



The International
Group Of
Accounting Firms



مكتب الواحة
لتدقيق الحسابات
علي عويد رخيص
محاسب قانوني فئة (١)

M/S. Asian Shooting Confederation
Kuwait

Report on the financial statements

I have audited the accompanying financial statements of M/S. Asian Shooting Confederation - Kuwait - which includes the financial position as of December 31, 2010 and the related statements of comprehensive income, changes in surplus balance and cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

ASC's management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement in the financial statements whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



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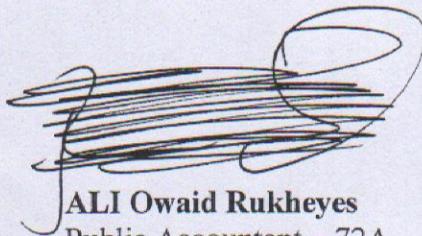
I believed that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of M/S. Asian Shooting Confederation - Kuwait - as of December 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Report on other legal and regulatory requirements

Also in my opinion , the financial statements include the disclosures required by the law and I obtained the information I required to perform my audit . In addition proper books of accounts have been kept by the ASC, According to the information available to me, there were no contraventions during the year ended December 31, 2010 of the law's provisions that might have materially affected the company's financial position or the results of its operations.


ALI Owaid Rukheyes
Public Accountant – 72A



Member of certified public Accountants Society of (Montana)

Member of the International Group of Accounting Firms (igaf)

AL- Waha Auditing Office

March 1, 2011

Asian Shooting Confederation

Kuwait

Statement of financial position as of December 31, 2010

<u>Assets</u>	<u>Note</u>	<u>2010</u>	<u>2009</u>
<u>Current assets</u>		<u>USD</u>	<u>USD</u>
Cash in hand & at banks		116,200	117,001
Trade receivables		1,200	-
Accrued revenues	4	2,402	21,315
Total assets		<u>119,802</u>	<u>138,316</u>
<u>Current liabilities</u>			
Advanced revenue		1,620	400
Accrued expenses		1,000	7,330
Total current liabilities		<u>2,620</u>	<u>7,730</u>
Surplus balance		<u>117,182</u>	<u>130,586</u>
Total liabilities and surplus balance		<u>119,802</u>	<u>138,316</u>

Sheikh / Salman Sobah Al Salem Al Homoud Al Sobah
Chairman

The accompanying notes are integral part of this statement

Asian Shooting Confederation

Kuwait

Statement of comprehensive income for the year ended December 31, 2010

	<u>Note</u>	<u>2010</u>	<u>2009</u>
		<u>USD</u>	<u>USD</u>
Annual subscriptions	5	16,672	16,197
Deposits interest		-	2,286
Revenues of shooting championships	6	3,911	15,980
Other revenues	7	2,002	-
Total revenues		<u>22,585</u>	<u>34,463</u>
General & administrative expenses	8	(17,439)	(26,168)
Federations support	9	(18,550)	(17,643)
Revenue deficit		<u>(13,404)</u>	<u>(9,348)</u>
Other comprehensive income for the year :			
Total other comprehensive income for the year		-	-
Total comprehensive (loss) income for the year		<u>(13,404)</u>	<u>(9,348)</u>

The accompanying notes are integral part of this statement

Asian Shooting Confederation
Kuwait

Statement of changes in surplus balance for the year ended December 31, 2010

	<u>2010</u>	<u>2009</u>
	<u>USD</u>	<u>USD</u>
Balance at January 1	130,586	139,934
Revenue (deficit) surplus	<u>(13,404)</u>	<u>(9,348)</u>
Balance at December 31	<u><u>117,182</u></u>	<u><u>130,586</u></u>

The accompanying notes are integral part of this statement

Asian Shooting Confederation

Kuwait

Statement of cash flows for the year ended December 31, 2010

	<u>2010</u>	<u>2009</u>
<u>Cash flows from operating activities</u>	<u>USD</u>	<u>USD</u>
Revenue deficit	(13,404)	(9,348)
<u>Adjustments</u>		
Deposits interest	-	-
Decrease in revenues and expenses before change in current assets and liabilities	(13,404)	(9,348)
Trade receivables	(1,200)	-
Accrued revenues	18,913	(15,715)
Other payables	-	(34,839)
Advanced revenue	1,220	(390)
Accrued expenses	(6,330)	6,330
Net cash used in operating activities	(801)	(53,962)
Decrease in cash and cash equivalent	(801)	(53,962)
Cash at the beginning of the year	117,001	170,963
Cash at the end of the year	116,200	117,001

The accompanying notes are integral part of this statement

Asian Shooting Confederation

Kuwait

Notes to the financial statements

1 - Legal form

Asian Shooting Confederation is incorporated at 1966, the headquarters is located at Kuwait , P.O.Box. 195 Hawally - 32002 Kuwait .

- The purposes of ASC are represented in :
 - Conducting a continuous relations between the members confederations to exchange the ideas as related to development and perfection of the shooting sports, through the close co-operation with the International Shooting federation (ISF) .
 - Working as the one liaison between the members confederations and the ISF as related to all matters which pertaining to the shooting competitions supervised by the ASC, as well as the training courses and asian records .
 - Conducting and organizing the asian shooting championships .
 - Conducting the shooting competitions as related to the asian games series under the supervision of the ISF.
 - Encouraging and supervising the other regional and international competitions at Asia .
 - Supporting the formation of the regional organizations at Asia for further promotion of shooting sports, provided that its purposes, structures and regulations agree with those of the ASC .
 - Encouraging in a general way all the efforts made for enhancing the good fellowship between the shooters from all asian countries, based on love of their own countries, thereby reinforcing the confidence and good faith on the international level .
 - Spreading the formal periodical bulletin between for keeping the members confederations informed continuously on the news and progress of the shooting activities at Asia .
 - Organizing the educational and training program through the close co-operation with the competent committees in the ISF .
 - Issuing the licenses to the judges as compatible with the ISF rules .
 - Granting the legions of honor to those who contributed in development of the shooting sports .
- The financial statements are authorized for issuance by the ASC 's management dated 28 feb 2011 .

2 - Adoption of new and amended standards

During the current year, the company applied the new and amended IFRSs which include the International Accounting Standards (IASs) and its interpretations related to the company's operations and which are applied on the annual reports .

The International Accounting Standard (1) presentation of the financial statements (amended)

Starting from 1 January 2009, the company applied the amended IAS (1) which affected on the presentation of the financial statements to enhance the benefit of presented information, the amended standard has conducted some changes in the terminologies (the names of amended statements in the condensed financial statements) which lead to many changes in the presentation and disclosure. the IAS (1) has conducted the statement of comprehensive income, where all changes in the owner's equity resulted from transactions with parties other than the partners are presented in this statement, so that the changes in owner's equity resulted only from the transactions with the partners are presented in the statement of owner's equity. The comparative information are represented to fit the amended standard .

The International Financial Reporting Standard "7" Financial Tools : Amendment disclosure

Starting from 1 January 2009, the amendment requires excess disclosure about the measurement of fair value and liquidity risks . The amendment requires specially disclosure about the measurement of fair value at sequence level of measurement of fair value whereas the change in the accounting policy result only in additional disclosures accordingly there is no material impact on the profitability .

Asian Shooting Confederation

Kuwait

Notes to the financial statements

The International Accounting Standard "23" (Borrowing cost) amended

Starting from 1 January 2009, the company applied the amended IAS (23) which require from the company to capitalize the borrowing cost related to acquisition or establishing or producing the worth asset which starts capitalization at or after January 1, 2009 as a part of an asset cost and abandonment the option related to charging the borrowing cost on the statement of comprehensive income. The company recognized previously with all borrowing costs as expenses at once as per the items of amending the standard (comparative figures not amended) .

The standards & amendments & interpretations not effective

The Company has not elected to early adopt the following standards and amendments which are effective for future periods:

The interpretation "17" distribution of non-cash assets on the owners effective for the annual periods starting from or after July 1, 2009

The interpretation is a part of project of the annual improvements of the International Accounting Standard Board which are issued at April 2009 . This interpretation present the direction in the field of accounting to make arrangements where the company distribute the non-cash assets as a reserves or a profits . The IAS 5 is amended to classify the assets as a retained for distribution only when it is available for distribution at its status quo and that the distribution is widely probable .

The International Accounting Standard (1) - amendment - "presentation of the financial statements"

The amendment is a part of project of the annual improvements of the International Accounting Standard Board which are issued at April 2009 . This amendment present a clarification about the potential adjustments of liabilities through issuing the ownership related to classifying it as current liabilities or non-current through amending the definition of liabilities as non-current liabilities (provided that the company has unconditioned right to postpone settlement by issuing cash amounts or other assets for less than 12 months after the end of accounting period) . The company will apply the IAS "1" - amendment - from January 1, 2010 and it is expected that it has no material impact on the financial statements of the company .

The International Accounting Standard "7" statement of cash flows

The amendment is a part of project of the annual improvements of the International Accounting Standard Board which are issued at April 2009 . This amendment stipulates that the expenditure resulted from recognizing the asset are classified as cash flows from the investing activities. The preparation of the financial statements as per the international financial reporting standards requires from the management of conducting some opinions, estimates and assumptions in the process of applying the accounting policies and disclosures of the company.

The International Financial Reporting Standard "9" (Financial Tools)

The standard states, which will be effective on the annual periods which starts from or after 1 January 2013, how the establishment classify and measure its assets. The standard stipulates that all financial assets are classified as all based on the model of work of establishment in managing the financial assets and based on the characteristics of contractual cash flows for the financial assets . The financial assets are measured at amortized cost or fair value which improve or simplify the method of classifying and measuring the financial assets in comparison with the requirements of international accounting standard 39 .

3 - Significant accounting policies

The financial statements are prepared as per the International Financial Reporting Standards (the International Accounting Standards and the interpretations issued by the International Financial Reporting Interpretations Committee), and based on the historical cost. the preparation of the financial statements as per the (IFRS) requires from the management to make estimates and assumptions could affect on the balances of assets and liabilities and the value disclosed as a contingent assets and liabilities as at the date of financial statements, Also it could affect on the values of revenues and expenses recorded during the period . these estimates are built on the best information about the current events . but the actual results could differ from these estimates.

Asian Shooting Confederation

Kuwait

Notes to the financial statements

Basis of presentation

The financial statements are stated in United States Dollar and are prepared based on the historical cost principle .

Trade receivables

Those are stated at the net collectable value and a provision for doubtful debts is made based on an overall review of all the blances .

Trade payables

The liabilities are recorded about the amounts would be paid in the future against goods or services received whether they are actually billed by the supplier or not .

Impairment

At each balance sheet date , the group determine whether there is an objective evidence on impairment of a determined asset or group of similar assets , in case of investments in equity instruments which are classified as investments available for sale , the permanent impairment in the value of these investments is considered while determining if there are indicators on impairment , if this evidence exists , then the total accumulated losses are measured by the difference between the acquisition cost and the fair value minus impairment losses which are recognized in the previous years , then they are transferred from the owner's equity to the income statement . the impairment losses in equity instruments are not reversed another time in the income statement .

Foreign currencies

The company's accounts are stated in kuwaiti dinar . The transactions in foreign currencies are converted using the exchange rates prevailing at the date of transaction . The assets and liabilities in foreign currencies at the date of balance sheet are converted using the exchange rates prevailing at this date . currency differences are taken to the income statement .

Non-cash grants

These are stated as an asset or a deferred revenues at fair value, the depreciation of the assets is calculated over its productive life, Also the revenue is recognized over the productive life for the same related asset .

Revenue recognition

The grants related to the revenues are stated when received .

The interest revenue is stated on a time proportional basis .

Expenses recognition

Those are stated when occurred .

4 - **Accrued revenues**

	<u>2010</u>	<u>2009</u>
	<u>USD</u>	<u>USD</u>
a - The Annual Fees		
Brunei	1,200	800
Bhutan	-	800
Myanmar	-	800
Srilanka	-	400
Turkmestan	-	800
Uzbekistan	-	800
Vietnam	-	800
Pakistan	-	800
lebanon	-	400
Maldives	-	400
Total	<u>1,200</u>	<u>6,800</u>
b - The Championships Fees		
3rd Asian Airgun Shooting championship in Qatar	-	5,455
1st West Asian Shooting championship in Iran	-	7,525
Total	-	12,980
c - Accrued saving revenue	<u>1,202</u>	<u>1,535</u>
Total	<u>2,402</u>	<u>21,315</u>

Asian Shooting Confederation

Kuwait

Notes to the financial statements

5 - Annual subscriptions

	<u>2010</u>	<u>2009</u>
	<u>USD</u>	<u>USD</u>
Bahrain	380	380
Iraq	400	400
Jordon	400	400
United Arab Emirates	375	375
Saudi	385	400
Chaina	400	400
Hong Kong	375	380
Chaina Taipei	384	400
Philippine	400	400
Kuwait	400	400
India	380	380
Japan	200	200
Japan	200	200
Indonesia	400	400
Uzbekistan	400	400
Iran	400	390
Pakistan	385	400
Brunei	400	400
Bangladesh	386	386
Bhutan	400	400
Thailand National	380	180
Thailand Skeet and Trap	180	180
Turkmestan	400	400
Singapore	400	400
Syria	384	400
Srilanka	400	400
Tajikistan	400	400
Oman	376	376
Vietnam	400	400
Qatar	380	400
Kazakhstan	400	400
Kyrgstan	400	800
Korea	381	400
North Korea	400	400
Laos	375	385
Lebanon	395	400
Malysia	386	400
Myanmar	400	400
Maldives	400	400
Macau	385	385
Mangolia	400	400
Nepal	400	400
Afganistan	400	-
Yemen	400	-
Total	<u><u>16,672</u></u>	<u><u>16,197</u></u>

Asian Shooting Confederation

Kuwait

Notes to the financial statements

6 - Revenues of shooting championships

	<u>2010</u>	<u>2009</u>
	<u>USD</u>	<u>USD</u>
Asian Clay Shooting championship in Kazakhstan	-	3,000
3rd Asian Airgun Shooting championship in Qatar	-	5,455
1st West Asian Shooting championship in Iran		7,525
Shooting championship in thailand	2,900	-
Bullets tournament in changahi	1,011	-
Total	<u>3,911</u>	<u>15,980</u>

7 - Other revenues

	<u>2010</u>
	<u>USD</u>
Banke interest	1,202
Miscellaneous revenues	800
Total	<u>2,002</u>

8 - General and administrative expenses

	<u>2010</u>	<u>2009</u>
	<u>USD</u>	<u>USD</u>
Social and hospitality expenses	4,714	6,452
Bank charges	227	327
* Professional fees	10,636	3,823
Tournament expenses	910	15,566
Telephone and post	952	-
Total	<u>17,439</u>	<u>26,168</u>

- All general and expenses for all employed in asian shooting confederation charged in state of kuwait shooting deputy in kuwait shooting confederation .

* The professional fees include paid money for professionals and consultative in shooting field as:-
MR / gorge nikaief in classification field and international recording for asian shooters
NR / anton black Asian project for teaching gun shooting by internet
MR / kaled gawed expert in gun and firearm
Al - Waha office

9 - Federations support

It is directed for the following purposes :-

- Covering junior shooting programs
- Organizing training and arbitrary courses
- Organizing cultural programs for the shooting sport
- Organizing Olympic preparation programs for shooting

The Asian federations which benefit from these support : (Kyrgyzstan - Tajikistan - Turkmestan -Lawes - Nepal - Bhutan)

Asian Shooting Confederation

Kuwait

Notes to the financial statements

10 - Fair value of financial instruments

The fair value represent the amounts in which we could replace an asset or pay a liability between parties desiring to deal on equivalent bases , it is understood implicitly in the definition of fair value is the assumption of going concern for the confederation's actions and that there is no intention or need for liquidation or reducing its actions materially or take transactions with inappropriate conditions . the confederation transacted within its ordinary activity in financial instruments such as cash , trade receivables, trade payables and accrued revenues, the ASC's management see that the book value of these instruments as at December 31 does not differ significantly from the its fair value .

11 - Risk management related to the financial instruments

The confederation introvert on the risks , but it is managed based on the definition , direction , risks limits and other control. The confederation may expose to the credit risks , liquidity risks and market risks .

The confederation's administration manage the risks and focus on ensuring the short-term and medium cash flows related to the confederation through the reports of internal control that analyze the level and direction of risks . The long-term financial investments are managed to generate a continuous returns .

- Credit risks

These are the risks of non-ability of one of the parties of the financial instruments to meet his obligations causing a financial loss to the other party . The financial assets which may expose the confederation to the credit risks are represented mainly in cash at banks and accrued revenues . the bank balances are deposited at financial institutions have a good credit reputation . the accrued revenues balance is stated at the net after deducting a provision for doubtful debts . the credit risk as related to the trade receivables is limited as a result of the large number of common federations .

The maximum limit of the confederation's exposure for the credit risks resulting from non-payment of corresponding party is the face value of cash at banks and accrued revenues as follows :-

	<u>2010</u>	<u>2009</u>
	<u>USD</u>	<u>USD</u>
Cash at banks	116,200	117,001
Accrued revenues	2,402	21,315

Liquidity risks

These are the risks of non-ability of the company to pay its obligations when matured , to curb from these risk , the confederation doesn't opposition this risks because of her assits withe kuwaiti dinar .

Market risks

These are represented in the risks of change in the value of financial tools as a result of change in the market variables such as the interest rates , foreign currencies exchange rate , market price whether these changes occurred due to the factors of individual investment , or that the person responsible for the issue process . the market risks are managed based on the allocation of the asset previously determined across the various assets categories , the multiplicity of assets , the contiuous evaluation of the conditions and directions of the market and the administration's estimate of the long and short term changes in the fair value.

- Foreign currencies risks

These are represented in change in the value of financial tool as a result of changes in the rates of conversion of foreign currency. The confederation is exposed to the foreign currencies risks as at December 31, 2010 to curb from these risks, the confederation deals in the main foreign currencies .

Asian Shooting Confederation

Kuwait

Notes to the financial statements

- **Interest rate risks**

These are represented in the change in the value of financial instruments as a result of changes in the interest rate in the market . The confederation is not exposed to the interest rate risks as at December 31, 2010 .

- **Share price risks**

Those arise from the change in the share investments . the confederation does not face share price risks as at December 31, 2010 .

- **Equity instruments prices risks**

It is the risks of decline in the fair value of equity instruments as a result of changes in the level of indicators of equity instruments and the value of the share individually . The exposure to the risk of non-current equity instruments price results from investments at fair value through income statement and investments available for sale . the confederation is not exposed to the equity instruments prices risks.

- **Equity instruments prices risks**

It is the risks of decline in the fair value of equity instruments as a result of changes in the level of indicators of equity instruments and the value of the share individually . The exposure to the risk of non-current equity instruments price results from investments at fair value through income statement and investments available for sale . the confederation is not exposed to the equity instruments prices risks.

12 - Opinions & estimates & significant accounting assumptions :-

As per the accounting policies required by the international financial reporting standards from the company . These standards requires from the administration to make the following estimates and assumptions which may affect on the book value of assets and liabilities .

- **Opinions :-**

Through the process of application of accounting policies of the confederation which are stated in note no. 3, the management expressed the following opinions which have significant influence on the amounts stated within the financial statements .

- **Revenue recognition**

The revenues are recognized when there is a contingent economic benefits to the company. The revenues are measured as mentioned in the international accounting standard no.18 that requires important opinions .

Estimates & assumptions :

Impairment

At the date of each financial position , the management determine if there is impairment in the value of trade receivables , properties & equipments . The determination of impairment requires making important estimates and reasonable bases involving the factors of evaluation such as the nature of industry and the market conditions .