800 million has been allocated for development projects. A total budget of USD 1,385 million has been drawn up for the 2014 FIFA World Cup Brazil™. The other FIFA competitions will have a budget of USD 475 million. The budget for exploitation of rights will amount to USD 105 million, while USD 250 million has been budgeted for football governance. A total of USD 585 million has been earmarked for operational expenses.

In total, **74% of the budget, i.e. USD 2.7 billion, will be invested directly in football** through development projects and competitions.

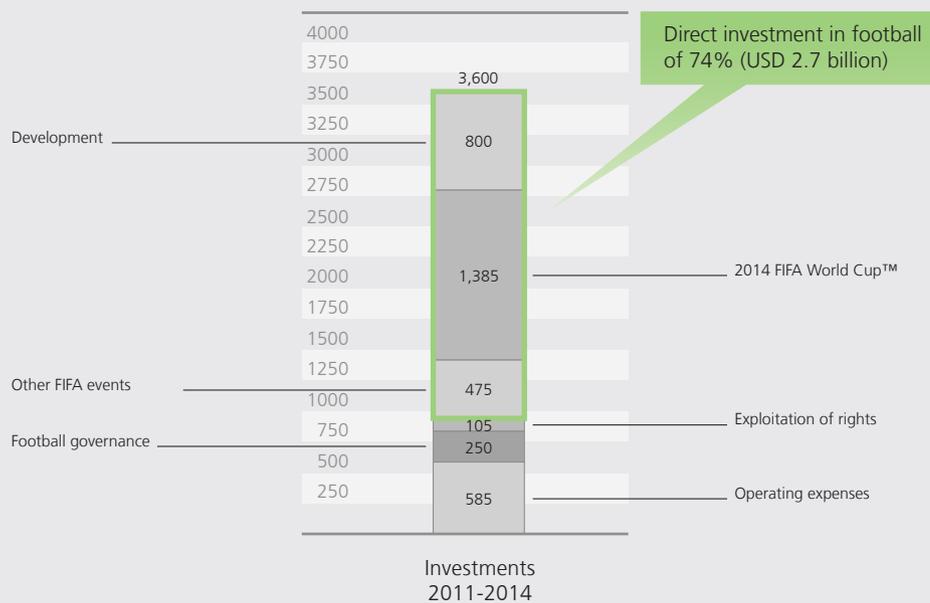
Budget 2011-2014: Revenue

USD million



Budget 2011-2014: Investments

USD million



Budget for 2011-2014

Details of the 2011-2014 investment budget

A budget of **USD 800 million** has been set aside for **development projects**. This includes USD 275 million for the continuation of the successful Financial Assistance Programme (FAP) and a reallocation of the existing budget of USD 120 million for the continuation of the *Goal* Programme. A new development programme to meet the needs of the member associations and confederations will receive a budget of USD 120 million. The Refereeing Assistance Programme (RAP) will also continue to be implemented with a budget of USD 43 million, while USD 51 million will be allocated to technical development projects. A budget of USD 30 million will be allocated to the Corporate Social Responsibility programme, and USD 21 million has been assigned to academic and educational activities. USD 18 million has been earmarked for medical matters, as well as USD 122 million for all other development activities.

A total budget of **USD 1,385 million** has been earmarked for the **2014 FIFA World Cup Brazil™** and a budget of **USD 475 million for the other FIFA events**, including all 20 FIFA competitions as well as the annual FIFA World Player Gala. The budget for **exploitation of rights totals USD 105 million**, which will include in particular the fulfilment of all obligations towards commercial partners. A total of **USD 250 million** has been set aside for **football governance**, which will include in particular the four FIFA Congresses and the meetings of all the standing committees and judicial bodies.

The **operational expenses of USD 585 million** are made up in particular of personnel costs of a total of USD 270 million as well as maintaining FIFA's operations and its extensive range of services.

Budget 2011-2014: Investments

USD million

2014 FIFA World Cup™

- Finalist payments 454
- TV production (Host Broadcasting Services) 228
- Financial contributions 200
- Competition management (e.g. preliminary/final draw, inspections, workshops, seminars) 122
- National Supporters (gross effect) 60
- Ticketing & accommodation 56
- Marketing-related activities 31
- Financial platform 22
- Insurance matters 21
- Local office Brazil 16
- Perimeter boards 9
- Media-related matters 7
- Others (e.g. competition result system, legal, mobile and broadband services, doping control matters) 159

Exploitation of rights

- Broadcasting related-matters (e.g. FIFA films, multimedia, business strategy, productions) 35
- Broadcast servicing 14
- Sponsorship commissions 14
- Other marketing-related matters (e.g. marketing communications, business strategy) 10
- FIFA Films technical upgrade 4
- Broadcast sponsorship monitoring 3
- FIFA digital image archives 3
- Marketing services 3
- Other (e.g. Quality Concept football, Quality Concept turf, brand development) 19

Football governance

- Annual FIFA Congresses and Committees 150
- Transfer Matching System 19
- Legal-related matters 19
- Early Warning System 5
- FIFA World Cup™ brand 4
- FIFA brand 3
- Other (e.g. services) 50

1,385

- 4000
- 3800
- 3600
- 3400
- 3200
- 3000
- 2800
- 2600
- 2400
- 2200
- 2000
- 1800
- 1600
- 1400
- 1200
- 1000
- 800
- 600
- 400
- 200

Investments 2011-2014

Development

- Financial Assistance Programme (FAP) 275
- Goal Programme 120
- New development programme 120
- Refereeing Assistance Programme (RAP) 43
- Technical development (e.g. grassroots, women, youth, legacy, beach soccer and futsal) 51
- Football for Hope 30
- Academic and educational programmes 21
- Medical (e.g. biennial medical conference, football for health, doping matters) 18
- Other development activities (e.g. artificial turf, confederation contributions, trophy tour) 122

Other FIFA events

- Annual Club World Cup 96
- Confederations Cup 2013 52
- U-20 World Cup (2011, 2013) 43
- U-17 World Cup (2011, 2013) 42
- Women's World Cup 2011™ 39
- U-20 Women's World Cup (2012, 2014) 35
- U-17 Women's World Cup (2012, 2014) 34
- Annual World Player Gala events 17
- Olympic Football Tournaments 2012 16
- FIFA Beach Soccer World Cup (2011, 2013) 15
- FIFA Futsal World Cup 2012 13
- Preparation 2018/2022 FIFA World Cup™ 7
- Youth Olympic Games 2014 4
- Other (e.g. FIFA Interactive World Cup, event management) 62

Operational expenses and services

- Human Resources (personnel, Home of FIFA events, recruiting activities) 270
- New Media matters (e.g. FIFA.com) 56
- Building and maintenance 47
- Information technology (e.g. hardware, software) 47
- Administration costs (e.g. uniforms, give-aways, local events, security matters) 31
- Public Relations (e.g. publications) 29
- Content Management 5
- Media activities (e.g. press conferences) 3
- Other (e.g. logistics, production, reception, travel, tax, finance-related matters, insurance) 97

Detailed budget for 2011

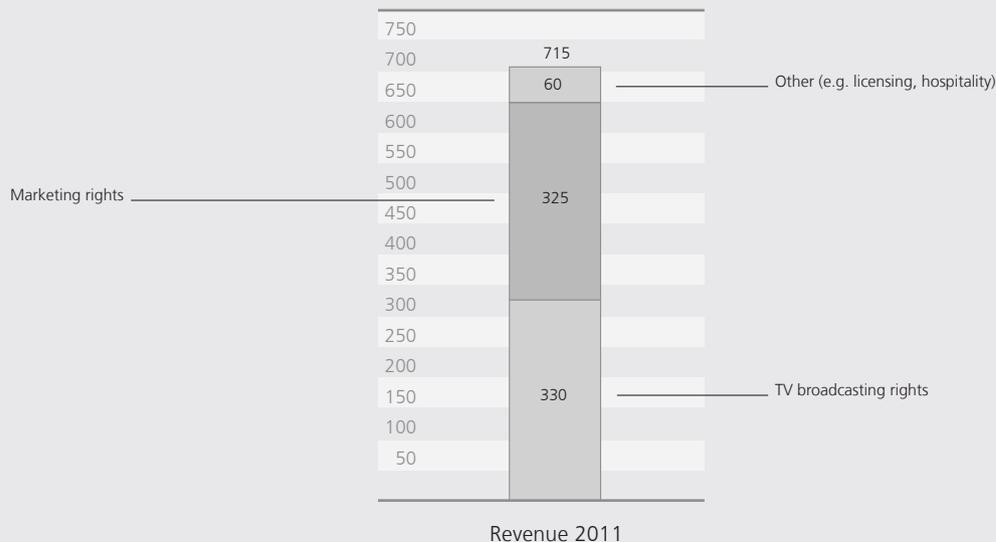
Revenue and investments in 2011

The detailed budget for 2011 has been **approved** by the **FIFA Finance Committee** and the **FIFA Executive Committee** and it now requires **ratification from the 2010 FIFA Congress**.

The detailed budget for 2011 is based on the four-year budget for 2011-2014 and takes account of pro rata revenue and expenditure for the first year of the 2011-2014 four-year period.

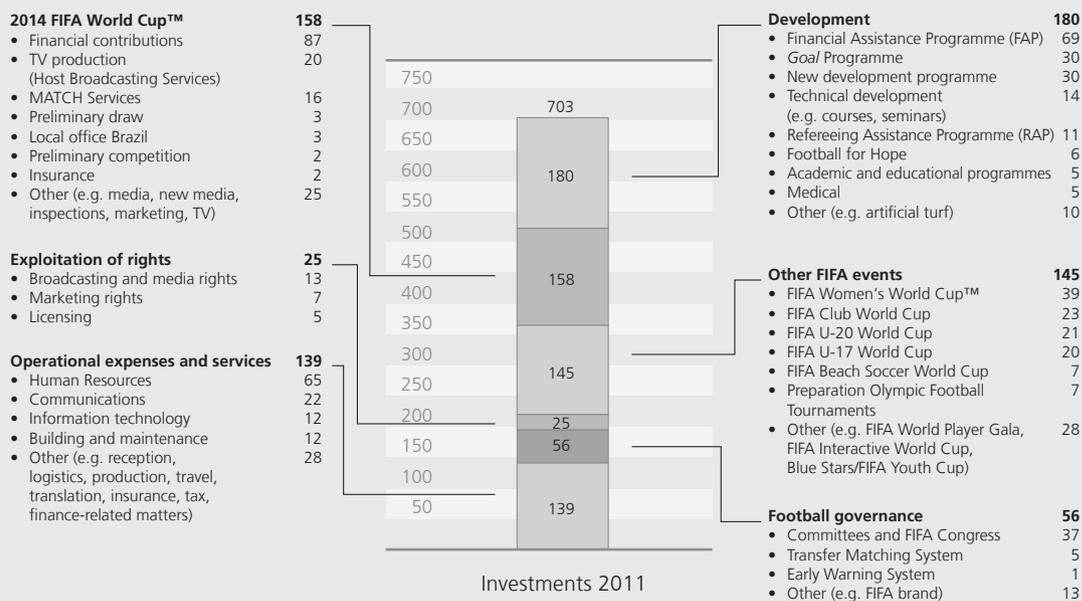
Budget 2011: Revenue

USD million



Budget 2011: Investments

USD million



Emerging
stronger from
the financial crisis





Reaction to the global financial crisis

Financial risk management

While the financial crisis may have settled down towards the end of last year, the last few years have shown the importance of having an **effective system of financial risk management**. FIFA's financial risk management revolves around four key elements: asset management, foreign currency management, revenue control and budgetary compliance.

With regard to **asset management**, the focus continues to be on diversification among different institutions as well as on the financial standing of the banks. A large portion of our assets are invested with banks that are either directly or indirectly guaranteed by the state, which minimises the risk of loss. In 2009, the Finance Committee reiterated its commitment to a **conservative investment strategy**.

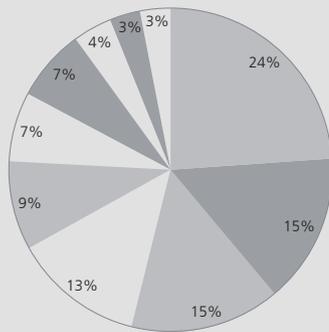
Thanks to the early adoption of a **foreign currency hedging strategy** for the revenue in EUR and GBP from TV rights, it was possible to achieve significant foreign currency gains in 2009. In 2010, the emphasis will be on hedging revenue and expenses for the 2011-2014 cycle.

On the revenue side for the 2007-2010 cycle, **USD 3,454 million** has been **contractually agreed**. Of that revenue, 80% had already been received by 31 December 2009.

Costs were within the budget in 2009, among other things thanks to **successful and regular cost control**.

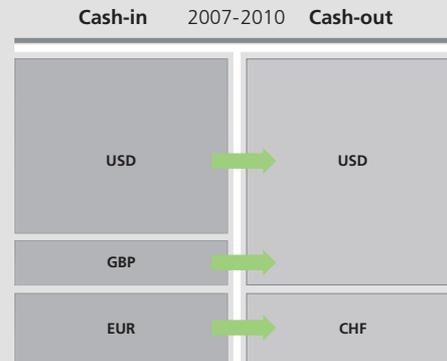
Elements of financial risk management

Diversification of financial assets

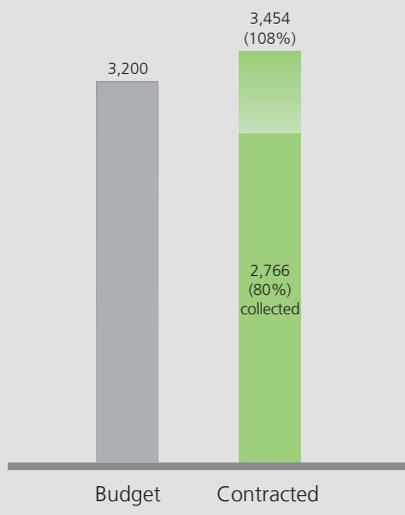


Diversification across various institutions

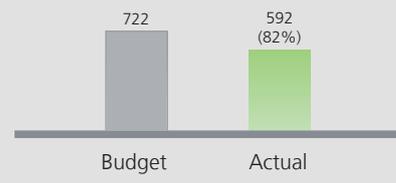
Control of foreign currency exposure



Securing of revenue 2007–2010 USD million



Control of expenses 2009 USD million



2010 FIFA World Cup South Africa™

Prize money

FIFA will make **total payments of USD 420 million** to the participating member associations, and the clubs of participating players, in connection with the 2010 FIFA World Cup™. This represents an **increase of 61%** on the CHF 332 million (USD 261 million) paid out for the 2006 FIFA World Cup Germany™.

The amount is for the most part made up of prize money. The 2010 FIFA World Cup™ winners will receive USD 30 million, while teams that go out in the group stage will each collect USD 8 million.

In addition to the prize money, each participating association was granted USD 1 million as a contribution towards its preparation costs.

A total amount of USD 40 million will be allocated to member associations to pass on to the clubs from their association who have helped to contribute to the successful staging of the competition. Taking into account the total number of teams, players and the duration of the 2010 FIFA World Cup South Africa™, a “per player per day” amount of USD 1,600 will be paid.

In South Africa, the portion of prize money which the participating associations pay their players in the form of bonuses is subject to tax. Following the same procedure as for the last FIFA World Cup™, FIFA will withhold part of the prize money until the participating associations have discharged their payment obligations to the local tax authorities.

Prize money for the FIFA World Cup™

USD million



Rank	No. of teams	2006 FIFA World Cup™	2010 FIFA World Cup™
Winners	1	19.3	30.0
Runners-up	1	17.7	24.0
Third place	1	16.9	20.0
Fourth place	1	16.9	18.0
5 th -8 th place	4	9.1	14.0
9 th -16 th place	8	6.7	9.0
17 th -32 nd place	16	4.7	8.0
Preparation	32	0.8	1.0
Clubs		0.0	40.0
Total	32	261.4	420.0

2010 FIFA World Cup South Africa™

Ticket sales

Around **three million tickets** are available for the 64 matches of the 2010 FIFA World Cup™ being held across the ten stadiums in South Africa. The net revenue from ticket sales will go to the Local Organising Committee. In order to ensure successful processing of ticket sales, FIFA has set up **2010 FIFA World Cup Ticketing (Pty) Ltd**, a wholly owned subsidiary, in South Africa. **MATCH Services AG**, an external service provider, is responsible for ticketing operations.

The tickets are being sold around the world in US dollars, but fans in South Africa can purchase them in South African rand (ZAR). This protects South Africans from the exchange rate risk and gives them exclusive access to the lowest-priced tickets in category 4, where a group match costs ZAR 140 (around USD 20).

FIFA has also set up a **ticketing fund** of over 120,000 tickets specifically for young South African football fans who cannot afford to pay their own way into the stadiums. The fund, supported by the six FIFA Partners, will see tickets issued free of charge to young fans so that they too have the opportunity to attend a match. The other beneficiaries of this initiative are the 54,000 construction workers involved in building the stadiums in South Africa, whose very efforts have enabled the staging of this first FIFA World Cup™ on African soil.

- 1 Green Point Stadium in Cape Town
- 2 Soccer City Stadium in Johannesburg
- 3 FNB VISA Official Mascot Pre-Paid Card
- 4 Construction work at the Soccer City Stadium
- 5 Danny Jordaan, CEO LOC 2010, visiting a Ticketing Centre



Solid
equity situation





Consolidated financial statements according to International Financial Reporting Standards (IFRS) as at 31 December 2009

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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	2009	2008
Event-related revenue			
Revenue from television broadcasting rights	1	649,957	555,484
Revenue from marketing rights	2	277,266	253,406
Revenue from licensing rights	3	10,184	15,105
Revenue from hospitality rights	4	40,500	40,000
Other event-related revenue	5	43,843	38,502
Total event-related revenue		1,021,750	902,497
Event-related expenses			
FIFA World Cup™ expenses	6	-316,834	-344,920
Other FIFA event expenses	6	-139,223	-96,504
Total event-related expenses		-456,057	-441,424
Event-related gross result		565,693	461,073
Other operating income	7	22,070	32,185
Development-related expenses	8	-172,415	-133,189
Football governance	9	-50,179	-46,270
Exploitation of rights	10	-26,142	-17,602
Personnel expenses	11	-63,080	-52,372
Depreciation and amortisation	19-20	-14,187	-15,777
Other operating expenses	12	-79,259	-60,125
Operating result before financial items		182,501	167,923
Financial income	13	15,630	22,273
Financial expenses	14	-926	-5,921
Result before taxes		197,205	184,275
Income taxes	15	-789	-620
Net result for the year		196,416	183,655

Consolidated balance sheet

in TUSD	Note	31 Dec 2009	31 Dec 2008
Assets			
Cash and cash equivalents	16	1,447,577	706,358
Receivables	17	260,258	275,535
Derivative financial assets	27	22,109	54,984
Financial assets	21	46,407	0
Prepaid expenses and accrued income	18	85,426	93,116
Current assets		1,861,777	1,129,993
Property and equipment	19	200,337	213,433
Intangible assets	20	1,625	2,167
Financial assets	21	40,041	285,244
Non-current assets		242,003	500,844
Total assets		2,103,780	1,630,837
Liabilities and equity			
Payables	22	55,633	43,075
Income tax liabilities	15	710	923
Derivative financial liabilities	27	12,906	8,248
Accrued expenses and deferred income	23	960,856	664,054
Current liabilities		1,030,105	716,300
Provisions	24	12,595	12,327
Non-current liabilities		12,595	12,327
Total liabilities		1,042,700	728,627
Association capital	25	4,104	4,104
Hedging reserves	27	9,203	46,736
Currency translation adjustment		-116	-103
Retained earnings		851,473	667,818
Net result for the year		196,416	183,655
Equity		1,061,080	902,210
Total liabilities and equity		2,103,780	1,630,837

Consolidated cash flow statement

in TUSD	Note	2009	2008
Net result for the year		196,416	183,655
Depreciation and amortisation	19-20	14,187	15,777
Net financial result	13-14	-14,704	-16,352
Gain from sale of property and equipment		0	-6,768
Other non-cash items		-4,457	-2,625
Income taxes	15	789	620
Decrease/(increase) in receivables		15,277	-131,366
Decrease/(increase) in prepaid expenses and accrued income		6,498	-45,205
Increase in payables		12,558	15,790
(Decrease) in derivative financial liabilities		0	-1,552
Increase in accrued expenses and deferred income		296,802	218,199
Increase in provisions	24	268	870
Income taxes paid		-1,002	-966
Net cash provided by operating activities		522,632	230,077
Purchase of property and equipment	19	-513	-143
Sale of property and equipment		0	11,411
Investment in financial assets	21	-12,320	-80,000
Repayments and sale of financial assets	21	219,202	33,112
Interest received	13	7,227	19,924
Income from investments in financial assets		42	3,041
Net cash provided by/(used in) investing activities		213,638	-12,655
Interest paid	14	-508	-716
Net cash used in financing activities		-508	-716
Net increase in cash and cash equivalents		735,762	216,706
Cash and cash equivalents as at 1 January	16	706,358	487,738
Effect of exchange rate fluctuations		5,457	1,914
Cash and cash equivalents as at 31 December	16	1,447,577	706,358

Consolidated statement of changes in equity

in TUSD	Association capital	Hedging reserve	Retained earnings	Currency translation adjustment	Total
Balance as at 1 January 2008	4,104	-29,448	667,818	53	642,527
Effective portion of changes in fair value of hedging instruments	0	67,813	0	0	67,813
Net change in fair value of hedging instruments transferred to income statement	0	8,371	0	0	8,371
Currency translation adjustment	0	0	0	-156	-156
Total other comprehensive income	0	76,184	0	-156	76,028
Net result for the year 2008	0	0	183,655	0	183,655
Total comprehensive income for the year	0	76,184	183,655	-156	259,683
Balance as at 31 December 2008	4,104	46,736	851,473	-103	902,210

in TUSD	Association capital	Hedging reserve	Retained earnings	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

Consolidated statement of comprehensive income

in TUSD	2009	2008
Other comprehensive income		
Effective portion of changes in fair value of hedging instruments	-11,544	67,813
Net change in fair value of hedging instruments transferred to income statement	-25,989	8,371
Currency translation adjustment	-13	-156
Total other comprehensive income	-37,546	76,028
Net result for the year	196,416	183,655
Total comprehensive income for the year	158,870	259,683

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 current 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 financial assets are classified as "at fair value through profit or loss".

Several new and revised standards and interpretations came into effect in the 2009 reporting period. The adoption of IAS 1 revised led to the additional disclosure of the statement of comprehensive income. The adoption of IFRS 7 revised led to the disclosure of a hierarchy for financial instruments measured at fair value in the balance sheet. None of the other 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 2010 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 equity.

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

	31 Dec 2009	Average 2009	31 Dec 2008	Average 2008
CHF	0.9539	0.9079	0.9397	0.9191
EUR	1.4365	1.3858	1.4089	1.4762
GBP	1.6075	1.5470	1.4447	1.8799

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 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 in the income statement 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, dividend income, 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 profits, reserves and funds 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 reserve as part of equity. The ineffective part of any gain or loss is recognised in the income statement immediately.

The cumulative gain or loss recognised in equity is transferred to the income statement at the same time that the hedged transaction affects net profit or loss and is included in the same line item as the hedged transaction.

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 equity remains in equity 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 equity 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.

Properties held to earn rental income are classified as investment properties. Investment properties are measured at acquisition cost less accumulated depreciation and impairment losses.

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
Investment properties	10-20 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 investments.

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 at fair value through profit or loss on 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. Equity

Equity consists of association capital and retained earnings, as well as hedging reserves and foreign currency translation reserves. 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.

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 6 Event-related expenses: accounting estimates and judgments
- 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	2009	2008
Revenue from television broadcasting rights – FIFA World Cup™		
– Europe	354,142	308,550
– Asia and North Africa	146,673	113,183
– South and Central America	83,550	80,100
– North America and the Caribbean	53,090	52,875
– Rest of the world	17,796	11,309
– Value-in-kind transactions	5,728	2,353
– Sales commission	–38,042	–18,285
Total revenue from television broadcasting rights – FIFA World Cup™	622,937	550,085
Other FIFA events	27,020	5,399
Total revenue from television broadcasting rights	649,957	555,484

The recognised revenue in 2009 from television broadcasting rights for the 2010 FIFA World Cup™ amounts to TUSD 622,937. The accumulated amount recognised (excluding hedge accounting effects, value-in-kind transactions and sales commissions) for the period 1 January 2007 to 31 December 2009 amounts to TUSD 1,735,436. Until 31 December 2009, the accumulated amount of TUSD 1,816,028 had been collected.

A substantial part of the income from television broadcasting rights is denominated in EUR. The major part of the contractually agreed revenue in other currencies than USD is hedged (see also Note 27).

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 Confederations Cup South Africa 2009, the FIFA U-20 World Cup Egypt 2009 and the FIFA U-17 World Cup Nigeria 2009.

2 Revenue from marketing rights

in TUSD	2009	2008
Revenue from marketing rights – FIFA World Cup™		
– FIFA Partners	148,500	148,500
– FIFA World Cup Sponsors	76,528	73,238
– National Supporters	8,333	8,333
– Value-in-kind transactions	34,185	20,211
– Sales commission	–3,431	–4,139
Total revenue from marketing rights – FIFA World Cup™	264,115	246,143
Other FIFA events	13,151	7,263
Total revenue from marketing rights	277,266	253,406

The revenue from marketing rights includes the revenue from the sponsoring categories of “FIFA Partners”, “FIFA World Cup Sponsors” and “National Supporters”. The accumulated revenue recognised (excluding value-in-kind transactions and sales commissions) in the period from 1 January 2007 to 31 December 2009 amounts to TUSD 670,683. The accumulated revenue from marketing rights collected in the same period amounts to TUSD 783,088.

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 the year 2009, the value of the services or goods received amounted to TUSD 34,185.

Other FIFA events

The revenue from other FIFA events includes National Supporter payments in connection with the FIFA U-20 World Cup Egypt 2009, the FIFA U-17 World Cup Nigeria 2009 and the FIFA Club World Cup UAE 2009. 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	2009	2008
FIFA World Cup™	8,769	13,022
Other FIFA events	1,415	2,083
Total revenue from licensing rights	10,184	15,105

The accumulated revenue from licensing rights for the 2010 FIFA World Cup™ recognised in the period 1 January 2007 to 31 December 2009 amounts to TUSD 30,658 (excluding sales commissions). The amount received totals TUSD 46,513.

4 Revenue from hospitality rights

in TUSD	2009	2008
FIFA World Cup™	40,000	40,000
Other FIFA Events	500	0
Total revenue from hospitality rights	40,500	40,000

The hospitality rights for the 2010 FIFA World Cup South Africa™ have been granted to MATCH Hospitality AG for USD 120 million. The amount is fully paid as at 31 December 2009. The accumulated amount recognised for the period 1 January 2007 to 31 December 2009 amounts to USD 80 million.

5 Other event-related revenue

in TUSD	2009	2008
Revenue from the FIFA Club World Cup UAE 2009	37,425	0
Match levies from qualifying competitions	3,753	2,662
Penalties/appeals from qualifying competitions	2,243	1,565
Various event-related revenue	422	300
Revenue from the FIFA Club World Cup Japan 2008	0	18,800
Revenue from the Olympic Football Tournaments Beijing 2008	0	14,802
Revenue from the FIFA Club World Cup Japan 2007	0	373
Total other event-related revenue	43,843	38,502

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

6 Event-related expenses

in TUSD	2009	2008
FIFA World Cup™	316,834	344,920
Other FIFA events	139,223	96,504
Total event-related expenses	456,057	441,424

Expenses related to the 2010 FIFA World Cup™

in TUSD	2009	2008
Travel and accommodation – teams and officials	47,467	16,957
Contributions to the LOC	0	130,000
Event IT and accreditation	181	0
Ticketing and accommodation services/IT solution	18,216	13,754
Event marketing rights and TV production	45,684	47,791
Other	33,659	7,145
Event-related expenses – accrued	171,627	129,273
Total expenses related to the FIFA World Cup™	316,834	344,920

The accumulated expenses recognised until 31 December 2009 amount to USD 923.4 million. The current accumulated costs spent by FIFA amount to USD 480.4 million, of which the contribution to the 2010 FIFA World Cup Organising Committee South Africa represents the major part of the expenses paid.

Accounting estimates and judgments

Expenses related to the 2010 FIFA World Cup South Africa™ are recognised based on the stage of completion of the event. Event-related expenses for the whole four-year period must be estimated in order to calculate the total for the given stage of completion. This is achieved by regular, systematic reviews of every event-related project. Identifiable cost overruns or cost savings are included in the cost estimate for the event. The recognition of expenses is adjusted accordingly.

Expenses related to other FIFA events

in TUSD	2009	2008
FIFA Confederations Cup South Africa 2009	44,494	0
FIFA U-17 World Cup Nigeria 2009	42,759	0
FIFA Club World Cup UAE 2009	29,513	0
FIFA U-20 World Cup Egypt 2009	21,473	0
FIFA Beach Soccer World Cup Dubai 2009	4,171	0
Blue Stars/FIFA Youth Cup	1,038	1,098
Other events	26	0
FIFA U-20 World Cup Canada 2007	1	85
FIFA Club World Cup Japan 2007	0	242
FIFA U-17 World Cup Korea 2007	0	-134
FIFA Beach Soccer World Cup Rio de Janeiro 2007	0	141
FIFA Women's World Cup China 2007™	-12	-972
FIFA Club World Cup Japan 2008	-33	25,074
FIFA Beach Soccer World Cup Marseille 2008	-41	4,181
Olympic Football Tournaments Beijing 2008	-104	21,961
FIFA Futsal World Cup Brazil 2008	-506	14,875
FIFA U-17 Women's World Cup New Zealand 2008	-1,571	14,020
FIFA U-20 Women's World Cup Chile 2008	-1,985	15,933
Total expenses related to other FIFA events	139,223	96,504

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.

7 Other operating income

in TUSD	2009	2008
Quality Concept	6,500	9,311
Income from sale of film and video rights	5,499	3,851
Brand licensing	4,767	3,750
Other	1,722	2,261
Penalties/appeals from friendly matches	1,602	112
Rental income	1,108	952
Match levies from friendly matches	872	5,180
Gain from sale of fixed assets	0	6,768
Total other operating income	22,070	32,185

8 Development-related expenses

in TUSD	2009	2008
Financial Assistance Programme (FAP)	52,287	52,055
Contributions to confederations	15,000	15,000
Goal Programme	28,179	29,707
Win in Africa with Africa	4,548	13,655
Win in ... projects	34,085	544
Other projects	38,316	22,228
Total development-related expenses	172,415	133,189

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 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 2009, funds committed but not yet paid out amounted to USD 8.7 million (2008: USD 6.1 million).

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 2009, funds committed but not yet paid out to *Goal* projects amounted to USD 39.7 million (2008: USD 37.7 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 is 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 2009, funds committed but not yet paid amounted to USD 8.7 million (2008: USD 17.8 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* in the total amount of USD 23 million. These programmes focus on the construction of artificial turf pitches, youth development and sports executive education. Additionally, the amount of USD 8 million has been committed to the Grassroots Programme.

Other projects

Other development-related expenses primarily include contributions to the development efforts supported by FIFA such as Football for Hope, 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	2009	2008
Committees and Congress	32,403	30,223
Legal matters	12,802	12,682
Football administration	3,013	1,350
CIES	1,961	2,015
Total football governance	50,179	46,270

Committees and Congress

The costs for committees and the Congress comprise the costs incurred in connection with the 59th FIFA Congress in Nassau which took place at the beginning of June 2009, plus the costs of the meetings of more than 25 standing committees and three judicial bodies (the FIFA Disciplinary Committee, the FIFA Appeal Committee and the FIFA 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 Sport 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	2009	2008
Marketing	12,403	5,665
Broadcasting and media rights	11,510	9,559
Licensing	2,229	2,378
Total exploitation of rights	26,142	17,602

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	2009	2008
Wages and salaries	49,599	42,391
Social benefit costs	6,447	4,504
Other employee benefit costs	4,583	3,602
Other	2,451	1,875
Total personnel expenses	63,080	52,372

The average number of employees during the year ending 31 December 2009 was 361 (2008: 315).

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	2009	2008
Defined benefit obligations at beginning of year	55,225	39,906
Current service cost	6,807	5,101
Past service cost	681	527
Interest on obligations	1,601	1,455
Actuarial loss	252	5,756
Benefits paid	-1,389	-381
Foreign exchange effect	1,237	2,861
Defined benefit obligations at end of year	64,414	55,225

Change in fair value of plan assets

in TUSD	2009	2008
Fair value of plan assets at beginning of year	56,206	46,905
Expected return on plan assets	1,629	1,954
Employer contribution	6,087	3,639
Employees' contribution	1,882	1,609
Benefits paid	-1,389	-381
Actuarial loss on plan assets	-339	-691
Foreign exchange effect	1,248	3,171
Fair value of plan assets at end of year	65,324	56,206

The actual annual return on plan assets for the year ending 31 December 2009 amounted to TUSD 1,290 (2008: TUSD 1,263).

Amount recognised in the balance sheet

in TUSD	2009	2008
Present value of defined benefit obligations	64,414	55,225
Fair value of plan assets	-65,324	-56,206
Surplus for funded plans	-910	-981
Unrecognised net actuarial (loss)/gain	0	-2,052
Unrecognised pension fund surplus	910	3,033
Net asset	0	0

As the pension fund surplus is not available to FIFA in the form of refunds or reductions in future employer contributions, no pension asset has been recognised on the date of the balance sheet.

The expected contribution to be paid into the plan for 2010 is TUSD 6,820.

Components of pension expenses

in TUSD	2009	2008
Current service cost	6,807	5,101
Past service cost	681	527
Interest on obligations	1,601	1,455
Change in unrecognised plan assets	-82	0
Net actuarial loss recognised in the year	591	0
Expected return on plan assets	-1,629	-1,954
Net periodic pension cost	7,969	5,129
Employees' contribution	-1,882	-1,609
Total pension expenses	6,087	3,520

Historical information

in TUSD	2009	2008	2007	2006
Present value of defined benefit obligations	64,414	55,225	39,906	38,635
Fair value of plan assets	-65,324	-56,206	-46,905	-44,742
Funded status	-910	-981	-6,999	-6,107
Change in assumptions	-2,415	4,977	2,389	0
Experience loss/(gain) on plan liabilities	2,667	779	-3,254	-1,276
Experience loss/(gain) on plan assets	339	691	-89	0
Total actuarial loss/(gain)	591	6,447	-954	-1,276

Principal actuarial assumptions

	31 Dec 2009	31 Dec 2008
Discount rate	3.25%	3.00%
Expected rate of return on plan assets	3.00%	3.00%
Future salary increases	2.50%	2.50%
Future pension increases	1.00%	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	2009	2008
Transport, travel and accommodation expenses	9,315	5,953
IT expenses	8,933	6,472
Translation services	1,790	2,195
Rental of properties/maintenance and running costs	5,509	5,403
Office equipment and telecommunication costs	2,522	3,353
PR and promotional costs	8,221	4,851
Acquisition and production costs	19,779	13,836
Other	23,190	18,062
Total other operating expenses	79,259	60,125

13 Financial income

in TUSD	Note	2009	2008
Interest income from cash and cash equivalents		6,034	19,711
Total interest income		6,034	19,711
Foreign currency gains		2,240	1,010
Gains on currency derivatives	27	0	1,552
Total foreign currency gains		2,240	2,562
Change in fair value		7,356	0
Total income from financial assets designated at fair value through profit or loss		7,356	0
Total financial income		15,630	22,273

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

The major part of the investments in capital-protected participations (see Note 21) was sold in 2009 at a profit.

14 Financial expenses

in TUSD		2009	2008
Interest expenses		508	1,019
Total interest expenses		508	1,019
Foreign currency loss		397	3,220
Total foreign currency loss		397	3,220
Change in fair value		21	1,682
Total loss from financial assets designated at fair value through profit or loss		21	1,682
Total financial expenses		926	5,921

15 Income taxes

in TUSD	2009	2008
Current tax expenses	789	620
Total income tax expenses	789	620

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 profits, 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 2009	Weighted average interest rate	31 Dec 2008	Weighted average interest rate
Cash on hand, post and bank accounts	565,806		264,998	
Overnight deposits and fixed-term deposits with maturities of up to 3 months	881,771		441,360	
Total cash and cash equivalents	1,447,577	0.59%	706,358	2.33%

The fixed-term deposits have an average maturity of 58 days.

A bank account in the amount of TUSD 651 is pledged to cover a bank guarantee towards a third party.

17 Receivables

in TUSD	31 Dec 2009	31 Dec 2008
Receivables from exploitation of rights		
– Due from third parties	236,505	256,679
– Provisions for bad debts	–2,840	–2,661
Total receivables from exploitation of rights	233,665	254,018
Other receivables		
– Due from member associations and confederations	7,834	6,803
– Due from related parties	277	403
– Due from third parties	18,482	14,076
Total other receivables	26,593	21,282
Short-term loans		
– Due from related parties	0	94
– Due from third parties	0	141
Total short-term loans	0	235
Total receivables, net	260,258	275,535

The major part of the open receivables relates to contractual payments from broadcasters and sponsors which are due in January 2010.

Provisions for bad debts

in TUSD	31 Dec 2009	31 Dec 2008
Provisions for bad debts		
Balance as at 1 January	2,661	2,892
Use	-354	-197
Additions	526	0
Reversal	0	-57
Foreign exchange effect	7	23
Balance as at 31 December	2,840	2,661

Ageing structure of receivables

in TUSD	31 Dec 2009	31 Dec 2008
Receivables		
Not due	247,322	269,772
Overdue – less than 30 days	9,820	3,074
Overdue – less than 60 days	649	99
Overdue – more than 60 days	5,307	5,251
Total receivables	263,098	278,196

18 Prepaid expenses and accrued income

in TUSD	Note	31 Dec 2009	31 Dec 2008
Accrued income			
– 2010 FIFA World Cup™	1-4	43,619	79,716
– Other FIFA events	1-5	3,390	1,882
Total accrued income		47,009	81,598
Prepaid expenses			
– 2010 FIFA World Cup™	6	19,949	0
– Other FIFA events	6	15,759	4,928
– Development programmes	8	1,943	2,095
Total prepaid expenses		37,651	7,023
Other prepaid expenses and accrued income		766	4,495
Total prepaid expenses and accrued income		85,426	93,116

19 Property and equipment

in TUSD	Operational buildings	Land	Investment properties	Office and other equipment	Total
Cost					
Balance as at 1 January 2008	224,577	15,792	5,278	21,749	267,396
Acquisitions	0	0	0	143	143
Disposals	0	-668	-5,278	0	-5,946
Balance as at 31 December 2008	224,577	15,124	0	21,892	261,593
Acquisitions	0	0	0	513	513
Reclassifications	725	0	0	-725	0
Foreign exchange effects	0	0	0	65	65
Balance as at 31 December 2009	225,302	15,124	0	21,745	262,171
Accumulated depreciation					
Balance as at 1 January 2008	26,902	0	1,192	6,134	34,228
Depreciation	11,342	0	111	3,782	15,235
Disposals	0	0	-1,303	0	-1,303
Balance as at 31 December 2008	38,244	0	0	9,916	48,160
Depreciation	11,342	0	0	2,303	13,645
Reclassifications	256	0	0	-256	0
Foreign exchange effects	0	0	0	29	29
Balance as at 31 December 2009	49,842	0	0	11,992	61,834
Carrying amount					
As at 1 January 2008	197,675	15,792	4,086	15,615	233,168
As at 31 December 2008	186,333	15,124	0	11,976	213,433
As at 31 December 2009	175,460	15,124	0	9,753	200,337

All properties not used for operational purposes were sold in 2007 and 2008. The column "operational buildings" includes the Home of FIFA, FIFA House and two other buildings in Zurich.

20 Intangible assets

Film archive

in TUSD	2009	2008
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	3,251	2,709
Amortisation	542	542
Balance as at 31 December	3,793	3,251
Carrying amount		
As at 1 January	2,167	2,709
As at 31 December	1,625	2,167

21 Financial assets

in TUSD	31 Dec 2009	31 Dec 2008
Debt securities	22,463	0
Other	23,944	0
Current financial assets	46,407	0
Debt securities	34,130	198,196
Equity securities	911	702
Other	5,000	86,346
Non-current financial assets	40,041	285,244
Total financial assets	86,448	285,244

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 2014. The counter-party risk has been assessed as remote.

The major part of the investments in capital-protected participations was sold in 2009 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

Other current receivables include a receivable from a Broadcast Partner due to a settlement and restatement agreement signed in May 2004. This receivable is recorded at amortised cost. As this receivable is due in 2010, it was reclassified to current assets in 2009.

In 2008, FIFA granted a loan to the 2010 FIFA World Cup Organising Committee South Africa. FIFA is entitled to withhold the corresponding amount from the revenue from the ticket sales denominated in USD for the 2010 FIFA World Cup South Africa™. As at 31 December 2009, ticket sales already paid in USD in the amount of USD 65.6 million are netted against the loan. The remaining amount is shown as other current financial assets.

In 2009, FIFA granted a loan to the Organising Committee for the 2014 FIFA World Cup Brazil in order to finance the tasks related to the preparation of the competition.

Accounting estimates and judgments

Financial assets with a value of USD 52 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 2009	31 Dec 2008
– Due to member associations and confederations	45,226	12,289
– Due to related parties	140	432
– Due to third parties	10,267	30,354
Total payables	55,633	43,075

23 Accrued expenses and deferred income

in TUSD	Note	31 Dec 2009	31 Dec 2008
Accrued expenses			
– 2010 FIFA World Cup™	6	466,589	301,608
– Other FIFA events	6	12,410	9,796
– Development programmes	8	110,184	88,333
Total accrued expenses		589,183	399,737
Deferred income			
– 2010 FIFA World Cup™	1-3	304,868	249,856
– Other FIFA events	1-3	6,093	6,878
Total deferred income		310,961	256,734
Other accrued expenses and deferred income		60,712	7,583
Total accrued expenses and deferred income		960,856	664,054

24 Provisions

in TUSD	2009	2008
Balance as at 1 January	12,327	11,457
Provisions made during the year	1,042	978
Provisions used during the year	-237	-237
Adjustments	-537	129
Balance as at 31 December	12,595	12,327

The provisions of TUSD 12,595 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.

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

25 Equity

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).

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 equity 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 has 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 has been 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, the FIFA management believes that this scenario is very unlikely to occur.

Investments and derivative financial instruments are executed only with counterparties 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 2009 had been 1% higher (lower), the net result would have been USD 0.7 million lower (higher).

As at 31 December 2009, 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, CHF or GBP. 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. The Controlling & Strategic Planning Department regularly forecasts the liquidity and foreign exchange requirements until the 2010 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 2009, FIFA is exposed to the following foreign exchange fluctuation risks:

- If the EUR had gained (lost) 10% against the USD as at 31 December 2009, the net result would have been USD 42.7 million higher (lower).
- If the CHF had gained (lost) 10% against the USD as at 31 December 2009, the net result would have been USD 6.1 million higher (lower).
- If the GBP had gained (lost) 10% against the USD as at 31 December 2009, the net result would have been USD 4.6 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 2009

in thousands	CHF	EUR	GBP
Cash and cash equivalents	64,474	146,031	230
Receivables	10,792	46,926	24,490
Prepaid expenses and accrued income	280	0	0
Exposure from applying percentage-of-completion method	810	113,375	4,875
Financial assets	5,029	15,637	0
Total assets in foreign currency	81,385	321,969	29,595
Payables	8,723	0	10
Accrued expenses and deferred income	65	0	0
Exposure from applying percentage-of-completion method	8,321	24,637	1,038
Total liabilities in foreign currency	17,109	24,637	1,048
Net exposure in foreign currency	64,276	297,332	28,547

Liquidity risk

As at 31 December 2009, FIFA is fully self-financed. Additionally, FIFA has access to contractual or secured short-term credit facilities in the amount of CHF 223 million, partly guaranteed by its own properties, which could be used to cover any additional liquidity needs.

Maturity of financial liabilities

in TUSD	31 December 2009		31 December 2008	
	90 days	1 year or less	90 days	1 year or less
Payables – associations and confederations	0	45,226	0	12,289
Payables – related parties	140	0	432	0
Payables – third parties	10,267	0	30,354	0
Derivative financial liabilities	0	12,906	0	8,248
Total	10,407	58,132	30,786	20,537

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 2009, the insurance coverage has been fully placed in the insurance market.

Classification of financial assets

in TUSD	31 December 2009			31 December 2008		
	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	1,447,577	0	0	706,358	0	0
Receivables	260,258	0	0	275,535	0	0
Derivative financial assets	0	0	22,109	0	0	54,984
Financial assets	28,944	57,504	0	86,346	198,898	0
Total	1,736,779	57,504	22,109	1,068,239	198,898	54,984

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

Classification of financial liabilities

in TUSD	31 December 2009			31 December 2008		
	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	55,633	0	0	43,075	0
Derivative financial liabilities	0	0	12,906	0	0	8,248
Total	0	55,633	12,906	0	43,075	8,248

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 5.7 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 51.8 million and derivatives used for hedging activities in the net amount of USD 9.2 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 income 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 income, which is already contractually defined. All hedging transactions are in line with the strategy decided by the FIFA Executive Committee.

In order to limit the earnings volatility for the company's result, FIFA applies hedge accounting in accordance with IFRS. All transactions are classified as a cash flow hedge. All hedge transactions are expected to be highly effective, since the amount, currency and maturity of the underlying transaction matches the hedge transaction.

As of 31 December 2009, FIFA has contracted part of the broadcasting rights in connection with the 2010 FIFA World Cup™ in EUR and GBP. In total, FIFA has hedged future income in the amount of EUR 258.6 million and GBP 30.7 million.

in TUSD	31 December 2009		31 December 2008	
	Positive fair value	Negative fair value	Positive fair value	Negative fair value
Cash flow hedges				
– effective in the next year	22,109	12,906	25,989	0
– effective in the following year	0	0	28,995	8,248
Total	22,109	12,906	54,984	8,248
whereof				
– recognised in equity	9,203	0	46,736	0

The effective part of the hedge transactions has been recognised in the hedge reserve in equity. As at 31 December 2009, there is no significant ineffectiveness. From the previous year's hedge reserve, an amount of TUSD 25,989 was transferred to the income statement. The revenue from television broadcasting has been increased by TUSD 25,175. The difference reflects the change in fair value of the hedging instruments between the beginning of the year and the settlement date.

The revenues from broadcasting rights for the 2014 FIFA World Cup™ have not been hedged yet, although a major part of the rights has already been contracted, since the revenues will primarily flow from the year 2011 onwards.

28 Legal matters and contingent liabilities

Proceedings regarding intellectual property infringement

The US District Court in New York dismissed the lawsuit filed by a plaintiff against FIFA, FIFA Marketing & TV AG and additional defendants seeking USD 50 million for intellectual property infringement. Based on the plaintiff's failure to perfect his appeal against the dismissal by the US District Court in New York, the lawsuit is finally concluded.

Contingent liabilities

FIFA guarantees a maximum liability of TUSD 783 towards a third party until 31 December 2010. As at 31 December 2009, the risk of outflow is remote.

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

29 Capital commitments

As at 31 December 2009, FIFA has no capital commitments.

30 Contingent revenue

Several agreements with Commercial Affiliates in connection with the rights granted for the 2010 FIFA World Cup™ 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. As in most cases this can only be assessed after the 2010 FIFA World Cup South Africa™, such contingent revenue is not yet recognised.

31 Operating leases

in TUSD	31 Dec 2009	31 Dec 2008
Less than 1 year	1,015	1,227
1-5 years	2	562
Total	1,017	1,789

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 2009, a total amount of TUSD 1,214 (2008: TUSD 848) 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 4.6 million in 2009 (2008: USD 7.8 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 172.4 million in 2009 (2008: USD 133.2 million). The accumulated development expenses accrued as per 31 December 2009 totalled USD 110.2 million (2008: USD 88.3 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 2009, FIFA paid USD 32 million to the participating member associations.

The total financial support allocated to Local Organising Committees for other FIFA events amounted to USD 4.7 million. The total payments for teams and confederations for other FIFA events amounted to USD 45.3 million.

FIFA has outstanding receivables from related parties amounting to USD 8.1 million (2008: USD 7.2 million), while outstanding payables total USD 45.4 million (2008: USD 12.7 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 2009, short-term employee benefits of USD 20.9 million were paid to the key management personnel (2008: USD 18.5 million). In addition to these short-term employee benefits, FIFA contributes to defined post-employment benefit plans. The recognised post-employment benefit expenses in 2009 amounted to USD 2.1 million (2008: USD 2.1 million).

33 Consolidated subsidiaries

	Location of incorporation	Activity	Ownership interest 2009	Ownership interest 2008
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%
FIFA Marketing & TV AG	Zurich, Switzerland	No activity	100%	100%
FIFA Media AG	Zurich, Switzerland	No activity	100%	100%
FIFA Marketing & TV Deutschland GmbH	Germany	No activity	In liquidation	In liquidation

34 Post-balance-sheet events

The FIFA Executive Committee authorised the issue of these consolidated financial statements on 19 March 2010.

The consolidated financial statements for 2009 will be submitted to the FIFA Congress for approval on 9-10 June 2010.

No events have occurred since 31 December 2009 that would require any adjustment to the carrying amounts of FIFA's assets and liabilities as of 31 December 2009 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 equity, statement of comprehensive income and notes for the year ended 31 December 2009.

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 2009 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, 19 March 2010

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 equity, the cash flow statement, statement of comprehensive income and notes) of the Fédération Internationale de Football Association for the period from 1 January 2009 to 31 December 2009.

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 2009 financial statements through:

- Examination of the audit reports of the external auditors;
- Examination of the 2009 Comprehensive Auditor's Report to the Executive Committee;
- Discussion of the financial statements during the meetings of the Internal Audit Committee held on 30 May 2009 and 15 March 2010 in the presence of the FIFA President, the Secretary General, the Director of Finance & Administration and the external auditors.

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 2009.

For the Internal Audit Committee



Dr Franco Carraro
Chairman

Zurich, 15 March 2010