

# Report of the statutory auditors

on the limited statutory examination  
to the general meeting of

**Balmer-Etienne AG**  
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## ASA – Swiss Arbitration Association, Geneva

As statutory auditors, we have examined the financial statements (balance sheet, income statement and notes) of ASA – Swiss Arbitration Association for the year ended 31 December 2018.

These financial statements are the responsibility of the Board of the Association. Our responsibility is to perform a limited statutory examination on these financial statements. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.

We conducted our examination in accordance with the Swiss Standard on the Limited Statutory Examination. This standard requires that we plan and perform a limited statutory examination to identify material misstatements in the financial statements. A limited statutory examination consists primarily of inquiries of company personnel and analytical procedures as well as detailed tests of company documents as considered necessary in the circumstances. However, the testing of operational processes and the internal control system as well as inquiries and further testing procedures to detect fraud or other legal violations are not within the scope of this examination.

Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the financial statements do not comply with Swiss law and the Association's articles of association.

Zurich, 5 April 2019  
TLA/MKA

**Balmer-Etienne AG**

Tu'uyen Maria Lang  
Licensed audit expert  
(Auditor in charge)

i. V. Marian Kälin  
Audit assistant

Financial statements 2018 (balance sheet, income statement and notes)

ASA - Swiss Arbitration Association  
Balance Sheet

	Notes	<b>31 December 2018 CHF</b>	<i>31 December 2017 CHF</i>
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and bank		426 288	485 557
Investment fund	3	129 082	135 176
Accounts receivable		6 152	9 251
Other current receivables		0	5 886
Value added tax		8 329	5 495
Prepaid expenses		10 197	662
<b>Total current assets</b>		<b>580 047</b>	<b>642 027</b>
<b>Non-current assets</b>			
Investment Swissarbitrationhub AG	4	51 000	51 000
Provision on Investment	4	-15 034	-18 850
<b>Total non-current assets</b>		<b>35 966</b>	<b>32 150</b>
<b>TOTAL ASSETS</b>		<b>616 013</b>	<b>674 177</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities</b>			
Trade creditors		12 486	79 561
Other current liabilities		25 556	40 062
Accrued expenses		52 722	46 500
Conference fees received in advance		10 765	14 835
Provisions	5	35 200	57 570
<b>Total current liabilities</b>		<b>136 729</b>	<b>238 528</b>
<b>Equity</b>			
Capital and retained earnings brought forward		435 649	448 073
(Loss) / Surplus for the year		43 635	-12 424
<b>Total equity</b>		<b>479 284</b>	<b>435 649</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>616 013</b>	<b>674 177</b>

ASA - Swiss Arbitration Association, Geneva  
Income Statement

Notes	<b>Year ended 31 December 2018 CHF</b>	<b>Year ended 31 December 2017 CHF</b>
<b>Income from services</b>		
Membership fees	416 976	402 745
Conference fees	225 300	260 148
Web profiles	140 128	129 032
Sponsorship	73 863	64 114
Publications	5 859	41 902
<b>Total income from services</b>	<b>862 125</b>	<b>897 941</b>
<b>Cost of services sold</b>		
Conferences	-178 467	-185 959
Publications	-113 995	-112 893
<b>Total cost of services sold</b>	<b>-292 462</b>	<b>-298 852</b>
<b>Gross profit</b>	<b>569 663</b>	<b>599 089</b>
<b>Personnel and related expenses</b>	<b>-366 309</b>	<b>-362 011</b>
<b>Other operating expenses</b>		
Marketing	-4 772	-28 564
Office rent	-25 014	-25 014
Administration	-25 899	-27 671
Professional services	5 -57 322	-104 809
Travel	-28 655	-27 278
<b>Total other operating expenses</b>	<b>-141 662</b>	<b>-213 335</b>
<b>Operating profit</b>	<b>61 692</b>	<b>23 743</b>
<b>Financial result</b>		
Financial income	0	6 686
Financial expense	-6 094	0
<b>Total financial result</b>	<b>-6 094</b>	<b>6 686</b>
<b>Extraordinary and non-recurring result</b>		
Provision on investment	3 816	-18 850
Income from prior periods	0	0
Cost from prior periods	0	-3 219
Tax costs from prior year	0	-8 407
Reversal of accounts receivable prior years	0	-6 028
Extraordinary and non-recurring income/(costs)	974	650
<b>Total extraordinary and non-recurring result</b>	<b>4 790</b>	<b>-35 853</b>
<b>Direct taxation</b>	<b>-16 752</b>	<b>-7 000</b>
<b>(LOSS) / SURPLUS FOR THE YEAR</b>	<b>43 635</b>	<b>-12 424</b>

**ASA - Swiss Arbitration Association, Geneva**  
**Notes to the financial statements for the year ended 31 December 2018**  
*Expressed in CHF (unless otherwise stated)*

**1. General**

The Swiss Arbitration Association (ASA) is an association governed by its Articles of Association and by Articles 60 et seq. of the Swiss Civil Code and its domicile is at the professional address of its President in Switzerland. ASA is a non-profit association with over 1,000 members and its purpose is to promote the development of arbitration in Switzerland and abroad.

**2. Accounting policies**

The accounts have been prepared in accordance with the requirements of the Swiss Code of Obligations.

**3. Investment Fund**

This balance comprises a short-term investment in an investment fund which is stated at market value.

**4. Investment Swissarbitrationhub AG**

The investment consists of the cost of a controlling interest in Swissarbitrationhub Ltd which has reported losses during the first two years of its activities. A provision of CHF 15'034 for impairment has been made in 2018 to cover the accumulated losses at 31 December 2017. Swissarbitrationhub AG is registered c/o Dr. Bernhard Berger, Effingerstrasse 1, 3011 Bern. ASA holds shares representing 29.82 % of capital and 65.81% of voting rights. Management fees for Swissarbitrationhub Ltd were waived in 2017 and 2018.

**5. Provisions**

A provision of CHF 35'200 has been booked in 2018 to streamline the current member signup, registration and payment processes. In 2017, a provision of CHF 57'570 was booked for the development of the ASA Arbitration Toolbox application and released in full in 2018.

**6. Additional disclosures in conformity with the Code of Obligations**

The average number of the association's staff expressed as full-time equivalents does not exceed 10. Liabilities vis-à-vis the pension fund amounted CHF 8'423.40 as of December 31, 2018 (CHF 8'423.40 as of December 31, 2017).

**7. Post balance sheet events**

After the balance sheet date until the date of the audit report no significant events have occurred which could impair the correctness of the financial statements as of December 31, 2018 or which would need to be disclosed.

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**There are no further circumstances which would require disclosure.**

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