



WORLD
ATHLETICS™

2019

ANNUAL

REPORT AND

ACCOUNTS

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QNB

FRASER-PRYCE

DOHA2019



PRESIDENT'S REPORT

President's Report



CARIFTA Games, Cayman Islands 2019

As part of our 2019 Constitution, we stated that we would produce publicly available financial statements. Delivering greater transparency in all our activities and processes was a core pillar of the widespread reforms we introduced into the sport at the end of 2016 and I am grateful to our finance team, our Executive Board Audit, Risk & Finance Committee and our Auditors for the work they have done to prepare the consolidated financial statements for the year ending 31 December 2019 under International Financial Reporting Standards (IFRS) as adopted by the European Union.

Building financial competence and rigour

When I became President, a priority was to properly understand the complex financial history of the organisation. We began in 2016 by conducting a comprehensive root-and-branch review of all financial controls and wider corporate governance under Lord Paul Deighton. The newly formed Audit & Finance Commission, which he chaired over the last four years, came up with a number of recommendations which were implemented, including a structured delegated authorities' protocol and robust financial checks and balances throughout the organisation. I would like to thank Paul, Jose Maria Odriozola, our Treasurer over the last four years, and the Audit & Finance Commission for bringing their professional experience and a high level of rigour to our financial management.

Strong leadership team now in place

The appointment of our new Chief Financial Officer (now Chief Operating Officer), Vineesh Kochhar in December 2017, provided the organisation with a highly qualified and experienced fortune 500 CFO for the first time. He brought with him the discipline of corporate financial management and global experience. Following the appointment of our Chief Executive, Jon Ridgeon, a successful athlete and experienced businessman, in March 2019, we now have the right skills and expertise to drive our revenues, manage our expenditure and lead our talented senior team to grow the sport in a fiscally responsible and transparent way. Many of the changes, measures and processes put in place during 2019 will reap rewards over the coming years.

Tough four years of reform delivered across the sport and by the sport

These 2019 consolidated financial accounts come at the end of a tough and turbulent four years for our sport. Four years of extensive reforms across the sport have been driven by our Council and implemented by our Member Federations, Area Associations and Head Office. I will not pretend this has been easy. Tough decisions have been taken by everyone at all levels of the sport, but I believe we have emerged stronger, more resilient and ready to build and grow the sport at every entry point.

If the last four years have been a time for change, the next four years will be a time to build. To build on the solid foundations of reforms; build stronger partnerships, public and private; build greater expertise and skills at a local level; build a better product that remains relevant in the minds and actions of young people; build better support structures for our Member Federations and build a greater presence for our sport through higher profile athletes who actively promote their sport through their performances, personalities and passions.

By continuing to do this, we will build our sport and our reputation as the No.1 Olympic sport from the ground up with:

- **More** athletes choosing the sport as pathways are clearer and financial rewards are better
- **More** resources and skills across our Member Federations, technical officials and coaches in our sport so we have best in class knowledge to develop the sport the way we all want to see it develop
- **More** people participating in and following the sport from the playground to the podium
- **More** partnerships that generate more revenue, more activation opportunities and more media opportunities which in turn will drive more fans.

New strategic plan for Growth over next four years

It seems somewhat surreal to be sitting in the world we find ourselves in today and writing a report on last year. A year when we hadn't yet heard of Covid-19 or witnessed the devastating impact it would have on all our lives, and of course our sport.

We have had to postpone most of our World Athletics Series events in 2020 pushing them out to 2021 and 2022. Our season of Diamond League, Continental Tour, World Challenge one-day meetings and our road race season have all been massively disrupted. The impact of postponing the Tokyo 2020 Olympic Games has also impacted our events with our World Athletics Championships Oregon21 now moving to 2022. But in March we became determined to use this time to create a late season of one-day meetings to enable athletes to continue training and have some competition experience in 2020 and we are grateful for all the support, innovation and hard work of those meeting organisers.

'The spirit of human optimism and endeavour stands the test of time. When we get through this pandemic, and we will, we will be braver and more innovative. We will be more collaborative and resilient. We will be stronger and more tolerant. We will be more global, not less.'

We were also determined to use the time to finalise and publish our World Athletics Strategic Plan for the next four years, building on our new brand and the new name we launched at the end of 2019.

We revisited our vision, our mission and set out clear goals to drive growth in our sport from 2020-2023. Our approach is based on doing the good things we already do even better via a programme of continuous improvement, and by delivering innovative initiatives and programmes.

We have an ambitious strategy and I am proud of that. We are an ambitious sport, the mother of all sport, and we have the right people in the right jobs to drive the sport forward for our athletes and our fans.

I want to thank all our Member Federations, our Areas, our athletes, all our Partners right across this sport, our Council & Executive Board and our HQ team for their unflinching efforts, support and drive over the last four years. I am confident that together we will grow the sport we all love and cherish, even in these particularly trying times. As I have said before, although we may be separated physically during these unprecedented times, my instinct is that ultimately the pandemic that has had a devastating impact on all our lives and our sport in 2020 will draw us closer together, not further apart. It will make us stronger and more resilient. It will make us more global, not less.



Sebastian Coe
President



STRATEGY FOR GROWTH 2020-2023

Our Vision

TO USE THE POWER AND ACCESSIBILITY OF ATHLETICS AND OUR ATHLETES TO CREATE A HEALTHIER AND FITTER WORLD

Our Mission

GROW

Grow the sport of athletics and make it relevant in people's lives and in the lives of their communities.

INSPIRE

Create globally appealing and accessible competitions, events, and activities so our talented athletes can entertain and inspire the world.

LEAD

Be the best example of a well-governed sports federation taking brave leadership decisions and valuing partnerships that deliver athletics around the world.

Our Approach

By doing the good things we do already even better via a programme of continuous improvement, and by delivering new innovative initiatives and programmes.

Our Goals

PARTICIPATION

We will deliver more events at every level of the sport. From more world class athletics competitions in all continents at national, regional and international level, through to ensuring there are opportunities for children to try our sport wherever they live and campaigns for more people to get active through running.

PEOPLE

We will celebrate, support and develop the people (coaches, officials, volunteers and professionals) who deliver our sport throughout the world, at every level, providing clear access and pathways and we will double the number of new recruits who help deliver our sport - as coaches and officials or in Member Federation, event or club roles.

FANS

We want our fans to attend and watch our athletes compete, as well as get to know and engage with them through new platforms and initiatives. By 2023 our aim is to grow our broadcast reach, double our digital following and create a database of 1 million known fans who actively choose to connect and engage with us and our sport.

PARTNERSHIPS

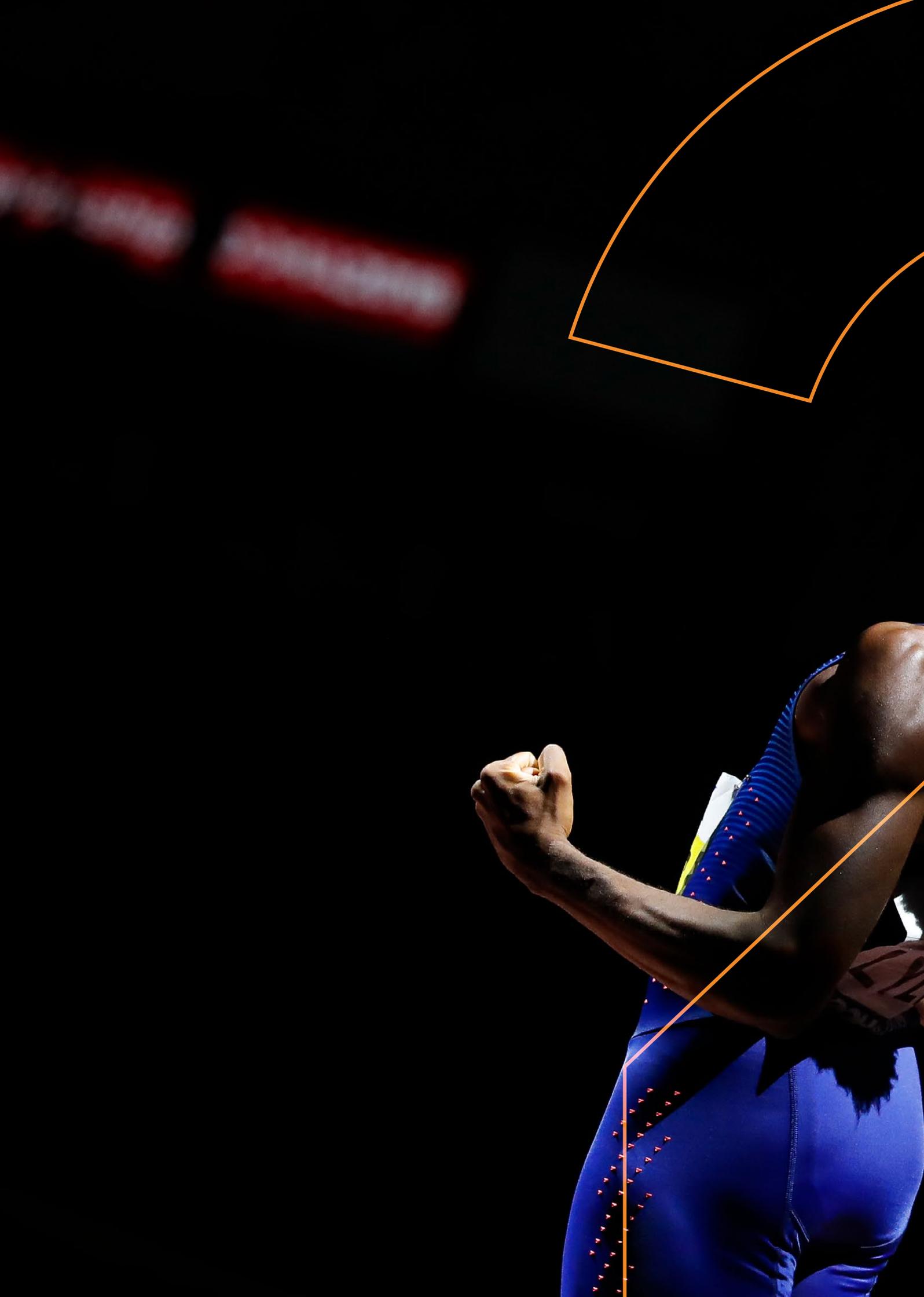
As the world's most accessible sport we rely on strong partnerships to deliver events and programmes at all levels. We value these partnerships and aim to double our current number of meaningful commercial and non-commercial partnerships to generate new financial and activation opportunities for our sport, our athletes, our MF's and our communities around the world.

Our Stakeholders

Member Federations, Athletes, Partners, Media, Fans, and Our People.

Our Values

Respect, Integrity, Leadership, Commitment, Innovation, Excellence.

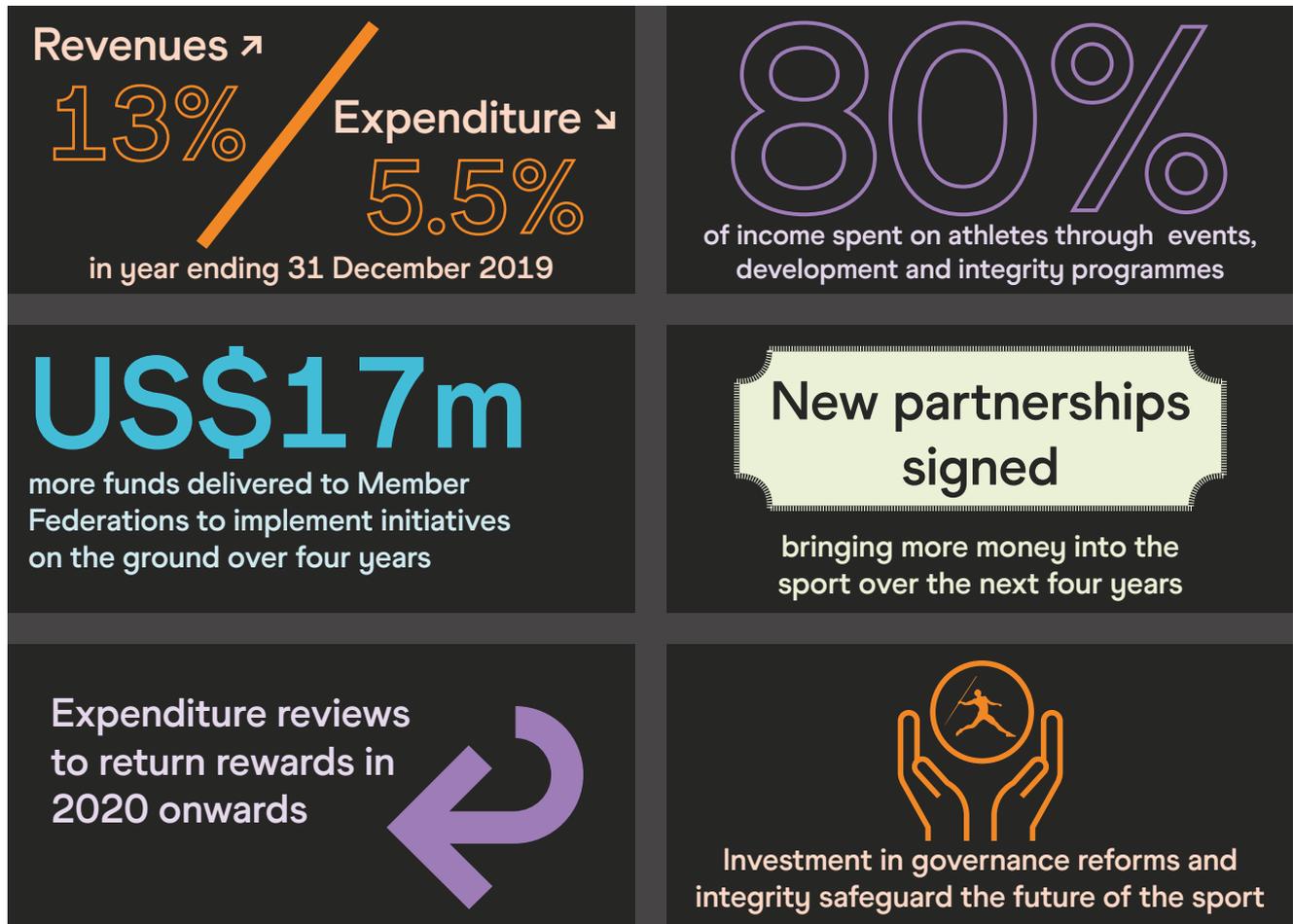




OPERATIONS REPORT



A solid year maintaining investment in competitions and development



The 2019 consolidated financial accounts mark the end of our four-year funding cycle with cash reserves of US\$34.3m at 31 December 2019.

Significant investment in reforms, governance and integrity drove increased expenditure over the last four years as Council and World Athletics chose to maintain spend in competitions and increase development grants, through the Athletics Olympic Dividend, to Member Federations.

A root-and-branch review of all HQ expenditure during 2018 and 2019 led to HQ staff freezes and excess costs cut from across the organisation. The benefits of many of these decisions will be seen from 2020 onwards.

New commercial partnerships with QNB (2018), The Wanda Sport Group (2019) and a renegotiation of our Dentsu partnership have gone some way to filling the revenue gap left by partners exiting the sport following the high profile revelations associated with the previous administration.

The introduction of the Athletics Olympic Dividend (AOD) in 2016 delivered US\$17.2m in new grant funding directly to Member Federations over the four years. The AOD is a project-based grant designed to provide tailored support to meet Member Federations individual long-term strategic development needs. Athlete development accounted for almost a quarter of this spend over the four years, with staging

competitions, education programmes, facilities and equipment, and youth and grassroots programmes accounting for the majority of the remaining funds.

Revenue for the period ending 31 December 2019 rose by 13% to US\$51.1m on the previous year with the collection from Russian Athletics Federation (RusAF) for costs between 2015 and 2019, revenue from the new Road Running integrity programme and increased revenue from our certification programmes contributing to the increase. Expenditure for the same period fell 5.5% to US\$67.8m, in large part due to the cyclical nature of the sport where we hosted three World Athletics Series events in 2019 versus five World Athletics Series events in the previous year. Further cuts to expenditure will come through over the next 18 months.

US\$17.4m of reserves were used for the period to cover the additional costs of our governance reforms, increased grant funding made available to our Member Federations, legal costs related to anti-doping challenges, female eligibility and the French Prosecution case against the previous administration as well as costs associated with the reinstatement of the Russian Athletics Federation – the latter which we have recouped in 2020. Despite these additional costs, it is important to note that our reserves will always reduce year on year over a four-year period as a substantial amount of our revenues are delivered at the start of these four years. Our aim is to reinvest our revenue in the sport to reach a breakeven state at the end of each four-year cycle. In terms of real reserves to safeguard the organisation, the new Executive Board has agreed that the organisation should hold reserves of US\$25m at all times, which amounts to approximately 50% of the organisation's annual revenue. We aim to deliver this from 2020 onwards.

The appointment of a new CEO, Jon Ridgeon, in 2019 has seen a renewed and successful drive on the revenue front and a robust approach to reviewing processes and priorities across the business to ensure the organisation lives within its means and is able to cut costs to meet the changing environment we all find ourselves in.

Driving unnecessary costs out of the business by working smarter and committing revenue only when it is necessary is already paying dividends and will continue to do so over the coming years.

Implementation of Governance reforms deliver strong foundation for growth

Following the elections at our Congress in September 2019, we established [our new Executive Board](#). The Board is made up of our four Vice-Presidents and three independent members and they approved the two committees (Audit, Risk & Finance Committee and a Remuneration Committee) which report to it. Having clear roles and responsibilities for both the Executive Board and the Council will ensure we have the right discussions in the right places and transparent checks and balances to make the right decisions for our HQ and our sport. Our Council elections also saw an increase in female candidates, making up almost 40% of the total. This enabled us to exceed our 2019 gender target on Council and welcome our first female Vice-President.

Following the Athletes' Commission elections in September 2019, in which two-thirds of our eligible athletes voted (1,200), we were delighted to subsequently welcome Renaud Lavillenie and Dame Valerie Adams, Chair and Deputy Chair of the Athletes' Commission, as voting members of the World Athletics Council for the first time. With two athletes on the Council, athletes have never had a better voice representing them at the decision-making table of our sport. The launch of our new name, World Athletics, and new brand at the end of the year is the culmination of the reform journey we have been on. It represents the modern, more creative and positive face of our sport, making it more accessible to a wider audience.

Solid investment in integrity, athletes and development

As we embarked on the task of restoring trust back into our sport four years ago, the Executive Board and Council agreed to prioritise and invest in integrity, athletes and development in terms of the distribution of funds in a period when we knew our costs would come under pressure. Our investment in the independently run Athletics Integrity Unit (AIU) continued in 2019 with over US\$8.3m. The AIU's leadership in protecting the integrity of sport and our athletes is recognised throughout the sporting world. This reputation paved the way in designing our new out of competition drug testing model and funding framework for the Label Road Races. In this initiative associated financial costs for drug testing are being shared by all stakeholders with race organisers, athlete representatives, shoe manufacturers and, nominally, the athletes each contributing to the funding pot.

Around 80% of our income is spent on athletes through staging events, development and integrity programmes. These funds are spent on maintaining the integrity of the sport, so athletes are not cheated out of places or medals, on development programmes at Member Federation and Area level where our athletes start their journey, in staging the world class competitions our athletes compete in and providing prize money for athletes competing in the Diamond League, Continental Tour, the World Indoor Tour and our Challenge events.

We maintained or increased funds across these four areas in 2019 and succeeded in generating income through the Label Road Race shared resources initiative and through our World Athletics certification system.

Creating innovative and challenging competitions for athletes to compete in and for fans to watch remains central to the organisation

Three World Athletics Series events were held during 2019 providing our athletes with exceptional stages and facilities within which to compete. Our World Athletics Championships in Doha saw a quality and depth of athlete performances that have been unmatched at a World Championships. Five world records and six championship records were set, 43 countries won medals, 21 area records were set and 87 national records were broken.





World Athletics Cross Country Championships, Aarhus

Athletes from 58 Member Federations and the Athlete Refugee Team competed



March ↑

May ↓



World Athletics Relays, Yokohama

Japanese Association of Athletics Federations stepped in to host these championships with six months notice

World Athletics Championships, Doha

Athletes from 204 Member Federations plus the Authorised Neutral Athletes and the Athlete Refugee Team



September ↑

November ↓

2019



World Athletics Awards, Monaco

The 2019 World Record Breakers Eliud Kipchoge and Dalilah Muhammad named the male and female World Athletes of the Year

Athletics Olympic Dividend grant case studies

Mauritius Athletics Association



AIM:

Development of national athletics structures

OBJECTIVES:

1. Increase the number of CECS qualified level I coaches
2. Increase the number of NTOs through delivery of the TOECS
3. Deliver training for selected talented athletes
4. Deliver Kids' Athletics in more than 250 schools nationwide

KEY PERFORMANCE INDICATORS:

1. Number of CECS Level I qualified coaches
2. Progress of athletes (based on previous personal bests)
3. Number of schools and pupils reached through Kids' Athletics

In the course of this four-year project seven regional training centres were opened in Mauritius. A key aim of these centres was to provide the facilities and infrastructure to support the development of athletes, coaches, technical officials and administrative assistants. The AOD investment was used to provide new and additional equipment at the centres, as well as to support delivery of a training and competition programme for

selected athletes and a full programme of courses and activities for coaches, officials and administrators. In addition, the AOD grant was also used to increase the number of schools involved in Kids' Athletics.

Some of the outcomes achieved following the four years of AOD investment include:

- Athletes training at the centres have demonstrated improved levels of performance and a number have achieved selection for the national team. The successful progression of athletes is thought to be due to the training at the centres as well as the regular competitions that are now organised among the centres where the selected athletes compete against each other and athletes from the other islands of the Indian Ocean.
- CECS Level I and TOECS courses were organised which led to an increase in the number of qualified coaches and officials in Mauritius and helped to ensure an improved quality of delivery and experience for the athletes, particularly in the U12 to U18 categories.
- 251 schools participated in the Kids' Athletics programme. As part of this programme talented athletes were identified in the U12, U14, U16 and U18 age categories to participate in the national competitions sponsored by the Bank of Mauritius.

Palestine Athletic Federation



AIM:

To increase the awareness of athletics in Palestine and to develop a competition system

OBJECTIVES:

1. To increase the number of qualified coaches and officials through delivery of three CECS & TOECS courses per year
2. To support the progression of talented athletes through the organisation of an annual training camp
3. To increase levels of participation of active athletes through the delivery of new competition opportunities
4. To establish a cooperation with educational institutions to deliver joint activities by the end of the project

KEY PERFORMANCE INDICATORS:

1. Number of coaches and referees
2. Good working relationship with Ministry of Education to promote the dissemination of athletics
3. Participation levels of female athletes
4. Improved performances in regional and international competitions (number of personal bests)

This two-year project and AOD investment enabled the Federation to develop their technical, administrative and organisational capabilities. The AOD grant was

also used to organise new national and age group competitions and to develop and deliver a talent identification programme.

The AOD grant supported the achievement of the following outcomes:

- TOECS and CECS Level I Courses were organised resulting in an increased number of qualified coaches and officials.
- The Federation contracted a foreign athletics coach to train the Palestinian team to deliver specialised training which has led to increased performance levels.
- New competitions such as the annual Half Marathon Championships and the Kids' Athletics Festival were introduced supporting increased levels of athletics participation and engagement.
- By the end of the project in 2019, the overall number of active athletes in Palestine rose to 2,000 and the number of female athletes rose from 12 in 2018 to 70 (in the U20 and senior category). Development of female athletes was further supported through the delivery of a female only training camp in 2019.
- A partnership was established with the Ministry of Education and a talent identification programme was implemented with support and investment from the Ministry. The Federation also partnered with universities to organise University Championships for both sexes.

Belarus Athletic Federation



AIM:

Athletics talent identification in the Republic of Belarus and training in specialised educational institutions

OBJECTIVES:

1. To promote athletics in schools
2. To engage children across the country, specifically in the rural villages, in athletics and provide opportunities for sustained and competitive participation
3. To identify and select talented children for the Academy of Athletics

KEY PERFORMANCE INDICATORS:

1. Number of children involved in athletics
2. Number and level of interest of children in villages participating in athletics
3. Number of students studying at the talent Academy under the supervision of experienced coaches

The “300 talents for the Queen” project was initiated in 2015 with the support of the Ministry of Education and the Ministry of Sports and Tourism of the Republic of Belarus. On an annual basis it consists of four stages:

- Stage 1: testing the physical ability of children in schools under the guidance of teachers and identifying and selecting the best in each region

- Stage 2: testing the best children selected in Stage 1 under the supervision of athletics coaches to select 300 talents (43 per region)
- Stage 3: delivering a one-week training camp for the regions including in the city of Minsk for the selected talents to prepare them for the final stage.
- Stage 4: staging a final athletics competition involving all the 300 talents each representing their region.

A total of USD 75,000 from the AOD grant was invested over a period of three years (USD 25,000 per annum) to contribute to the organisation of 21 training camps at Stage 3 of the project (seven per year). The AOD investment made up 30% of the total project budget with the Ministry of Education and the Ministry of Sports & Tourism contributing an additional USD 175,000.

IMPACT:

- Each year, approximately 200,000 school children were involved in the project and experienced athletics – a total of more than 225,000 children participated in 2019
- In 2019, the overall winner of the 300 talents for the Queen competition came from a region in Belarus where there has traditionally been no athletics culture and who had never previously participated in the athletics. This shows the initiative taken by the Belarus Athletic Federation is encouraging the practice of athletics in other regions of the country.

Federación Peruana de Atletismo (Peru)



AIM:

To develop and improve the performance levels of Peru athletes in the throwing disciplines

OBJECTIVES:

1. To have qualified athletes in throwing events at the Pan American Games 2019
2. To have a team of athletes competing in throwing events at continental competitions in all age categories by the end of 2019
3. To have athletes meet the qualification standards for throwing events at World Athletics Championships and the 2020 Olympic Games

KEY PERFORMANCE INDICATORS:

1. Progression of junior and senior athletes (performances, physical condition etc)
2. Installation of new throwing facilities
3. Number and qualification level of coaches
4. Number of athletes on throws talent programme

The four-year project was dedicated to developing the throwing disciplines in Peru. This was based on a previous lack of participation in the throwing events in the country and an identified shortfall of coaches and throwing equipment and facilities.

As a result, with the support of the AOD investment, throwing event training and competition facilities have been renovated and new equipment including three cages along with hammers, javelins, discuses and shot puts were bought. The new facilities and equipment have provided the opportunity for higher level training and competitions to be delivered in the country, as well as provide the chance for younger athletes to experience and try the throwing events.

In addition to the facilities and equipment, the AOD investment was also used to achieve the following:

- The organisation of seven training camps and technical workshops in each of the different throwing disciplines. These training camps were delivered across the country in the different regions including in the more remote areas and also served to identify young throwing talent in the U18 and U20 categories.
- The training of 10 CECS Level II Coaches and six CECS Level III Coaches to enable increased delivery of specialist throws related coaching.
- More than 70 athletes have been part of the talent programme. One female hammer thrower was a finalist at the Pan American U20 Championships in 2019 and at the Pan American Games 2019.

Investment in strengthening our one-day meetings

A primary focus in 2019 was to simplify the global calendar and support the delivery of best in class one-day meetings across the globe to increase the popularity of our sport, generate more media interest, particularly 'live' coverage, which in turn will help us grow our partnership and sponsorship revenues. Refining our events and how they are presented and accessed is critical to remaining relevant in the minds and actions of young people. This must begin with strong event circuits in each Area able to create clear pathways for our athletes into our world events. Area circuits that our fans can follow through to a coordinated global calendar with world rankings that everyone can identify with. We believe that working together we can strengthen and build our Area championships and our one-day meetings into 'must attend' events for the very best athletes in each Area.

The Continental Tour Gold which, while severely impacted by the pandemic this year, is a strong circuit of 10 one-day meetings that we will continue to invest in and expand. The core principles set out and agreed by the Diamond League Board, and subsequently World Athletics' Council, were also a stepping-stone in 2019 to create the best one-day meetings in a world class annual international circuit with a single final at the end of the season. Our funding of the Diamond League remained at \$4.5m during the period, with the majority of these funds going directly to athletes as prize money. We are particularly proud of the 10-year partnership we signed with the Wanda Group in 2019. It is the largest commercial partnership in the history of World Athletics giving us the opportunity to strengthen the Diamond League, our global showcase series, and release World Athletics' funds to focus on other one-day meetings.

Our new out-of-competition drug testing model created with our Label Road Races further strengthened our partnership approach to delivering world class events for our athletes.

The World Indoor Tour and our Challenge events (Race Walking, Combined Events, Hammer Throw) attracted record numbers of athletes.

By sharing knowledge and expertise and building capacity we all rise

We are committed to building better support structures for our Member Federations by sharing what we know across our sport and more importantly using resources from the centre, from across our Areas and from each other, to assist and enhance Member Federations' ambitions and Area events. To be a strong sport we need to have Member Federations strong across the world so support must be forthcoming and experiences shared as we are not all equal. This is not just about money, it is also about skills and building capacity. And foundations were laid in 2019 to review the grants, programmes and resources available to Member Federations and Areas so they can support and deliver against measurable strategic outcomes and identified needs. In 2020, fuelled by the pandemic, Member Federation Info Sessions have taken place across a range of topics to facilitate learning and sharing and provide a forum for ongoing debate and discussion.

Building more skills and resources in every area around the critical coaching and technical elements of the sport remained a priority in 2019. Almost 200 courses, certifying around 1,800 coaches and technical officials, were held during the year. Encouraging more people to learn the skills of our trade and recruiting more people to become part of the athletics family continues to be a priority across the sport. The work the Areas did in 2019 around Gender Leadership seminars, forums and training the trainer workshops paid dividends in the 2019 election process. We have been encouraged by the ingenuity and drive of our Areas and Member Federations during the pandemic in terms of the virtual courses and training initiatives they have conducted and the numbers of people they have been recruiting and training in our sport. We need to retain and build on this engagement.

We continued to support Member Federations with communication resources (Oceania and Africa); held Member Federation Press Chiefs and Media workshops in Asia and South America and continued our social media clinics with athletes at the one-day meetings. We were proud to receive the AIPS Best Press Facility in 2019 for our press operations at the World Athletics Championships in Doha.

Focus on Fans

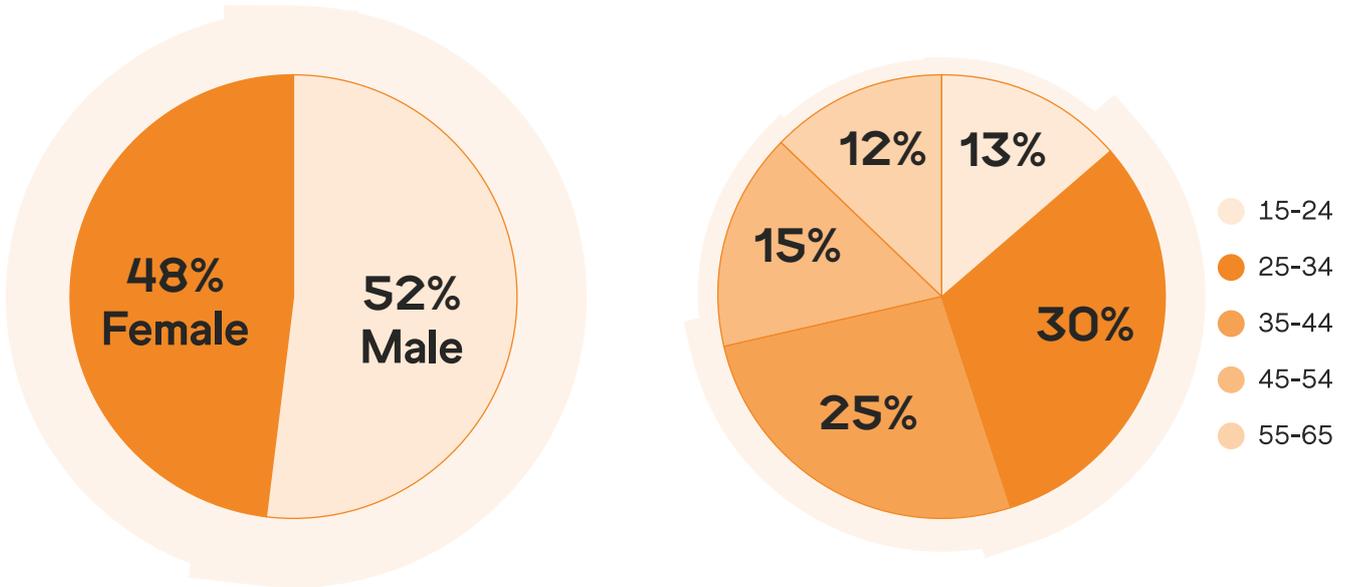
The communications strategy for 2019 was to understand more about our fans and find creative and engaging ways to connect with them. A comprehensive Nielsen research study was conducted at the end of 2018 across 15 major markets and shared with Member Federations during their 2019 Area Congresses. The research also helped define the structure of our new World Athletics website, launched at the end of 2019, with the creation of a new Be Active section aimed at connecting our sport with recreational runners. The new website has been developed to give users the ability to select and follow the athletes and teams most important to them and receive a more customised experience on the site. Putting this new framework in place allows us to learn more about what athletics fans really want to know and enables World Athletics to keep users worldwide up to date with the content that really matters to them via more personalised news updates and exclusive content.

Our focus on social media was to develop more creative and tailored content to drive fan growth across all World Athletics' channels with a particular emphasis on YouTube. Our efforts paid off with strong fan engagement across all our platforms. We repeated our Run 24/1 Campaign which, with the huge support of our Member Federations, saw a record number of people take part in their first mile. More than 65,000 participants joined in, including 50,000 children, from almost 50 countries. This was an increase of 30% on the previous Run 24/1 which will stand us in good stead as we embark on a more comprehensive fan data strategy in 2020.

53%

of people are interested in Athletics

Men and women are equally interested in athletics. The majority of fans are older than 25 years and the core group is aged between 25 and 44 years.



1.4bn

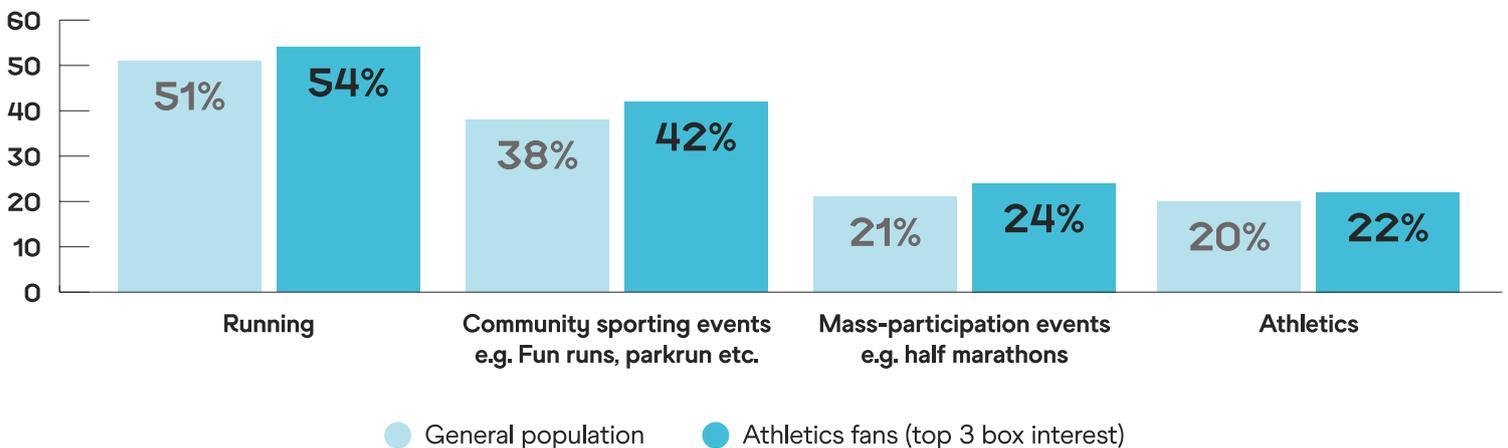
people run

48% of the global population between the ages of 16-69 run

>20%

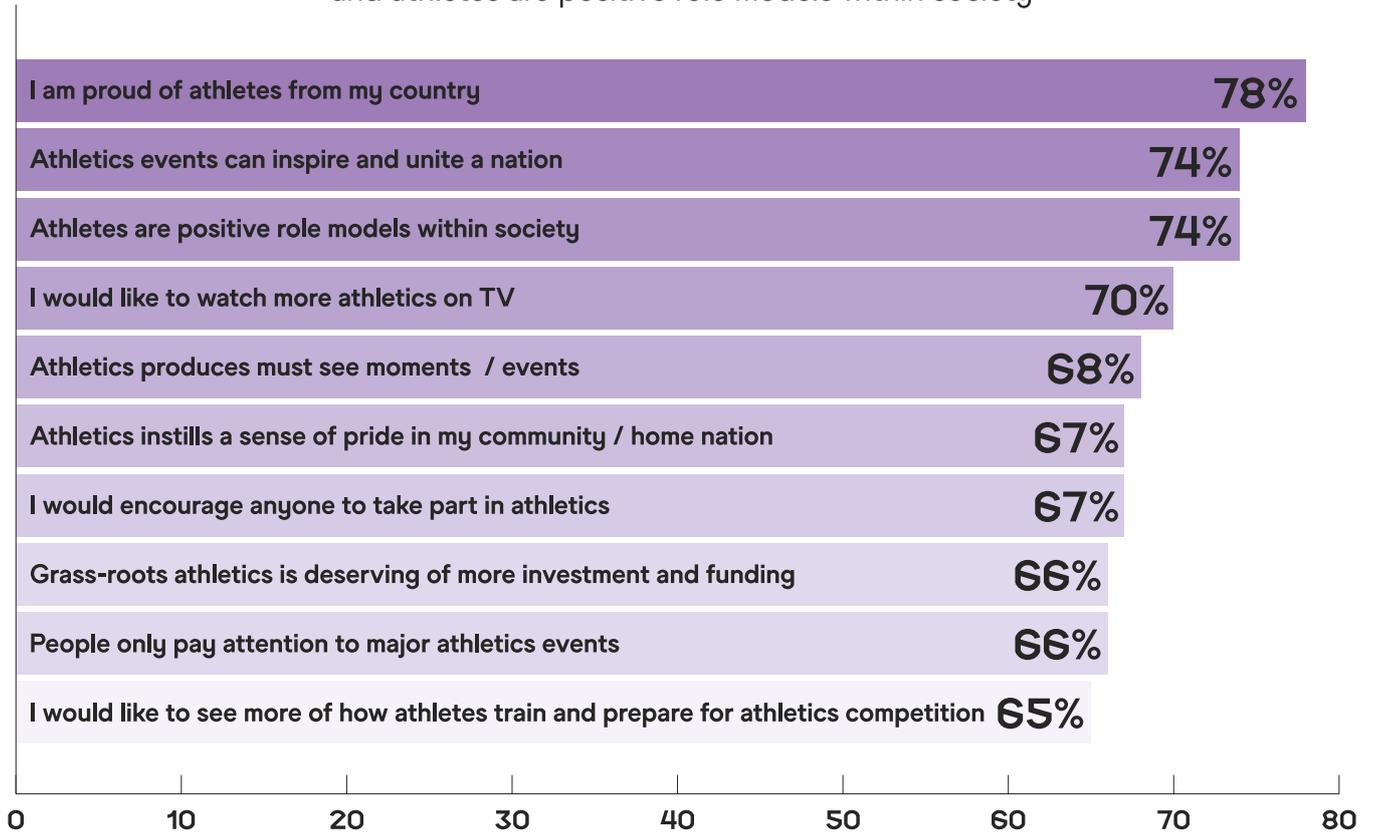
of people participate in Athletics

20% of the general population across 15 global markets currently participate in athletics



Fans are proud of the athletes

The majority of athletics fans are proud of athletes representing their country. They believe athletics events can inspire and unite a nation and athletes are positive role models within society



Nielsen Sports 2019, IAAF Brand and Fan Development 2018/2019. (Published February 2019).

Worldathletics.org 16 November 2018 – 15 November 2019



22.1M
sessions
+75.4%



9.5M
users
+55.7%



74M
page views
+67.1%

World Athletics Social Media

16 November 2018 – 15 November 2019



957,027
Likes
+12.7%



269,914
Followers
+16.3%



459,252
Followers
+73%



217,000
Subscribers
+123%

World Athletics Series accredited media

1355

Total media and broadcasters onsite
at the three WAS events of 2019

984

World Championships

245

World Relays

126

World Cross Country

World Athletics Coverage in Mainstream Media (top 20 countries)

14 January 2019 – 14 October 2019

Top 5s

Events

Doha World Champs

Diamond League

Council Meetings

Lima Pan American Games
(only athletics coverage)

Yokohama World Relays

Topics

Cheating and Doping

Equality and Inclusion

Competitions and Results

Hyperandrogenism

Reinstatement of Russia

Spokespeople

Seb Coe

Rune Anderson

Jon Ridgeon

Ximena Restrepo

Dahlan Al Hamad

Press Conferences 2018 v 2019

9 → 12

Press Releases 2018 v 2019

201 → 227

Global PR Campaigns 2018 v 2019

24 → 73

running events held in

24 → 73

different countries, more than

12k → 65k

participating kids and runners

Media Forums

3

forums in Asia and
South America with

47

MF Media in attendance

Athletes Forums & Clinics

3

athletes forums with

180

top athletes

16

social media clinics with

100

top athletes

Strong partnerships key to growing sport over next four years

Through our commercial rights agency, Dentsu, QNB, the largest financial institution in the Middle East and Africa, was signed as an official partner of World Athletics and the World Athletics Series Events from January 2019 to the end of 2022. We also concluded 10-year renewals with TDK, Asics and Seiko at an uplift of 10% to their previous deals and renewed our long-standing Official Supplier partnership with Mondo, who supply our technical sports equipment, through to 2023.

TBS, a World Athletics official media partner, were also extended in 2019 for a further 10 years.

The largest sponsorship deal in the history of World Athletics was signed with Chinese conglomerate, the Wanda Group in October 2019. This 10-year deal sees Wanda as the first title partner of the Diamond League for more than a decade with rights from the beginning of 2020 to the end of 2029. The media distribution rights for the Diamond League from 2025-2029 have also been secured by the Wanda Group's media company, Infront. And Infront will also be distributing the Continental Tour media rights for the next 10 years.

Building more partnerships – public and private – to put our sport at the heart of the health and wellbeing agenda in every country is a cornerstone of our business strategy for the next four years and a number of partnership agreements have been signed in 2020 with global legal services firm Pinsent Masons and parkrun being announced earlier this year. But our partnerships are more than just commercial. Our sport is uniquely placed to address a range of issues that governments and communities the world over are concerned about - increased levels of inactivity, health, education, sustainability and social cohesion. Working closely with Governments and other bodies to address these issues will also help us support our athletes through better funding and higher profiles.

We continued our work on air quality, monitoring the devices we have in five major cities. We also expanded our research to cover athlete performances correlated against air quality at the World Athletics Relays in Yokohama and started measuring air quality at marathons with a mobile unit.

The World Athletics 10-year Sustainability Strategy (2020-2030) was approved at the end of 2019 and published in early 2020. It outlines objectives and targets in terms of World Athletics' commitment to accelerating athletics towards a sustainable future and contributing to a better world. The Sustainability Strategy is available on the website [here](#).

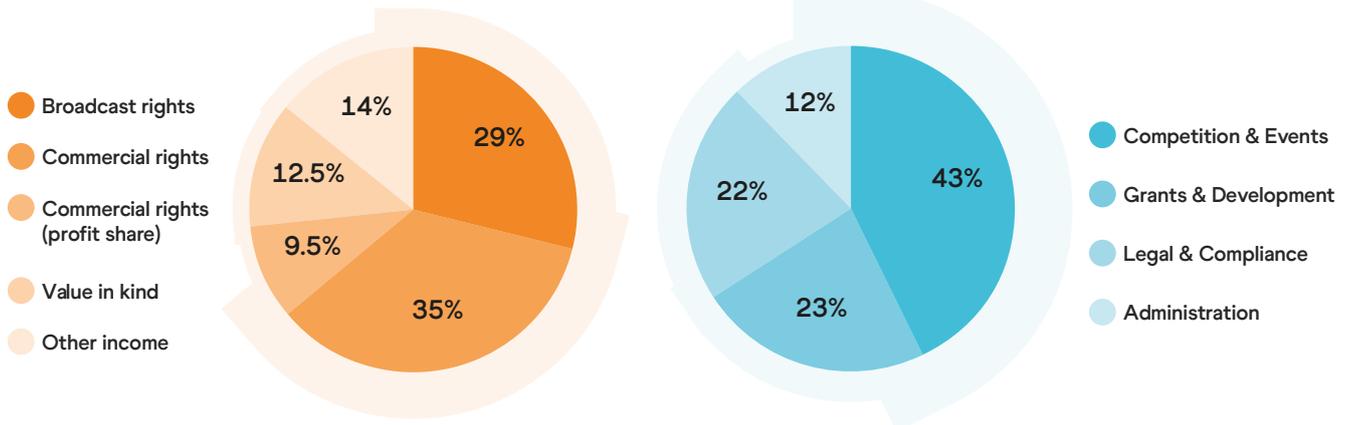
2019 was a pivotal year for our sport. It was the end of our four-year reform cycle with the new governance structures set out in our 2019 Constitution coming into effect after our Congress.

All our key reforms are now embedded in this latest Constitution. Our Areas and Member Federations have or are adopting many of these reforms within their own Constitutions. A huge amount of hard work has gone into driving new revenue streams and managing unnecessary costs out of the organisation. We have the right governance and the right leadership team in place to deliver on our ambitious new four-year strategy. We are confident we can grow the world's most participatory sport in collaboration with partners that will benefit our athletes, both financially and competitively, increase our fan base and encourage more people around the world to participate in athletics.

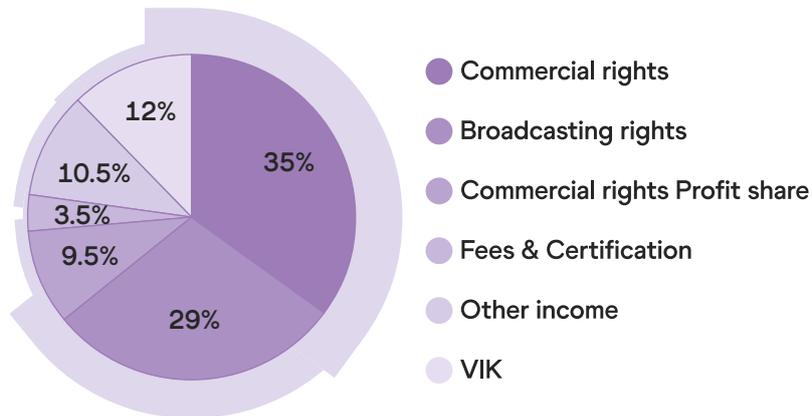
2019 Revenue, Expenditure, Development at a glance

Revenue:
US\$51.1m

Expenditure:
US\$67.8m



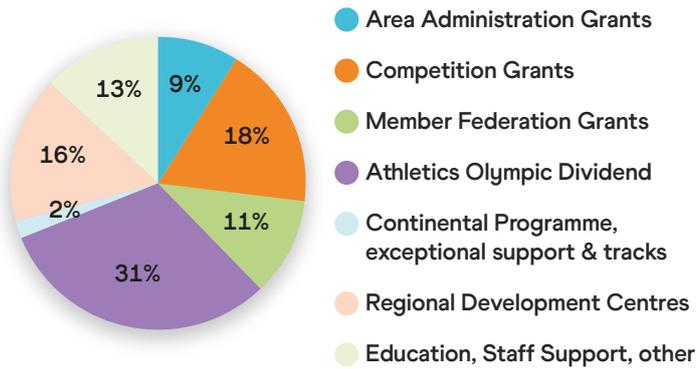
Annual Income and Expenditure Flows



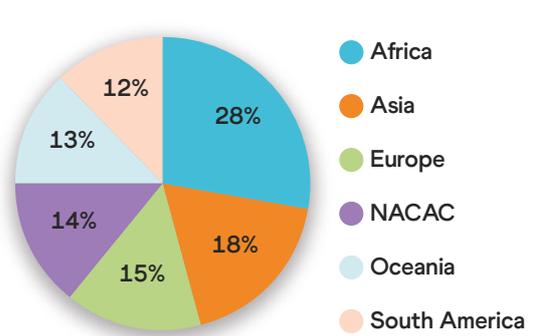
80%

of income spent on programmes
and events for athletes

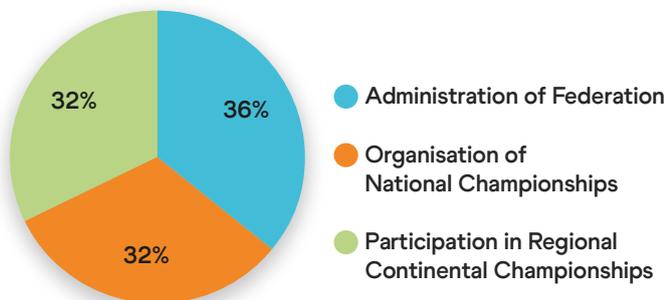
Grants & Development



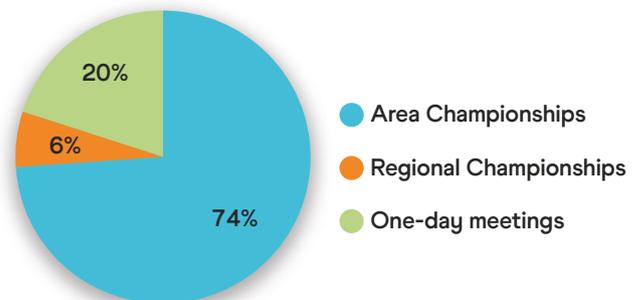
Grants distribution by Area



Overall distribution of 2019 Member Federation Grant



Overall distribution of 2019 Area Competition Grant



Focus on strong Area Championships

Staging Area Championships accounted for almost three-quarters (74%) of the competition grant distributed to Areas during 2019. Area championships provide a potential route into the World Championships for all athletes and, under the new World Athletics world ranking system, carry extra points. But they also

provide an opportunity for development and education seminars and forums. Oceania hosted one of their most successful area championships in Townsville (25-28 June) with record performances, viewing figures and attendance numbers both on and off the track and field.



74

championship records broken

1

2020 Olympic qualifier

1

area record (women's hammer throw)

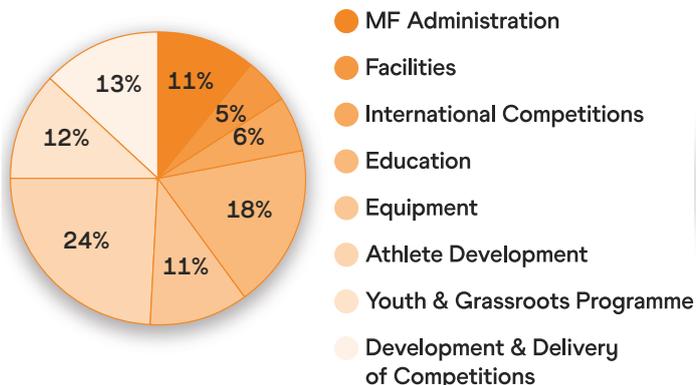
6

2019 World Championship qualifiers

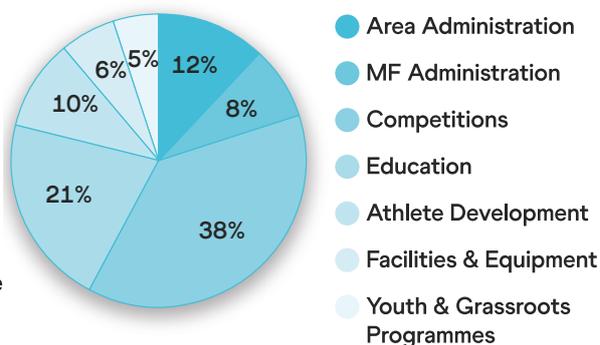
25

area champions competed at the World Athletics Championships Doha 2019

Overall AOD expenses 2019 per category in %



2019 Development Funds distribution per category in %



AOD helping to transform track and field in Burundi

The Burundi Athletics Federation has been on a mission over the past four years to identify young talent and modernise the sport in the country. This has now been made possible by the Athletics Olympic Dividend grant rolled out by World Athletics in 2016, which over a four-year cycle offered up to US\$ 25,000 every year to each member federation to support delivery of their individual strategic development priorities. This grant has been used towards the identification of young talent in Burundi. It has helped the federation expand

regular cross country and road races between high schools located in the same district in each of the four athletics sections. The best talent from each region is then invited to the national championships, where an elite crop is gathered and sent to regional competitions to seek entry into continental and world events like the World Athletics Championships and Olympic Games. The Burundi Athletics Federation is aiming to qualify at least eight athletes for the Tokyo 2020 Olympics, which will be a record.





Appendix A – 2019 Audited Financial Statements

Officers and Professional Advisers	
PRESIDENT	
Sebastian COE	(GREAT BRITAIN & NORTHERN IRELAND)

SENIOR VICE PRESIDENT	
Sergey BUBKA	(UKRAINE)

VICE PRESIDENTS	
Nawaf AL SAUD	(SAUDI ARABIA)
Geoff GARDNER	(NORFOLK ISLAND)
Ximena RESTREPO	(COLOMBIA)

COUNCIL MEMBERS	
Valerie ADAMS	(NEW ZEALAND)
Dahlan AL HAMAD	(QATAR)
Beatrice AYIKORU	(UGANDA)
Sylvia BARLAG	(NETHERLANDS)
Willie BANKS	(USA)
Raul CHAPADO	(SPAIN)
Nawal EL MOUTAWAKEL	(MOROCCO)
Robin Sapong EUGENIO	(NORTHERN MARIANA ISLANDS)
Helio GESTA DE MELO	(BRAZIL)
Alberto JUANTORENA DANGER	(CUBA)
Hamad KALKABA MALBOUM	(CAMEROON)
Abby HOFFMAN	(CANADA)
Dobromir KARAMARINOV	(BULGARIA)
Renaud LAVILLENIE	(FRANCE)

Officers and Professional Advisers	
Antti PIHLAKOSKI	(FINLAND)
Anna RICCARDI	(ITALY)
Mike SANDS	(BAHAMAS)
Adille J. SUMARIWALLA	(INDIA)
Nan WANG	(CHINA)
Hiroshi YOKOKAWA	(JAPAN)

CHIEF EXECUTIVE OFFICER	Jon RIDGEON
--------------------------------	-------------

AUDITORS	Ernst & Young Audit Conseil & Associes
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MAIN BANKERS	BARCLAYS BANK
	COMPAGNIE MONEGASQUE DE BANQUE



STATEMENT OF EXECUTIVE BOARD RESPONSIBILITIES 2019 CONSOLIDATED FINANCIAL STATEMENTS

In addition to the basic financial reporting requirements set out in the statutes of World Athletics (“the Association”), the Executive Board undertakes to prepare consolidated financial statements for each financial period which give a true and fair view of the state of affairs of the Association as at the end of the financial period, of the surplus or loss and of the cash flow statement of the Association for that period.

In preparing those consolidated financial statements, the Executive Board considers that the Association has used appropriate accounting policies in accordance with the note A and B of the consolidated financial statements, consistently applied and supported by reasonable judgments and estimates, that all accounting standards which they consider to be applicable have been followed and that the preparation of the consolidated financial statements on a going concern basis is appropriate.

The Executive Board has responsibility for ensuring that the Association keeps accounting records, which disclose with reasonable accuracy the financial position of the association.

The Executive Board has general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Association and to prevent and detect fraud and other irregularities.

Approved by the Executive Board

And signed on behalf of World Athletics
On August 31, 2020



Sebastian Coe
President



Vineesh Kochhar
Chief Operating Officer

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Executive Board of World Athletics,

OPINION

We have audited the consolidated financial statements of World Athletics which comprise:

- the consolidated balance sheet as at 31 December 2019,
- the consolidated statement of comprehensive income for the year then ended,
- the consolidated statement of changes in equity for the year then ended,
- the consolidated statement of cash flows for the year then ended, and
- the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated balance sheet of the Association (including World Athletics and its subsidiaries) and its consolidated financial performance and consolidated cash flows for the period then ended, in accordance with the accounting principles described in the notes to the consolidated financial statements.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Association in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Monaco, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

EMPHASIS OF MATTER

We draw attention to Note 1 of the consolidated financial statements, which describes the first application of International Financial Reporting Standards as adopted by the European Union (IFRS) and the key impacts in the context of the IFRS transition. Our opinion is not modified in respect of this matter.

OTHER INFORMATION

Other information consists of the information other than the financial statements and our auditor's report thereon.

Management is responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Association's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Association to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Association audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

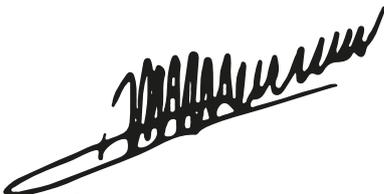
RESTRICTION ON USE OF OUR REPORT

This report is addressed to the Executive Board of the Association. We assume or take no responsibility in respect of a third party which may use this report.

This report shall be governed by, and construed in accordance with Monaco law. The courts of Monaco shall have exclusive jurisdiction in relation to any claim or dispute concerning the engagement letter or this report, and any matter arising from them. Each party irrevocably waives any right it may have to object to an action being brought in any of those courts and to claim that the action has been brought in an inconvenient forum or that those courts do not have jurisdiction.

Monaco, September 07, 2020

The independent auditor
ERNST & YOUNG Audit Conseil & Associés



Sandrine Arcin



Consolidated financial statements according to IFRS

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Information about the association and significant events of the period

I. General

World Athletics (previously known as the International Association of Athletics Federations) is a non-profit-making association, the members of which are the National Federations, which represent athletics in each country of the world.

Its object is to establish legal and friendly cooperation between all members for the benefit of athletics. World Athletics compiles rules with regulations governing international competitions and fosters the worldwide development of athletics and the dissemination of technical and other information to its affiliated entities.

II. About World Athletics

Athletics is one of the world's most ancient sports which has continued to adapt through the centuries, offering a dynamic, life-enhancing sport.

On 17 July 1912 in Stockholm, following the closing ceremony of the Olympic Games in the Swedish capital, the International Amateur Athletic Federation (IAAF) was founded as the world governing body for the sport of track and field athletics.

During the 10 decades that followed, athletics underwent many changes reflecting the political and socio-economic evolution of the wider world. Even the IAAF's name changed in 2001, becoming the 'International Association of Athletics Federations' to reflect the growth of a professional sporting world which did not exist in 1912. More recently, in 2019, the Federation changed its name to 'World Athletics'.

World Athletics was founded to fulfil the need for a world governing authority, for a competition programme, for standardised technical equipment

and for a list of official world records. All of these requirements remain today.

Yet in an ever-changing world, international sport federations such as World Athletics need to be proactive when trying to reach new audiences and find new hosts for their events. It is also fundamental to understand that athletics is no longer just about high performance, gold medals and records. It is also about 'sport for all' and about ensuring that the maximum number of citizens are able to participate in athletics.

This means, of course, the thriving world of road running, which is where a large number of people across the globe connect directly with the world of athletics. It also means athletics in schools, where World Athletics is keen to ensure that we reach the maximum number of children, all over the world, starting at the age of seven but also including those in their teens, where the drop-off from sport is most acute.

Despite the obvious benefits the sport brings to communities and society, World Athletics recognises that athletics is competing for the public's attention in an ever more varied and complex media and entertainment-driven world. This means the sport and all those within it embracing wider aspects touching on social responsibility, the environment and all matters that help advance athletics as a force for good and creating a better world.

Athletics disciplines are among the oldest of all sporting competitions known to humankind, with 'run, jump, throw' the natural and universal forms of human physical expression. The sport also offers broader values that help deal with life's challenges.

World Athletics is adapting its competition programmes to reflect the vast array of activities the public has access to. Attracting, growing, and, most importantly,

retaining young people as both participant and spectator are essential if athletics is to retain its appeal. And it is equally important to continue the close links the sport has to the masters' athletics movement as well as ultra-distance running and mountain racing.

The biennial World Athletics Championships is the jewel of our World Athletics Series of events, which also includes indoor, U20, relays, cross-country, race walking and road running during a four-year cycle of World Championships and/or Cup events for each of these types of competition.

Athletics also carries the mantle of being the Olympic Games' leading sport. Athletics is the main spectator stadium sport of the Games, central to the success of each summer Olympic Games. The histories of athletics and the Olympic Games are closely entwined, and World Athletics is extremely proud of this association.

Both the World Athletics Championships and the Olympic Games continue to play to packed stadiums and attract TV audiences in their billions.

The marketing potential of each edition of the World Athletics Championships is excellent with only the summer Olympic Games and the FIFA World Cup bigger in terms of global reach and impact. The next World Athletics Championships will be hosted in Eugene, USA (2022) and Budapest, Hungary (2023).

The wide variety in the type, size and scope of the rest of the World Athletics Series of competitions, with their different demands in terms of logistics, budget and facilities, also means that there are World Athletics events available to fit the hosting ambitions and resources of cities, large and small, among most of the sport's 200+ national member federations.

Showing the sport's ability to innovate and respond to changing demands, an exciting new team competition, the World Athletics Relays, was launched in 2014 in Nassau, The Bahamas and has now been staged on three further occasions, most recently in Yokohama.

This variety extends beyond championships.

In 2010, a new global one-day competition structure was unveiled. It is headed by the Diamond League of 14 invitational track and field meetings in Africa, Asia, Europe, and North America. The Continental Tour, with Gold, Silver and Bronze one-day meetings held across all six World Athletics areas, provides the second tier of elite international competition along with our World Challenge events. All these play out to large stadium and TV audiences around the world.

As World Athletics enters its second century as an official governing body, its aim is to further enhance the vibrant sport to offer new and exciting prospects for athletes and spectators alike. Following four years of reform, resulting in two revisions of the Association's constitution, the sport is working hard to ensure that every area of athletics is reviewed, tested and encouraged to strive for excellence.

III. New Brand Identity

The IAAF Council approved the global governing body's new name and logo at the 217th IAAF Council Meeting, which concluded 8 June 2019 in Monaco.

The new name, 'World Athletics', builds upon the organisation's restructuring and governance reform agenda of the past four years to represent a modern, more creative and positive face for the sport. The new brand, Council agreed, makes the sport more accessible to a wider audience while giving the global governing body the opportunity to more clearly communicate its mission as the leader of the world's most participatory sport.

The new brand identity began its rollout in October after the IAAF World Athletics Championships Doha 2019 and following Congress's approval of the change to the Federation's legal name.

The logo design is comprised of three main elements: the 'W' of World, which is also a symbol of an athlete's arms raised in victory; the 'A' of Athletics, which also represents an athlete's focus as they prepare for the road ahead; and an arc over both to represent the entire athletics community coming together. The logo also includes the sweep of a running track, which appears in an upward trajectory, symbolising the desire to continually push beyond limits. The patterns capture the energy present in all four of athletics' Association disciplines: running, jumping, throwing and race walking.

The rebrand process began in January 2018 when the IAAF invited five global brand and marketing agencies to respond to the brief outlining the rebrand concept. From those, an internal team selected a short list, which then underwent a consultation process where Member Federations, partners, athletes and broadcasters provided feedback before the final version was presented to Council.

IV. Official 2019 World Athletics Partners

World Athletics Partners



World Athletics Media Partner



World Athletics Media Distribution Partners



World Athletics Supplier



Consolidated Financial Statements

Consolidated Statement Of Comprehensive Income

in k USD	Note	2019	2018 Restated
Revenue			
Television Rights & Sponsorship	2	43 855	42 402
Other revenue	3	7 289	2 807
Total revenue		51 144	45 210
Expenses			
Competition & Events	4	29 546	33 861
Grants & Development	5	15 385	14 586
Legal & Compliance	6	14 853	15 729
Administration	7	8 051	8 286
Total expenses		67 835	72 462
Operating Loss		(16 691)	(27 252)
Financial Income	8	400	505
Financial Expenses	9	(1 070)	(765)
Financial Result (Loss)		(671)	(259)
Share of loss on investment in equity	10	(63)	(98)
Loss for the year		(17 424)	(27 609)

Other Comprehensive Income

in k USD	Note	2019	2018 Restated
Loss for the year		(17 424)	(27 609)
Items that will not be reclassified subsequently to profit or loss	16	130	(9)
Actuarial gain (loss) on retirement benefit obligations			
Items that will be reclassified subsequently to profit or loss when specific conditions are met		-	-
Currency translation differences			
Other comprehensive income/(expense)		130	(9)
Total comprehensive loss for the Year		(17 295)	(27 618)



Consolidated Balance Sheet

in k USD	Note	31 Dec 2019	31 Dec 2018 Restated	01 Jan 2018 Restated
Assets				
Intangible assets		328	172	-
Property, plant & equipment	11	6 571	7 527	7 590
Long term financial assets		205	108	108
Investments in equity-accounted investees	10	109	172	269
Non-current assets		7 212	7 979	7 967
Trade receivables	12	496	332	280
Prepayments & tax receivables	12	1 070	936	1 340
Other receivables	12	7 950	1 827	8 560
Contract assets	13	9 344	4 550	8 396
Cash and cash equivalents	14	34 302	50 820	62 786
Current assets		53 161	58 465	81 363
Total assets		60 373	66 445	89 331
Reserve Fund		10 000	10 000	10 000
General Fund		36 287	63 766	83 805
Loss for the year		(17 424)	(27 609)	(20 030)
Total equity & reserves (general funds)	15	28 862	46 157	73 775
Liabilities				
Trade payables	18	4 483	2 656	2 796
Other payables and accrued expenses	19	17 138	9 141	8 040
Financial liabilities	17	282	271	287
Deferred income		1 119	-	-
Current liabilities		23 021	12 067	11 122
Provisions	16	1 102	1 105	1 078
Financial liabilities	17	3 003	3 285	3 298
Deferred income		4 385	3 831	58
Non-current liabilities		8 490	8 220	4 434
Total liabilities		31 511	20 288	15 556
Total liabilities and reserves		60 373	66 445	89 331

Consolidated Statement Of Cash Flows

in k USD	Note	2019	2018 Restated
Operating activities			
Net result for the year		(17 424)	(27 609)
Net financial income/(expense)	8,9	674	260
Depreciation	11	1 063	955
Share of loss on investment in equity	10	63	98
Increase/(Decrease) in provisions for pension obligations	16	(3)	27
(Increase)/Decrease in other receivables	12	(4 844)	11 159
(Increase)/Decrease in prepaid expenses and accrued income		-	-
(Increase)/Decrease in contract assets	13	(4 794)	3 846
Increase/(Decrease) in payables	18,19	9 708	1 194
Net cash used by operating activities		(15 558)	(10 370)
Investing activities			
(Purchase)/sale of property, plant & equipment	11	(106)	(892)
(Purchase)/sale of intangible assets		(155)	(172)
Net cash used in investing activities		(261)	(1064)
Proceed from new loans / borrowings		-	142
Reimbursement of loans / borrowings		(378)	(287)
Interest received		106	91
Interest paid		(428)	(478)
Net cash used in financing activities		(700)	(532)
Net decrease in cash & cash equivalents		(16 519)	(11 966)
Cash & cash equivalents as at 1 January	14	50 820	62 786
Net decrease in cash & cash equivalents		(16 518)	(11 965)
Cash & cash equivalents as at 31 December		34 302	50 820

Consolidated Statement Of Changes In Equity

in k USD	Note	Reserve Fund	Other Reserves Transfer from income	Total equity
Balance as at 31 December 2017 - as previously reported		10 000	54 802	64 802
IFRS 16 - first application net of taxes	4	-	(136)	(136)
IFRS 15 - first application net of taxes	1	-	10 486	10 486
Other first IFRS application impacts	1		(1 378)	(1 378)
Balance as at 1 January 2018 - restated		10 000	63 775	73 775
Net income allocation			-	-
Actuarial loss on retirement benefit obligations, net of taxes		-	(9)	(9)
Other comprehensive expense for the period		-	(9)	(9)
Loss for the year			(27 609)	(27 609)
Total comprehensive loss for the period		-	(27 618)	(27 618)
As at 31 December 2018		10 000	36 157	46 157
Net income allocation			-	-
Actuarial gain on retirement benefit obligations, net of taxes			130	130
Other comprehensive income for the period		-	130	130
Loss for the year			(17 424)	(17 424)
Total comprehensive loss for the period		-	(17 295)	(17 295)
As at 31 December 2019		10 000	18 862	28 862



Significant Accounting Policies

FIRST ANNUAL REPORTING UNDER IFRS

The fiscal year ended 31 December 2019 represents our first annual reporting period under IFRS. Previous annual consolidated financial statements were prepared under accounting policies determined by the IAAF. Comparative figures as at 31 December 2018 and 1 January 2018 have been restated to comply with International Financial Reporting Standards (IFRS) as adopted by the European Union.

For a summary of the impacts related to the adoption of IFRS on our consolidated financial statements, see Note 1 – Adoption of IFRS to the consolidated financial statements. It provides more details on the most significant adjustments to equity, net income, comprehensive income and cash flows.

All figures have been rounded off to the nearest thousands, except if indicated otherwise. As a result, certain totals may not appear to cast.

A. General Information And Statement Of Compliance

World Athletics' consolidated financial statements for the year ended 31 December 2019 have been prepared in accordance with the IFRS as adopted by the European Union. These standards are available on the European Union's website: [here](#).

The financial statements are accompanied by disclosures deemed to be material as required by regulation no. 1606/2002 of the European Parliament and of the council, which are available on the European Union's website: [here](#).

Since World Athletics has not previously prepared financial statements in accordance with IFRS, these are the first consolidated financial statements prepared in accordance with IFRS. Accordingly, as required by

IFRS 1 "First-time Adoption of International Reporting Standards", the Association has applied the standards effective at 31 December 2019 for all periods presented.

B. Basis Of Preparation

Since 1 January 2018, the Association has been applying IFRS. Note that IFRS itself introduced the following new standards during the period which we have also applied:

IFRS 9

This standard defines rules in terms of:

- the classification and measurement of financial instruments (Phase 1);
- impairment due to credit risk of financial instruments (Phase 2); and
- hedge accounting, excluding macro-hedging transactions (Phase 3).

The IFRS 9 classification and measurement provisions, as well as its new impairment model are applied retrospectively by adjusting the opening balance sheet at 1 January 2018 (impact on shareholders' equity). The Association is thus presenting its 2019 financial statements without adjusting the 2017 data to the IFRS 9 format. The Association is not applying Phase 3, which is optional.

The impact of the new accounting methodology for determining the impairment provision for trade receivables and contract assets resulted in no material change in the provision for impairment of trade receivables. Under the new policy, a loss allowance for expected credit losses is recognised based upon the lifetime expected credit losses in cases where the credit risk on trade and other receivables has increased significantly since initial recognition. In cases where the credit risk has not increased significantly the Association

measures the loss allowance at an amount equal to the 12-month expected credit loss. This assessment is performed on a collective basis considering forward-looking information. Trade receivables longer than one-year overdue and specific risk trade receivables with no reasonable expectation of recovery are impaired and hence provided for in full, unless reliable supporting information to determine otherwise is available. The Association does not present its impairment losses separately in the statement of profit or loss, but in the notes thereto.

IFRS 15

The Association has adopted IFRS 15 Revenue from Contracts with Customers from 1 January 2018, which resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. In accordance with the transition provisions in IFRS 15, the Association has adopted the new rules retrospectively and has restated comparatives for the 2018 financial year.

Under IFRS 15, revenue is recognised when control of a good or service is transferred to a customer, for the amount the seller is expected to be entitled to.

To this effect, the standard sets out a five-stage model, enabling the entity to determine when and in what amount the revenue from ordinary activities should be recognised:

- identify the contract entered with the customer;
- identify the performance obligations in the contract;
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract;
- recognise revenue when (or as) the entity satisfies a performance obligation.

Analysis of IFRS 15 and identification of its effects are described in the specific note 1.

IFRS 16

This new standard, which was published in early 2016 and adopted by the EU on 31 October 2017, took effect

on 1 January 2019 with an early adoption possible. The Association decided to adopt this new standard as at 1 January 2018.

Under IFRS 16, for a contract to qualify as a lease, there must be both the identification of an asset and control by the lessee of the right to use said asset.

For the lessee, operating leases and finance leases will be accounted for based on a single model, with recognition of:

- an asset representing the right to use the leased item during the lease term;
- offset by a liability in respect of the lease payment obligation;
- straight-line depreciation of the asset and an interest expense in the income statement using the diminishing balance method.

The Association has elected to apply IFRS 16 Leases. In accordance with the transition provisions in IFRS 16, the new rules have been adopted retrospectively with the cumulative effect of initially applying the new standard recognised on 1 January 2018. Comparatives for the opening financial year have been restated. See note 1 below for further details on the impact of the change in accounting policy.

C. Consolidation Principles And Perimeter

The Association consolidated its subsidiaries, i.e. entities directly or indirectly controlled by the Association. The Association controls an entity when (i) it is exposed to, or has rights, to variable returns from its involvement with the entity, and (ii) it has the ability to affect those returns through its power over the entity.

Subsidiaries are accounted for using the full consolidation method from the date the Association obtains control and until the Association loses control of the subsidiary.

Entities over which the Association has joint control or significant influence are accounted for using the

equity method. The Association is generally presumed to have significant influence when it holds at least approximately 50% of the entity's voting rights.

The Association exercises significant influence over an entity when it has the power to participate in the financial and operating policy decisions of that entity but does not have the power to exercise control or joint control over those policies. Under the equity method, the investment is initially recognised at cost, and subsequently adjusted to reflect changes in the net assets of the associate or joint venture

The perimeter of the consolidation comprises World Athletics, Diamond League AG partially owned by World Athletics (35.20%) and World Athletics Productions Ltd as equity accounted investments.

World Athletics has been determined to exercise a significant influence over both entities and concluded these investments should be recorded as equity accounted investments.

Separately, World Athletics owns a 6% participation in Athletics Australia (Nitro/AUS) and concluded this non-consolidated investment should be recorded at fair-value through other comprehensive income, and this has no significant impact on the Association's financial statements.

D. Currency Translation

The consolidated financial statements are presented in Thousands of United States Dollars, the functional currency of the Association at the closing exchange rate. Any resulting exchange differences are recognised in the statement of comprehensive income.

Transactions in currencies that are not the US dollar are translated into US dollars at the transaction date exchange rate.

Monetary assets and liabilities whose currency is not US dollars are translated into US dollars using the closing exchange rate.

E. Tangible Fixed Assets

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Gains and losses on the disposal of property, plant and equipment are recognised in the consolidated statement of comprehensive income.

Depreciation is calculated on a straight-line basis over its estimated useful lives that are as follows:

Office furniture and equipment	5 to 10 years
Computer equipment	5 years
Leasehold improvements	up to 15 years
Motor cars	5 years

Leases contracted by the Association are accounted for in accordance with IFRS 16 (Leases). The Association recognises a right-of-use asset and a lease liability for all its lease contracts, except for (i) leases relating to low-value assets and (ii) short-term leases (12 months or less). Payments made in respect of leases not recognised on the balance sheet are recognised as an operating expense on a straight-line basis over the lease term.

On commencement of a lease, the liability for future lease payments is discounted at the incremental borrowing rate, which is a risk-free rate adjusted to reflect the specific risk profile of World Athletics. Because lease payments are spread over the lease term, the Association applies a discount rate based on the duration of those payments.

The payments used to determine the liability for future lease payments exclude non-lease components but include fixed payments that the Association expects to make to the lessor over the estimated lease term.

F. Accruals And Provisions

A provision is recognised when World Athletics has a legal or constructive obligation towards a third party as a result of a past event, when it is probable that an outflow or economic benefits will be required to settle the obligation and when a reliable estimate can be made of future cash outflows.

Any accrued liability not consumed within two years after the recognition date shall be reversed in the consolidated income statement unless specific circumstances justify the balance to be maintained in the balance sheet.

Payables are not interest bearing and are stated at their nominal value.

Contingent liabilities are not recognised but are disclosed in the notes to the financial statements unless the possibility of an outflow of economic resources is remote.

G. Debtors

Trade receivables are amounts due from customers for services performed in the ordinary course of business. They are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Association holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

H. Revenue

Revenue is recognised to the extent that it is probable that the Association will derive economic benefit from it and that the revenue can be reliably measured.

World Athletics-related revenue consists primarily of the following items:

- television rights (i.e. media rights)
- commercial rights (i.e. sponsorship)
- value in kind
- technical certification

The exclusive broadcast partners payment is received twice per year and covers the broadcast rights for all World Athletics events for the year. The current agreement was signed in April 2018 and covers the period from 1 January 2018 to December 31, 2023.

Commercial sponsorship income is split in three parts: the first part corresponds to the commercial rights and yearly invoices amounts to \$11m per year. The second part relates to the TV rights in Japan and generates a revenue of \$7m per year. The third part corresponds to commission based on the value in kind under sponsoring contracts. Value in kind in the form of products and services supplied by sponsors for use in events is recognised as profit and loss in the consolidated statement of comprehensive income. Commissions on value in kind due to the Association's

marketing partner are accounted for based on the value of in-kind contribution.

During 2018, an amendment to the agreement for the period of 2020-2029 was signed. This new agreement calls for a minimum guarantee over the 10-year period of \$130m. The agreement with commercial sponsorship also includes a profit-share income clause.

The performance obligations are identified as the right to access intellectual property and as such revenue is recognised on a straight-line basis.

Regarding profit share revenue recognition, management exercises its judgement to determine an estimate of the profit share directly attributable to the financial year and recognises this in the period it is earned.

Technical certifications provided by World Athletics are performed at a point in time with a certification duration of three or five years, regarding sportive infrastructures. Revenue generated from technical certifications is recognised at a point in time when the technical certification is provided.

The performance obligations have been determined for each contract and the revenue recognition method for each contract has been determined accordingly with IFRS 15 principles.

I. Operating Expenses

Total expenses are the gross outflow of economic benefits that arise from the ordinary activity of organising an event as well as from World Athletics administrative activities.

Total expenses consist primarily of the following items: contributions to member federations, anti-doping integrity unit, event expenses (direct event expenses, broadcast and media, marketing, promotion,

publications, hospitality and other event expenses, information technology, employee salaries and benefits, depreciation and amortisation of non-current assets).

Expenditure relating to future events is deferred and recognised in the consolidated income statement when the event takes place.

J. Financial Income And Expenses

The financial income and financial expenses positions include the following:

- financial income, consisting of interest income from interest-bearing assets, as well as realised and unrealised foreign exchange gains.
- financial expenses comprising realised and unrealised foreign exchange losses as well as bank charges and any interest costs.

K. Financial Risk Management

The Association's overall risk management programme focuses on the unpredictability of the financial markets and seeks to minimise any potential adverse effects on the Association's financial performance.

The Management Board provides principles for the overall management of risks such as foreign exchange risk, credit risk and liquidity risk.

(a) Foreign exchange risk

The Association operates internationally and is exposed to foreign exchange risk arising from transactions denominated in currencies other than the United States Dollar, which is the functional and presentation currency of the Association.

Operating income/expenses and the cash flows of the Association are affected by exchange rate fluctuations, principally between the Euro and the US Dollar. The Association estimates that the impact in absolute

terms of a 10% increase or decrease in this rate on its operating income for the year ended 31 December 2019 would not have been material.

During the periods presented, the Association did not engage in any hedging operations.

(b) Credit risk

Credit risk is managed on an Association-wide basis. Credit risk arises from cash and cash equivalents, and deposits with banks and financial institutions, as well as credit exposure to customers, including outstanding receivables and committed transactions. The credit risk on receivables is highly mitigated by the quality of the client.

Credit risk linked to cash, deposits and current financial instruments is not material given the quality of the co-contracting financial institutions.

(c) Liquidity risk

Management monitors rolling forecasts of the Association's liquidity requirements on a quarterly basis to ensure it has enough cash available to meet its operational needs. Expenditure trends are balanced with committed revenues to ensure adequate liquidity is maintained.

World Athletics benefits from long term commercial and broadcast contracts that provide flexibility in managing operational cash needs. In addition, the Olympic Dividend received every four years allows the Association to smoothen its long-term expenditure patterns.

As a result of Covid-19, the Tokyo 2020 Olympic Dividend has already been delayed and could be further delayed, curtailed or cancelled.

To safeguard against the financial impact arising from Covid-19, management has conducted a detailed review of activities that have slowed down during this time and are rationalising expenditures to balance the reduced activity. The future of Covid-19 remains

highly uncertain, however, should Covid-19 result in the cancellation of the Tokyo 2020 Olympics more significant rationalisation of expenditures would be required unless further income or other sources of liquidity were identified.

L. Going Concern

The Council of World Athletics, having made appropriate enquiries, consider that adequate resources exist for the Group to continue in operational existence for the foreseeable future and that, therefore, it is appropriate to adopt the going concern basis in preparing the consolidated financial statements for the year ended 31 December 2019. As part of the going concern assessment the Council considered the sufficiency of the group's liquidity resources.

M. Accounting Policy

The retirement benefit obligations concerns Monaco employees. Under legislation in Monaco, the Association is required to provide a pension based on legal requirements, or, on the collective labour agreement requirements if these ones are more advantageous than legal. Regarding Monaco employees, pension is computed on the last 12 months gross remuneration, excluding bonuses and other complementary remuneration. The liability which is paid once upon the retirement of the employee and is recognised in the balance sheet in respect of defined benefit pension plans. This is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated each year using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the statement of profit or loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

N. Critical Accounting Estimates And Judgment

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Association's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong. Detailed information about each of these estimates and judgements is included in other notes together with information about the basis of calculation for each affected line item in the financial statements.

- Estimation of post-employment benefits and other employee benefits. The Association has obligations to pay certain pension benefits to certain employees. The cost of these benefits and the present value depend on several factors including salary increases and discount rates. Management estimates these factors in determining the net pension obligations (see note 16).
- Television rights and commercial rights performance obligations. Management uses its judgement to determine the unique performance obligation, which is defined as the right to access intellectual property.
- Profit share expectation for the year end accrual. Management exercises its judgement to determine an estimate of the profit share directly attributable to the financial year and when the recognition criteria has been met.
- Value in kind amount for year included in income. Management are required to estimate the fair value of any value in kind goods or services received during the period and record these amounts as income and expenses. Determining fair value requires management to exercise significant judgement. In the event fair value cannot be reasonably estimated, no value is recognised
- Consolidation perimeter regarding Diamond League AG, a Swiss based company, owned 35.2% by World Athletics. World Athletics has determined that they do not have control on this entity, with World Athletics being the single largest shareholder with 35.2%, and 14 other shareholders owning the balance 64.8%. Based on historical decision processes and ownership structure, World Athletics demonstrated that decisions have always been taken unanimously and without control being exercised by World Athletics, even in day-to-day operations.
- The operational impact and financial implications of the ongoing coronavirus pandemic are as yet undeterminable.

Notes to the consolidated statement of comprehensive income

1. Adoption Of IFRS To The Consolidated Financial Statements

A) OBJECTIVE

The objective of IFRS is to ensure that an entity's first IFRS financial statements contain high quality information that:

1. is transparent for users and comparable over all periods presented;
2. provides a suitable starting point for accounting in accordance with International Financial Reporting Standards (IFRS); and
3. can be generated at a cost that does not exceed the benefits.

B) DESCRIPTION

The Association has adopted IFRS effective for its annual consolidated financial statements beginning 1 January 2018. These consolidated financial statements are the Association's first annual consolidated financial statements prepared in accordance with IFRS. For all periods up to and including the fiscal year ended 31 December 2017, the Association prepared its consolidated financial statements in accordance with previous IAAF Accounting policies.

This note explains how the transition from previous World Athletics Accounting policies to IFRS affected the Association's reported equity as at 1 January 2018 and 31 December 2018, as well as statement of comprehensive income, statement of other comprehensive income and cash flows for the fiscal year ended 31 December 2018. References to World Athletics Accounting policies in this note refer to previous World Athletics Accounting policies applicable to the Association for reporting periods up to and including the fiscal year ended 31 December 2017.

These historical accounting policies were designed to meet management reporting requirements and simplified certain areas of accounting and disclosure.

IFRS 1, First-time Adoption of International Financial Reporting Standards, requires a first-time adopter to retrospectively apply all IFRS effective as at the end of its first annual reporting period (31 December 2019 for the Association). IFRS 1 also provides a first-time adopter certain optional exemption and requires certain mandatory exemptions from full retrospective application. Most of these exemptions, if elected or mandatory, must be applied as at the beginning of the required comparative period (the transition date). The Association transition date to IFRS is 1 January 2018.

C) EXEMPTIONS FROM FULL RETROSPECTIVE APPLICATION OF IFRS

The mandatory exceptions cover areas in which retrospective application of the IFRS requirements is considered inappropriate.

In accordance with the mandatory exemptions from retrospective application of IFRS, the consolidated statement of financial position as at 1 January 2018 do not reflect all estimates, unless the bases adopted are not compliant with IFRS, and any application of IFRS 9, Financial Instruments. This includes classification and measurement of financial assets and the impairment of financial assets requirements.

The optional exemptions cover standards for which the IASB considers that retrospective application could prove too difficult or could result in a cost likely to exceed any benefits to users.

Under IFRS 1, the Association elected to apply the following optional exemptions in preparing its opening statement of financial position as at the transition date.

1. Leases – The Association elected to apply IFRS prospectively for leases from the date of application of IFRS 16 on 1 January 2018.
2. Customer contracts – a first-time adopter is not required to restate contracts that were completed before the earliest period presented.
3. Retirement benefits – The Association elected to disclose the defined benefit obligations, deficit, and experience adjustments on retirement benefit liabilities prospectively from the date of transition, progressively building the data to present the four years of comparative information required under IFRS.



RECONCILIATIONS OF EQUITY AND NET INCOME FROM IAAF GAAP TO IFRS

The following reconciliations illustrate the measurement and recognition differences in restating equity and net income reported under previous IAAF Accounting policies to IFRS for the dates and period indicated.

In k USD	Note	General & reserve funds 01/01/2018	Result 2018	Reserve funds and Other reserves	General & reserve funds 31/12/2018
World Athletics GAAP		64 802	(19 555)	-	45 247
Pension benefits		(1 078)	(19)	(9)	(1 105)
IFRS 15 first application - net of taxes	1	10 486	(7 292)	-	3 195
IFRS 16 first application - net of taxes	2	(136)	(119)	-	(255)
Other items	3	(300)	(625)	-	(925)
IFRS standards		73 775	(27 609)	(9)	46 158

The following reconciliations illustrate the reclassifications and restatements from previous IAAF Accounting policies to IFRS to the opening statement of financial position and to the statement of income for the fiscal year ended 31 December 2018.

RESTATEMENTS TO THE BALANCE SHEET AT PERIOD OPENING 1 JANUARY 2018

in k USD	31 Dec 2017	IFRS 15	IFRS 16	Pensions	Other	01 Jan 2018
Assets						
Intangible assets	-					-
Property, plant & equipment	4 141		3 449			7 590
Long term financial assets	-				108	108
Investments in equity-accounted investees	269					269
Non-current assets	4 411	-	3 449	-	108	7 967
Trade receivables	280					280
Prepayments & tax receivables	1 340					1 340
Other receivables	8 968				(408)	8 560
Contract assets	-	8 396				8 396
Cash and cash equivalents	62 786					62 786
Current assets	73 375	8 396	-	-	(408)	81 363
Total assets	77 785	8 396	3 449	-	(300)	89 331
Reserve Fund	10 000					10 000
General Fund	74 832	10 486	(136)	(1 078)	(300)	83 805
Loss for the year	(20 030)					(20 030)
Total equity & reserves (general funds)	64 802	10 486	(136)	(1 078)	(300)	73 775
Liabilities						
Trade payables	2 796					2 796
Other payables and accrued expenses	8 040					8 040
Financial liabilities	-		287			287
Deferred income	691	(691)				-
Current liabilities	11 526	(691)	287	-	-	11 122
Provisions	-			1 078		1 078
Financial liabilities	-		3 298			3 298
Deferred income	1 457	(1 399)				58
Non-current liabilities	1 457	(1 399)	3 298	1 078	-	4 434
Total liabilities	12 984	(2 090)	3 585	1 078	-	15 556
Total liabilities and reserves	77 785	8 396	3 449	-	(300)	89 331



RESTATEMENTS TO THE BALANCE SHEET AT PERIOD ENDING 31 DECEMBER 2018

in k USD	31 Dec 2018 as previously reported	IFRS 15	IFRS 16	Pensions	Other	31 Dec 2018 restated
Assets						
Intangible assets	-				172	172
Property, plant & equipment	4 227		3 300			7 527
Long term financial assets	-				108	108
investments in equity-accounted investees	472				(300)	172
Non-current assets	4 698	-	3 300	-	(20)	7 979
Current assets						
Trade receivables	332					332
Prepayments & tax receivables	1 733				(797)	936
Other receivables	1 934				(108)	1 827
Contract assets	-	4 550				4 550
Cash and cash equivalents	50 820					50 820
Current assets	54 820	4 550	-	-	(905)	58 465
Total assets	59 519	4 550	3 300	-	(925)	66 445
Equity & Reserves						
Reserve Fund	10 000					10 000
General Fund	54 802	10 486	(136)	(1 086)	(300)	63 766
Loss for the year	(19 555)	(7 292)	(119)	(19)	(625)	(27 609)
Total equity & reserves (general funds)	45 248	3 195	(255)	(1 105)	(925)	46 158
Liabilities						
Trade payables	2 656					2 656
Other payables and accrued expenses	9 141					9 141
Financial liabilities	-		271			271
Deferred income	557	(557)				-
Current liabilities	12 353	(557)	271	-	-	12 067
Non-current liabilities						
Provisions	-			1 105		1 105
Financial liabilities	-		3 285			3 285
Deferred income	1 919	1 912				3 831
Non-current liabilities	1 919	1 912	3 285	1 105	-	8 220
Total liabilities	14 272	1 355	3 556	1 105	-	20 288
Total liabilities and reserves	59 520	4 550	3 300	(0)	(925)	66 445



RESTATEMENTS TO THE STATEMENT OF COMPREHENSIVE INCOME AT 31 DECEMBER 2018

in k USD	2018	IFRS 15	IFRS 16	Pensions	Other	2018 IFRS
Revenue						
Television Rights & Sponsorship	44 762	(2 360)				42 402
Other revenue	2 749	58				2 807
Total revenue	47 511	(2 302)	-	-	-	45 210

Expenses						
Competition & Events	28 246	4 990			625	33 861
Grants & Development	14 586					14 586
Legal and Compliance	15 729					15 729
Administration	8 279		4	2		8 286
Total expenses	66 840	4 990	4	2	625	72 462

Operating Profit (Loss)	(19 329)	(7 292)	(4)	(2)	(625)	(27 252)
Financial Income	505					505
Financial Expenses	(634)		(115)	(16)		(765)
Financial Result (Loss)	(128)	-	(115)	(16)	-	(259)
Share of (loss)/profit on investment in equity	(98)					(98)
Loss for the year	(19 555)	(7 292)	(119)	(19)	(625)	(27 609)

The following items explain the most significant restatements to equity and net income resulting from the change in accounting policies upon adoption of IFRS.

1. IFRS 15 REVENUE FROM CONTRACTS WITH CUSTOMERS

in k USD	General & reserve funds 01/01/2018	Result 2018	Reserve funds and Other reserves	General & reserve funds 31/12/2018
IFRS 15 - Certification - Deferred revenue	2 090	58	-	2 148
IFRS 15 - Profit Share opening impact	8 396	(8 396)	-	-
IFRS 15 - Profit Share FY18 impact	-	4 550	-	4 550
IFRS 15 - VIK (\$6 232k), no impact on P&L	-	-	-	-
IFRS 15 – Broadcast rights	-	(3 503)	-	(3 503)
IFRS 15 standards application impacts	10 486	(7 292)	-	3 195

RECOGNITION OF BROADCAST RIGHTS AND COMMERCIAL RIGHTS:

Broadcast Rights and Commercial rights are described earlier in the financial statements. Application of IFRS 15 on this stream led to a change of recognition of the profit-sharing portion, which is applicable to our commercial rights contract. Previously, profit share was recognised when confirmed and paid by the third party, which was not on an annual basis. However, five steps approach led to identify one performance obligation, which is reached every year, based on the surplus realised each year by the event related to these rights. Thus, profit sharing is now recognised on a yearly basis, based on excess profit performed during the dedicated year in the context of the variable consideration constraint.

This new recognition scheme led to the recognition of a contract asset as of 1 January 2018 of \$8 396k (counterpart retained earnings), which was fully reversed and paid during the 2018 financial year and also of the recognition of \$4 550k regarding 2018 profit share portion.

VALUE IN-KIND:

Also included in commercial rights contract, a value in kind contribution is disclosed. Value in kind in the form of products and services supplied by sponsors for use in events which had not recognised as income or expenditure in the income and expenditure statement. Commissions on value in kind due to the Federation's marketing partner were accounted for based on the value of in-kind contribution.

Application of IFRS 15 led to the recognition of this value in kind as other income, and expenditure for the goods and services received by World Athletics. The new recognition approach does not impact opening equity (gross up of income and expense of \$6 232k) and only impacts the gross presentation in the income and expenditure statement.

OTHER REVENUE – WORLD ATHLETICS CERTIFICATION SYSTEM:

Certification system led in previous financial statements to the recognition of deferred income. Indeed, the certifications provided by World Athletics are performed at a point in time with a certification duration of three or five years. Revenue recognition was based on the certification duration. This postponed portion was treated as deferred income, even if the performance obligation was reached at the delivery of certification. Application of IFRS 15 five steps approach led to the recognition at a point in time for this revenue.

This new recognition approach led to an impact within the equity as of the transition date of \$2 090k (counterpart reduction of the deferred income, corresponding to postponed portion as of January 1st, 2018) and of a 2018 financial year impact of \$58k complementary revenue.



2. IFRS 16 LEASES

Impacts of IFRS 16 leases are described in Note 11.

Here is a summary of the recognition of asset (right of use) and financial liabilities. Four leases are considered:

Lease #	Description	Monthly rentals k USD	Contract start date	Contract end date
1	Monaco headquarters	19	01/01/2017	31/03/2030
2	Corporate accommodation	8	01/12/2018	30/11/2021
3	Corporate accommodation	2	01/01/2017	31/12/2022
4	World Athletics archives	1	01/01/2017	31/12/2029

The lease for HQ Monaco can be extended for an additional 15 years after 2030.

Amounts recognised in the balance sheet (in k USD)	2019	2018	2017
Right of use assets	2 923	3 300	3 449
Lease liabilities	3 287	3 556	3 585

Amounts recognised in the statement of profit & loss (in k USD)	2019	2018	2017
Depreciation charge of right of use of assets	(380)	(291)	(296)
Interest expense	(106)	(115)	(130)

The following table represents a reconciliation of the operating lease commitments as of 31 December 2017 and the lease liability recognised as at 1 January 2018:

in k USD	
Operating lease commitments disclosed as at 31 December 2017	3 014
Add/(less): adjustments as a result of a different treatment of extension and termination options	571
Total	3 585

These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's borrowing rate applicable to each contract as of 1 January 2019. The rate related to the most significant contract (HQ Monaco) applied on 1 January 2019 was 3,71%.

3. OTHER

These adjustments primarily relate to assets recognised under previous accounting policies that do not meet the requirements of IFRS and which have therefore been charged in the period incurred.

2. Revenue From Broadcast Rights And Sponsorship Rights

in k USD	2019	2018 Restated
Broadcast Rights	14 725	14 725
Commercial Rights	18 000	18 138
Commercial Rights (Profit share)	4 794	4 550
Value in kind	6 336	4 990
Total revenue from Broadcast Rights and Commercial Rights	43 855	42 402

3. Other Revenue From Activities

in k USD	2019	2018
Court of Arbitration for Sport refund	274	-
Russian Athletics Federation reimbursement	3 378	-
International Olympic Committee contribution for Regional Development Centres	250	250
World Athletics certification system	1 831	1 337
Athletics Integrity Unit - Road Label Race	1 001	-
Other income	555	1 221
Total revenue from other activities	7 289	2 807

Other revenue includes monies received across a host of miscellaneous areas; the largest portion for 2019 pertains to a reimbursement for Legal and Task Force related costs arising from the suspension of the Russian Athletics Federation.

Certification income pertains to monies received from across the globe where World Athletics assists in defining and measuring standards for tracks and equipment used in athletics events.

In November 2019, World Athletics announced that \$2.5m had been made available for the 2020 Road Running Integrity Programme with contributions coming from 165 Label races, Athlete Representatives (managers) and athletes. The dedicated programme includes greatly expanded out-of-competition testing of a pool of 300 professional road runners, intelligence and investigations initiatives, and education of athletes and support personnel.

4. Competition & Events

in k USD	2019	2018
World Championships	3 393	9 882
Diamond League	4 551	4 555
IAAF Challenge & Permit	1 265	1 298
Other expenses (Competition & Events)	1 027	1 480
International Organisation support	260	313
Staff costs and consultants	2 291	2 128
Competition & Events	12 787	19 655
Value in kind commissions	7 052	5 769
Information technology	2 961	2 435
Broadcasting	1 699	1 475
Marketing	789	665
Commercial partnerships	486	504
Communication & publications	3 145	2 882
Health & science	627	476
Total Competition & Events	29 546	33 861

This includes spend on our World Athletics Series (WAS) events and includes costs for departments that work most closely with our event cycle.

Our WAS events are held on a bi-annual basis. During 2018 we had five WAS events and three during 2019. This explains the reduction in overall event-related spend for 2019. During 2019, we hosted our World Championships in Doha.

This total includes our annual spend towards the support we offer to the Diamond League AG (“DLAG”). We are the single largest shareholder in DLAG, and this contribution has been consistent over the past ten years.

Also included above is the support we offer to the Continental circuit, World Indoor Tour, Combined Events Challenge, Race Walking Challenge and the Hammer Throw Challenge.

Expenses for other departments listed above are consistent between 2018 and 2019 and there are no significant items to report.

5. Grants & Development

in k USD	2019	2018
Regional Development Centre Operations (a)	2 386	2 416
Education	66	301
Publications (NSA)	0	14
Other items	691	314
Staff costs	1 225	1 101
Area Administration grant (b)	1 450	1 450
Competition grant (c)	2 781	2 532
Member Federation grant (d)	1 740	1 705
Athletics Olympic dividend (e)	4 799	4 530
Continental programme, exceptional support & tracks	247	223
Total Grants & Developments	15 385	14 586

This includes World Athletics spend on the Development of the sport and the support that we offer to our Areas and Member Federations. These amounts are consistent between 2018 and 2019 and there has been no significant change in the manner in which we make these disbursements.

Regional Development Centres (a): The World Athletics Development Programme has evolved from a centralised to a decentralised concept. The Area Associations are considered best placed to determine development policy in their respective regions.

The long-term vision of the Decentralised Development Cooperation includes but is not limited to:

- Competent key players in athletics
- Increased participation in athletics
- Engaged athletics community
- Adequate infrastructure for athletics
- Effective/efficient administration of athletics

Area Administration Grants (b) are paid annually to assist Area Associations to operate and include:

- Maintaining a permanent office as HQ
- Defraying costs of rent, utilities, internet, telephone, website, office supplies, staff salaries, institutional meetings etc.

Competition Grants (c) are paid annually to support the organisation and delivery of competitions at a Continental level including:

- Regional and International Competitions
- Area Championships

Member Federation Grants (d) are paid annually to ensure the MF can function, meet its basic membership obligations and maintain good standing status. It covers:

- Administration of MF (including office and communication equipment)
- Organisation of Championships (national championships)
- Travel to competitions/training camps
- Clothing and equipment spend

Athletics Olympic dividend (e) is a project-based grant designed to provide tailored support to meet Member Federation's individual long-term strategic development needs and broadly supports delivery of the following objectives:

- Build new or improve facilities including maintenance
- Provide education and training
- Provide equipment
- Support structural/organisational changes within the MF in line with good governance
- Support development and delivery of competitions
- Support athletes (training, competition, talent ID)
- Support youth and grassroots projects (mass participation and school projects)



6. Legal & Compliance

in k USD	2019	2018
Congress	430	-
World Athletics Council and Executive Board	1 514	1 498
World Athletics committees	64	76
World Athletics commissions	272	286
World Athletics Independent Ethics board	400	1 255
World Athletics advisory Associations	21	68
World Athletics awards, forums & roadshows	810	1 593
International Associations meetings	158	227
Staff costs	459	434
Governance	4 128	5 437
Athletics Integrity Unit	8 316	8 645
Legal	2 409	1 647
Total Legal & Compliance	14 853	15 729

This includes World Athletics spend on Governance activities, Legal & Regulatory spend and spend associated with the Athletics Integrity Unit (AIU).

This spend between 2018 and 2019 is relatively similar and shows our continued focus on making our sport more transparent. This total includes the spend on our bi-annual Congress that was held in 2019 and spend associated with our governing Council and Executive Board.

The AIU is an independent body created by World Athletics that manages all integrity issues – both doping and non-doping – for the sport of athletics. Their annual budget is approved by the World Athletics Executive Board. These cases were reviewed by the Ethics Board in the past which explains the significant reduction in expenses for the Ethics Board from 2018 to 2019.

The increased Legal spend in 2019 is coming primarily from increased litigation costs incurred during the year.

7. Administration

in k USD	2019	2018
Administration	6 342	6 657
Amortisation	1 063	955
Heritage	646	673
Total Administration	8 051	8 286

This includes spend for our administrative departments such as Finance, HR, and Heritage along with their associated staff costs. Expenses such as audit fees, rentals, telephony, travel, and translation are all included here.

This number has remained consistent between 2018 and 2019 and demonstrates our ongoing efforts to continue to maximise our spend on the growth of athletics and keep our administrative spend at a minimum.

8. Financial Income

in k USD	2019	2018
Foreign exchange	225	414
Interests	175	91
Financial income	400	505

This includes our financial incomes during the year primarily related to the multi-currency impacts from our business operations.

9. Financial Expenses

in k USD	2019	2018 Restated
Foreign exchange	604	271
Bank charges	321	362
Interest expense	128	115
Post-employment benefit obligations	17	16
Financial expenses	1 070	765

This includes the financial and bank charges incurred during the year.

10. Investments In Equity

in k USD	2019	2018 Restated
Significant influence		
Carrying amount as at January 1st	172	269
Share of profit / (loss) on investment in equity	(63)	(98)
Investments in equity as at December 31st	109	172

Investments in equity is related to Diamond League AG, a Swiss company, owned partly by World Athletics (35.2%) and to World Athletics Productions Ltd partly owned by World Athletics (50%).

Furthermore, World Athletics holds a 6% investment in Nitro Athletics Australia which is held at nil value.

in k USD	World Athletics Productions Ltd	Diamond League AG
Current Assets	5 094	379
Current Liabilities	4 769	142
Revenue	15 223	10 844
Profit/(loss)	453	(252)



Notes to the consolidated balance sheet

11. Property, Plant & Equipment

The Right of Use of assets detailed below predominantly relates to leased offices premises.

Property, plant, and equipment break down as follows:

in k USD	Office furniture & equipment	Computer equipment	Leasehold improvements	Motor cars	Right of use asset	Total
Cost						
Balance as at 31 December 2017 - as previously reported	514	1 312	4 119	82	-	6 027
Right of use - IFRS 16					3 745	3 745
Balance as at 1 January 2018 - as restated	514	1 312	4 119	82	3 745	9 772
Additions	86	276	388	-	142	892
Balance as at 31 December 2018	600	1 588	4 508	82	3 887	10 664
Additions	20	70	16	-	-	106
Balance as at 31 December 2019	620	1 657	4 523	82	3 887	10 770

Accumulated depreciation						
Balance as at 31 December 2017 - as previously reported	142	778	897	70	-	1 886
Right of use IFRS 16					296	296
Balance as at 1 January 2018 - as restated	142	778	897	70	296	2 182
Depreciation	53	220	378	13	291	955
Balance as at 31 December 2018	195	998	1 275	82	586	3 137
Depreciation	62	224	397	-	380	1 063
Balance as at 31 December 2019	257	1 222	1 672	82	966	4 199
Net carrying amount						
As at 31 December 2018	405	589	3 233	0	3 300	7 527
AS at 31 December 2019	363	435	2 852	0	2 921	6 571

12. Trade Receivables And Other Receivables

	31 Dec 2019			31 Dec 2018	31 Dec 2017
In k USD	Gross	Provision	Net	Net	Net
Trade receivables	728	232	496	332	280
Trade receivables	728	232	496	332	280

	31 Dec 2019			31 Dec 2018	31 Dec 2017
In k USD	Gross	Provision	Net	Net	Net
Receivables from directors	2	-	2	2	3
Other receivables	8 662	715	7 948	1 824	8 557
Other receivables & current assets	8 664	715	7 950	1 827	8 560
Prepayments	404	-	404	250	578
Tax receivables (VAT)	666	-	666	687	762
Prepayments & tax receivables	1 070	-	1 070	936	1 340

Trade receivables and other receivables that are not yet due are not considered impaired. The main reason for the increase in other receivables during 2019 is on account of \$5 010k to be received from Doha for hosting our World Championships in 2019. In addition, prepayments of \$735k for our 2020 Road Running Integrity Programme and \$525k received as advance for Tokyo 2020 tickets are included here.

Allowances for doubtful accounts amounted to \$947k in 2019 compared to \$1 467k in 2018. The reduction of \$520k relates to reversal of a provision for the Russian Athletics Federation that was collected during the year.

13. Contract Assets

in k USD	31 Dec 2019	31 Dec 2018
Commercial Rights Profit Share	9 344	4 550
Total Contract Assets	9 344	4 550

Contract assets correspond to receivable related to the Commercial Rights profit share. The amount of \$9 344k is related to the profit share revenue earned for the period 2018-2019. As of 31 December 2018, the balance was \$4 550k which corresponds to the estimate that was communicated by our Commercial Rights partner.

14. Cash & Cash Equivalents

At 31 December 2019, this item comprised cash at bank for \$34 302k. There are no short-term investments. Cash and cash equivalents break down as follows:

in k USD	31 Dec 2019	31 Dec 2018	31 Dec 2017
US Dollars	33 105	49 016	61 275
Other currencies	1 184	1 791	1 499
Deposit and current accounts	34 289	50 807	62 774
US Dollars	1	1	-
Other currencies	12	12	12
Cash on hand	13	13	12
Total cash & cash equivalents	34 302	50 820	62 786

15. Equity

The change in equity from 2018 to 2019 is on account of net loss of \$17 424k.

16. Post-Employment Benefit And Similar Obligations

in k USD	Post-employment benefit obligations
Balance as at 1 January 2018 - restated	1 078
Operating costs	2
Financial expense	16
Other comprehensive expense	9
Balance as at 31 December 2018	1 105
Operating costs	109
Financial expense	17
Other comprehensive expense	(130)
Balance as at 31 December 2019	1 102

The significant actuarial assumptions were as follows:

- Assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics and experience in the region. These assumptions translate into an average life expectancy in years for a pensioner retiring the ages of 67.
- Probability of departure before retirement age for current employees.
- Financial discount rate of 1.55% and salary increase rate of 5.01% for the pension obligation as of 31 December 2018.
- Financial discount rate of 0.75% and salary increase rate of 5.01% for the pension obligation as of 31 December 2019.

17. Financial Liabilities Current & Non Current

in k USD	31 Dec 2019	31 Dec 2018
Current financial liabilities	282	271
Non-current financial liabilities	3 003	3 285
Total lease liabilities	3 285	3 556

The Financial liabilities balance as shown above is comprised of lease liabilities under IFRS 16. Of the total payable of \$3 285k, amount due in the next 12 months \$282k; amount due between one and five years is \$1 115k and amount due in more than five years is \$1 888k.

18. Trade Payables

in k USD	31 Dec 2019	31 Dec 2018	31 Dec 2017
Trade payables	4 483	2 656	2 796
Trade payables	4 483	2 656	2 796

Trade Payables include dues for regular operating expenses incurred by the Association. Other amounts include regular trade payables across consultants, travel, and technology.

19. Other Payables & Accrued Expenses

in k USD	31 Dec 2019	31 Dec 2018	31 Dec 2017
Payable to directors	57	13	568
Other payables	16 070	8 223	6 502
Accrued expenses	1 010	904	854
Tax payables	1	-	116
Trade payables	17 138	9 141	8 040

Other payables are significantly higher in 2019 and correspond to an amount of \$7 744k payable as prize money to athletes for Doha World Championships. This amount has been subsequently paid during 2020.



Other Disclosures

20. Financial Risk Management

The different types of financial risks and their impacts are detailed in note K of this document.

21. Commitments Given, Contingent Liabilities And Off-Balance Sheet Events

There are no additional commitments, contingent liabilities and off-balance sheet events that Management is aware of and need to be disclosed separately.

22. Post Balance Sheet Events

On 11 March 2020, the World Health Organisation declared that the outbreak of Covid-19 represents a pandemic. This is considered to represent a non-adjusting post balance sheet event. Accordingly, the financial position and results of operations as of and for the year ended 31 December 2019 have not been adjusted to reflect their impact.

Consequently, a number of sporting events on our calendar have been postponed. At present no World Athletics Series events have been cancelled and we are confident that costs incurred to date in relation to future events remain recoverable when events are rescheduled.

The Association continues to have long-term revenue commitments and has sufficient cash and reserves to continue with day-to-day operations and to meet future liabilities as they come due. Refer to Liquidity and Going Concern sections on page 57 for further details.

23. Related Parties

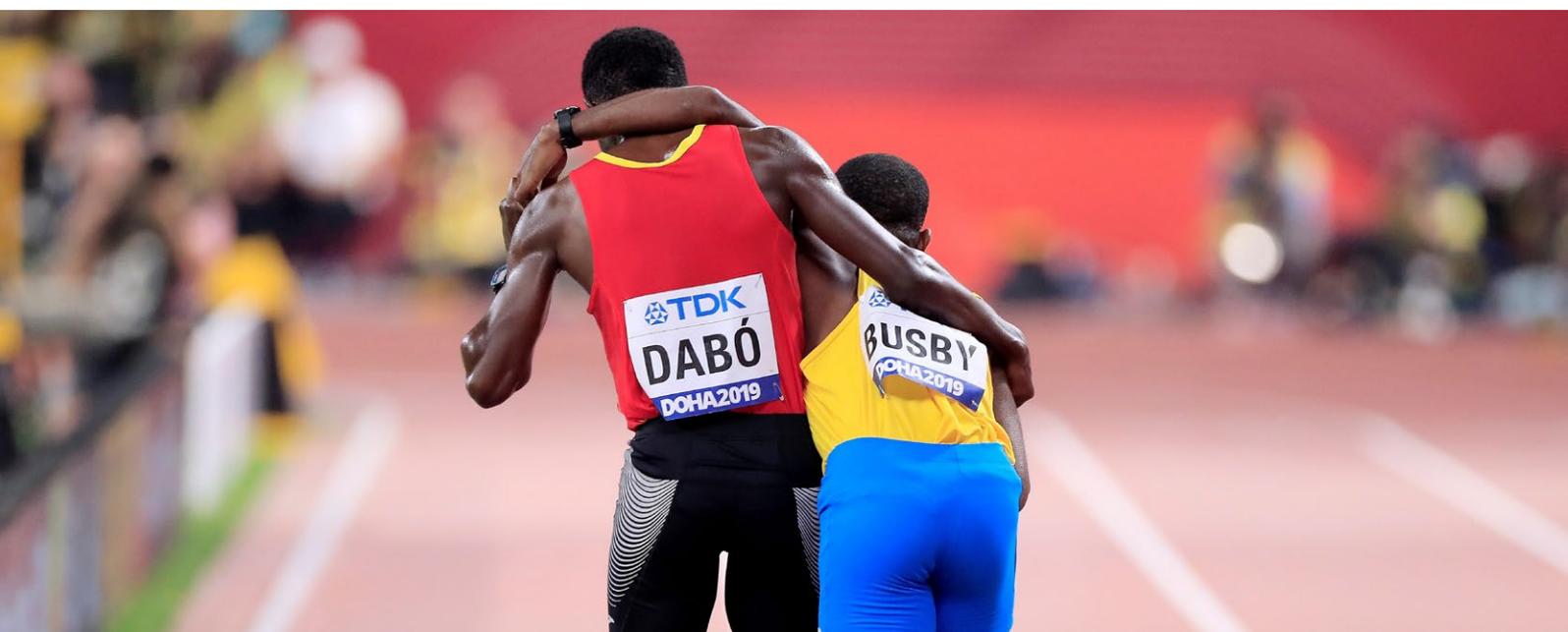
Under IFRS guidelines, the following are treated as related parties: Executive Board Members, Council Members, President, Chief Executive Officer, Diamond League and World Athletics Productions Ltd. The table below includes amounts paid to related parties during the year.

in k USD	31 Dec 2019
Executive Board, Council Members, President and Chief Executive Officer	1 100
Allowances	1 049
Other benefits (housing)	9
Other long-term benefits (retirement)	41

Amounts paid to World Athletics Productions Ltd. during 2019 were \$1 118k primarily on account of salary reimbursements and office costs. As on 31 December 2019 amount due to World Athletics Productions Ltd. was \$150k

Amounts paid to Diamond League during 2019 were \$4 551k primarily to cover costs in relation to Diamond meets organisation. As on 31 December 2019 amount due to Diamond League was \$0.

In 2019, World Athletics has recorded an amount of \$157k payable to the Complete Leisure Association, for services and workspace of an executive assistant to the President during time spent in London in connection with World Athletics business, provided at cost pursuant to a secondment agreement.





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