



# FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

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# STATEMENT OF ASSETS AND LIABILITIES AT DECEMBER 31, 2020

## Statement of Assets and Liabilities (Stated in Aruban Florin)

ASSETS				LIABILITIES AND CAPITAL			
	Notes	December 31, 2020	December 31, 2019		Notes	December 31, 2020	December 31, 2019
		AWG	AWG			AWG	AWG
<b>Fixed assets</b>				<b>Capital</b>			
Intangible fixed assets	(2)	552,765	576,495	Retained earnings	(6)	(545,376)	(241,354)
				Result current year		202	(304,022)
				Special Purpose Funds	(7)	2,885,339	721,848
Tangible fixed assets	(3)	2,038,628	1,931,424			2,340,165	176,472
<b>Other receivables &amp; Prepayments</b>	(4)	1,353,962	727,701	<b>Equalization reserve</b>	(8)	2,588,877	2,505,408
<b>Cash and banks</b>	(5)	1,767,602	254,412	<b>Short-term liabilities</b>			
				Other payables and accrued expenses	(9)	783,915	808,152
						5,712,957	3,490,032
		5,712,957	3,490,032			5,712,957	3,490,032



# STATEMENT OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 2020

## Statement of Operations (Stated in Aruban Florin)

		Year ended December 31,	
	Notes	2020	2019
		AWG	AWG
<b>Income</b>			
FIFA Forward Program (F.A.P.)		4,403,825	2,630,419
Competition income	(10)	22,426	130,452
One CONCACAF Program (O.C.P.)		266,929	665,578
Other Income		378	154,562
Net Income		<u>4,693,558</u>	<u>3,581,011</u>
<b>Operating Expenses</b>			
Competition expenses domestic	(11)	504,818	1,053,946
Expenses international games	(12)	13,469	1,170,661
General expenses	(13)	1,782,336	1,434,411
Endowment equalization reserves	(8)	229,242	197,251
Depreciation		145,772	72,403
Release equalization reserves	(8)	(145,772)	(73,344)
<b>Total operating expenses</b>		<u>2,529,865</u>	<u>3,855,328</u>
<b>Operating result</b>		<u>2,163,693</u>	<u>(274,317)</u>
<b>Endowment to special purpose funds</b>	(7)	<u>2,163,491</u>	<u>(29,705)</u>
<b>Result for the year</b>		<u><u>202</u></u>	<u><u>(304,022)</u></u>



# STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2020

## Statement of Cash Flows (Stated in Aruban Florin)

	Year ended December 31,	
	2020	2019
	AWG	AWG
<b>Cash flows from operating activities</b>		
Net result for the year	202	(304,022)
Adjustment for depreciation	145,772	72,403
	145,974	(231,619)
<i>Changes in working capital</i>		
Other receivables	(626,261)	(158,126)
Current Liabilities	(24,237)	208,674
Special Purpose Fund	2,163,491	29,705
Equalization reserve	83,467	123,907
	1,596,460	204,159
<b>Net Cash from operating activities</b>	1,742,434	(27,460)
<b>Cash flows from investing activities</b>		
Investment in tangible assets	(229,244)	(197,251)
<b>Movement cash and cash equivalent</b>	1,513,190	(224,711)
Balance at the beginning of fiscal year	254,412	479,123
<b>Balance at year end</b>	1,767,602	254,412

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

(Stated in Aruban Florin)



## (1) GENERAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### **Background association**

Arubaanse Voetbal Bond (AVB) is incorporated on January 29, 1932. The activities of AVB mainly consist of promoting the interests of its members in respect of soccer and promotion of the social role of soccer in the broadest sense. Activities take place primarily in Aruba.

### **Basis of preparation**

The financial statements have been prepared based on the accounting policies as stipulated in guideline 640, issued by the Board of Financial Reporting in Holland, applicable to organization not for profit. The financial statements are presented in Aruban Florin (Afl.) which is the functional currency. Transactions in foreign currencies are translated to Aruban Florins at the foreign exchange rate ruling at the date of the transaction. Assets and liabilities are stated at historical cost, unless mentioned otherwise hereafter. Income and expenses are accounted for on an accrual basis.

The financial statements also include all funds approved and received by FIFA under the Forward, formerly the Financial Assistance Program (F.A.P.) for the year ended December 31, 2020 and any other income received from FIFA Development Programs.

### **Summary of significant accounting policies**

#### *Tangible fixed assets*

Fixed assets are stated at cost, net of accumulated depreciation. Depreciation is determined on a straight-line basis based on the estimated useful lives of the assets and an eventual residual value has been taken into consideration.

#### *Intangible fixed assets*

Intangible fixed assets are stated at cost, net of accumulated depreciation. Depreciation is determined on a straight-line basis based on the estimated useful lives of the assets and an eventual residual value has been taken into consideration.

#### *Cash and banks*

Cash and banks include cash in hand and deposits held with banks.

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

(Stated in Aruban Florin)



## (1) GENERAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### *Special purpose funds*

A fund was created in which the unused part of several FIFA and CONCACAF subsidy programs will be deposited to be used in coming years in accordance with the respective funding program.

### *Equalization reserve*

The equalization reserve is being amortized over the same period as the related asset and represents the carrying amount of the assets financed by means of subsidies received from FIFA.

### *Other assets and liabilities*

Other assets and liabilities are stated at face value, unless otherwise stated.

### *Income*

Income is recognized in the year when realized.

### *Expenses*

Expenses are recognized in the year in which they are incurred.

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

(Stated in Aruban Florin)



## (2) INTANGIBLE FIXED ASSETS

The intangible assets relate to a newly acquired right of use for a period of 30 years, starting January 26, 2014, of the sport complex located at Yara. This acquisition was financed through the goal project #2. The asset is being amortized over a period of 30 years.

<u>January 1, 2020</u>	<u>Total</u>
Cost	711,964
Acc. Depreciation	(135,467)
Book value	<u>576,497</u>
<u>Movements 2020</u>	
Depreciation	<u>(23,732)</u>
	<u>552,765</u>
<u>December 31, 2020</u>	
Cost	711,964
Acc. Depreciation	(159,199)
Book value	<u>552,765</u>





# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

(Stated in Aruban Florin)

## (3) TANGIBLE FIXED ASSETS

	Goal Project #1	Furniture & Fixtures	Software & Hardware	Vehicle	Total
<b>January 1, 2020</b>					
Cost	2,130,272	239,751	159,752	126,953	2,656,728
Acc. Depreciation	(415,697)	(158,809)	(128,196)	(22,602)	(725,304)
Book value	1,714,575	80,942	31,556	104,351	1,931,424
<b>Movements 2020</b>					
Additions	-	98,994	85,647	44,603	229,244
Depreciation	(38,345)	(44,084)	(21,280)	(18,331)	(122,040)
	(38,345)	(54,910)	64,367	26,277	107,204
<b>December 31, 2020</b>					
Cost	2,130,272	338,745	245,399	171,556	2,885,972
Acc. Depreciation	(454,042)	(202,893)	(149,476)	(40,933)	(847,344)
Book value	1,676,230	135,852	95,923	130,623	2,038,628

Depreciation of fixed assets are based on the following percentages:

Goal project #1 - technical center "Angel Botta"	2%
Furniture & Fixtures	10%-20%
Software and hardware	33.3%
Vehicle	20%
Medical Equipment	20%

As per issuance date of the financial statement AVB does not have supporting documentation in which is stated that AVB is the owner of the buildings known as Technical Center Angel Botta nevertheless AVB opted to present the facilities as tangible fixed asset.

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

(Stated in Aruban Florin)



## (4) OTHER RECEIVABLES AND PREPAYMENTS

	December 31,	
	2020	2019
Receivable FIFA	1,230,206	589,406
Prepayments	100,037	123,868
Deposit Elmar	1,920	2,122
Other receivables and prepaid expenses	21,799	12,305
	<u>1,353,962</u>	<u>727,701</u>

## (5) CASH AND BANKS

	December 31,	
	2020	2019
Aruba Bank N.V. - Forward Account	1,557,108	130,442
Aruba Bank N.V. - Current and Savings Account	109,279	113,429
Petty cash	3,190	8,541
Aruba Bank N.V. - OCP Account	98,025	2,000
	<u>1,767,602</u>	<u>254,412</u>

## (6) RETAINED EARNINGS

	December 31,	
	2020	2019
Balance at beginning of previous year	(241,354)	(137,413)
Profit/(loss) previous year	<u>(304,022)</u>	<u>(103,941)</u>
Retained earnings	<u>(545,376)</u>	<u>(241,354)</u>

## (7) SPECIAL PURPOSE FUNDS

	December 31,	
	2020	2019
Accrued from the FIFA Travel program 2020	356,000	-
Accrued from the FIFA Forward for 2020	499,725	130,442
Accrued from the CONCACAF OCP program 2016 to 2020	98,025	2,000
Accrued for Project fund 2017/2020	340,207	589,406
Accrued for COVID Relief Fund	1,591,382	-
	<u>2,885,339</u>	<u>721,848</u>

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

(Stated in Aruban Florin)



## (8) EQUALIZATION RESERVE

	Goal Project #1	Goal Project #2	Furniture & Fixtures	Software & Hardware	Vehicle	Total
January 1, 2020						
Reserve	1,928,904	711,985	146,573	165,501	101,840	3,054,803
Release reserves	(214,329)	(135,490)	(65,631)	(133,945)	-	(549,395)
	<u>1,714,575</u>	<u>576,495</u>	<u>80,942</u>	<u>31,556</u>	<u>101,840</u>	<u>2,505,408</u>
<b>Movements 2020</b>						
Additions	-	-	98,994	85,647	44,603	229,244
Release reserves	(38,347)	(23,732)	(44,084)	(21,280)	(18,332)	(145,775)
	<u>(38,347)</u>	<u>(23,732)</u>	<u>54,910</u>	<u>64,367</u>	<u>26,271</u>	<u>83,469</u>
December 31, 2020						
Reserve	<u>1,676,228</u>	<u>552,763</u>	<u>135,852</u>	<u>95,923</u>	<u>128,111</u>	<u>2,588,877</u>

## (9) OTHER PAYABLES AND ACCRUED EXPENSES

	December 31,	
	2020	2019
Social security/wage tax/pension	701,548	687,298
Referee fee	2,475	27,763
Accountants fee	19,324	22,018
Red Cross	-	6,350
Utilities	1,038	3,328
Lease stadiums (FFD/CDGT)	8,185	54,501
AVB relief operational fund	25,090	-
Other payables	26,255	6,894
	<u>783,915</u>	<u>808,152</u>

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

(Stated in Aruban Florin)



## (10) COMPETITION INCOME DOMESTIC

	December 31,	
	2020	2019
Ticket sale (all games)	11,366	103,312
Complain commission, transmission and transfer income	11,060	26,040
Contribution income teams	-	1,100
	22,426	130,452

## (11) COMPETITION EXPENSES DOMESTIC

	December 31,	
	2020	2019
*Advertising and Marketing	152,170	252,725
Sport material	176,816	185,432
Referees and assessors fees	55,078	161,496
Women's Football division	-	102,681
Lease stadium (FFD)	22,743	80,487
Security expenses	11,455	59,967
Allowance game officials	14,615	50,020
Trophy and team prizes	5,360	48,455
Contribution to teams	26,031	24,984
Red Cross expenses	3,400	17,650
Ticketing collecting	3,185	14,460
Appeal/Disciplinary commission	-	5,900
Education expenses	15,149	5,233
COVID officer fees/health supplies expenses	9,379	-
*Miscellaneous	9,437	44,456
	504,818	1,053,946

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

(Stated in Aruban Florin)



*\*Advertising and Marketing*

	December 31,	
	2020	2019
Advertising	70,727	94,863
Entertainment expenses games	40,760	86,711
Ballon D'Oro	-	44,114
Marketing games social media	40,683	12,675
Other advertising & marketing	-	14,362
	<u>152,170</u>	<u>252,725</u>

*\*Miscellaneous*

	December 31,	
	2020	2019
Ushers	4,605	21,940
Beach soccer	-	17,748
Bar	1,179	4,768
Other competition expenses	3,653	-
	<u>9,437</u>	<u>44,456</u>

(12) EXPENSES RELATED TO INTERNATIONAL GAMES

	December 31,	
	2020	2019
Training camps, travel and lodging expenses	5,950	964,174
Technical Director and assistance	-	191,170
Youth soccer and L.I.F.I.D.A. expenses	7,519	15,317
	<u>13,469</u>	<u>1,170,661</u>

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

(Stated in Aruban Florin)



## (13) GENERAL EXPENSES

	December 31,	
	<u>2020</u>	<u>2019</u>
Personnel expenses	590,579	359,512
Social and pension premiums	174,912	219,281
Allowances board members	159,064	172,214
Legal and professional fees	89,869	140,304
Congress and travel expenses	11,505	122,082
*Expenses related projects	403,102	87,370
Office expenses	22,575	68,208
*Accommodation expenses	54,899	67,370
Maintenance soccer field	-	61,557
Subscription expenses	132,588	43,493
Accountants fee	21,332	29,123
Bank charges	16,246	19,924
Representation expenses	4,726	10,514
Lease expenses	11,486	9,292
Car expenses	36,414	8,216
AVB Medical Department	46,996	-
Other general expenses	6,043	15,951
	<u>1,782,336</u>	<u>1,434,411</u>

	December 31,	
	<u>2020</u>	<u>2019</u>
*Expenses related projects		
Expenses related project	27,927	24,854
Project Academy AVB	108,503	-
Project Club Development	74,855	62,516
Project AVB Relief Package	189,118	-
Project Coaches Development Program	2,699	-
	<u>403,102</u>	<u>87,370</u>

	December 31,	
	<u>2020</u>	<u>2019</u>
*Accommodation expenses		
Utilities	25,178	26,636
Telephone	18,186	25,046
Repair and maintenance	6,447	10,626
Insurance	5,088	5,062
	<u>54,899</u>	<u>67,370</u>



# INDEPENDENT AUDITOR'S REPORT

## INDEPENDENT AUDITOR'S REPORT

To: the Board members of Arubaanse Voetbal Bond (AVB)

### A. REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### OUR DISCLAIMER AND QUALIFIED OPINION

We were engaged to audit the financial statements 2020 of Arubaanse Voetbal Bond (AVB), statutory established in Aruba.

We do not express an opinion on the accompanying financial statements of the bond. In addition, we qualify our opinion for the effects of the matter described in the 'Basis for disclaimer and qualified of opinion', Due to the significance of the matters described in the 'Basis for disclaimer and qualified of opinion', we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the accompanying financial statements as a whole.

The financial statements comprise:

- 1 the balance sheet as at 31 December 2020;
- 2 the statement of operations for the year 2020;
- 3 the cash flow statement for the year 2020; and
- 4 the notes comprising a summary of the accounting policies and other explanatory information.

#### BASIS FOR OUR DISCLAIMER AND QUALIFIED OF OPINION

##### ***Nature and size of the entity***

AVB did not maintain appropriate internal control and we were unable to perform audit procedures to obtain reasonable assurance on the completeness of the income and related accounts.

In addition, the internal controls related to mainly cash payments were not appropriate. Consequently, we have been unable to perform audit procedures to obtain reasonable assurance on the validity of these expenses, including fraud risk, if any.

##### ***Angel Botta Technical Center***

The facility Angel Botta Technical Center is presented in the financial statements as a tangible fixed asset. This facility represents a substantial portion of AVB's total assets as at December 31, 2020. As of the date of our report, the Board does not have documentation in which is stated that AVB has the legal ownership of this facility.



**Report on other matters**

The articles of incorporation of AVB states that the fiscal year starts in July and ends in June next year. These financial statements, however, cover the period January 1, 2020 up to and including December 31, 2020. Our opinion is not modified for this reason

**B. DESCRIPTION OF RESPONSIBILITIES REGARDING THE FINANCIAL STATEMENTS****RESPONSIBILITIES OF THE BOARD FOR THE FINANCIAL STATEMENTS**

The Board is responsible for the preparation and fair presentation of the financial statements in accordance with financial reporting standards applicable in The Netherlands. Furthermore, the Board is responsible for such internal control as they determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements the Board is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned the Board should prepare the financial statements using the going concern basis of accounting unless they either intends to liquidate the company or to cease operations or has no realistic alternative but to do so.

The Board should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

**OUR RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our responsibility is to express an opinion on the financial statements based on conducting the audit in accordance with the Dutch Standards on Auditing. Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion. However, due to the matters described in the 'Basis for disclaimer and qualified of opinion' section, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining 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;
- Obtaining 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 entity's internal control;
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Concluding 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 company'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 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 a company to cease to continue as going concern;
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are independent of Arubaanse Voetbal Bond in accordance with the Audit firms supervision act ('Wet toezicht accountantsorganisaties'), the Code of Ethics for Professional Accountants ('Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten') and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Dutch Code of Ethics ('Verordening gedrags- en beroepsregels accountants')

Oranjestad, Aruba  
June 3, 2022

Originally signed by Anthony G. Croes RA  
Report no. 2020/R06-1417





ARUBAANSE VOETBAL BOND