



INTERNATIONAL
OLYMPIC
COMMITTEE

CATALYST FOR COLLABORATION

IOC INTERIM REPORT 2005-2006



**THE INTERNATIONAL
OLYMPIC COMMITTEE
INTERIM REPORT
2005–2006**



SHEPHERDING SUCCESS

Seven years.

That's all the time it takes to prepare for and stage the Olympic Games, from the moment a host city is selected to the moment the Olympic Flame is lit during the Opening Ceremony.

That's all the time it takes to instil an unparalleled level of partnership. Teamwork of the highest order. International cooperation. Individual commitment. And passion that knows no bounds.

That's all the time it takes to launch a legacy that will be sustained for decades to come.



THE **IOC** IS PROUD TO LEAD OUR PARTNERS...

...in the collaborative efforts necessary to share one of the world's premier sporting and cultural treasures. Together we are writing new chapters in Olympic history and the world we serve.



**AS THE LEADER OF THE
OLYMPIC MOVEMENT, THE
IOC HAS THE ULTIMATE
RESPONSIBILITY TO...**



Promote education and personal **excellence** through sport...

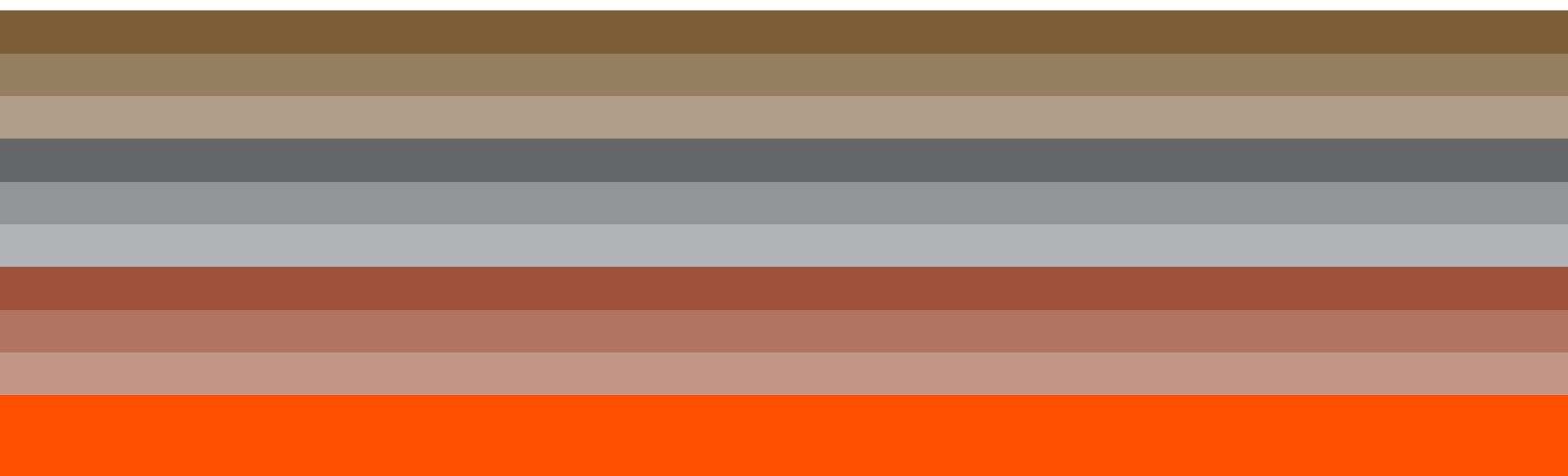
Forge **friendship** and respect through competition...

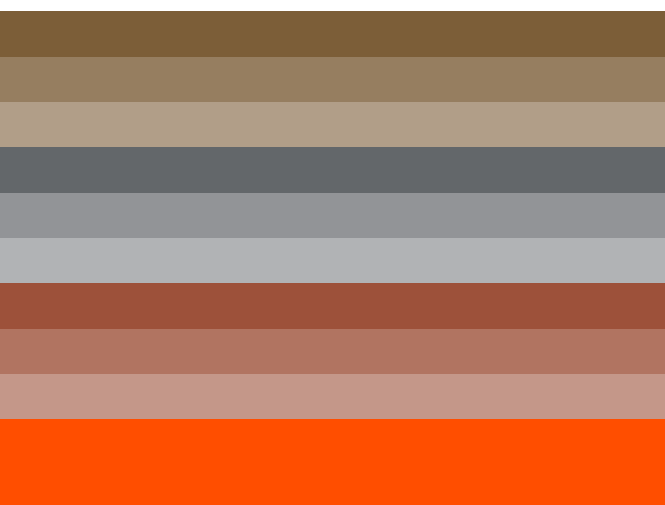
Advance tolerance and **peace** through cultural exchange...

Respect the environment through a sustainable legacy...

And embody our noblest **human** qualities as beacons to a better world.

In 2005 and 2006, as in previous years, the IOC made significant contributions to the Olympic Movement and to the generations of men and women guided by its ideals.





Message from the IOC President

The IOC: Catalyst for Collaboration

IOC Structure, Session Decisions and Membership

Keep the Olympic Games Unique and Manageable

Support Sport Organisations

Promote Sport in Society

Live the Olympic Values

Strengthen the Service Culture

The Olympic Legacy

Report of the Auditors and Combined Financial Statements

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MESSAGE FROM THE IOC PRESIDENT

I am very proud of what we in the Olympic Movement have achieved during 2005 and 2006. We have kept the Olympic Games unique and manageable whilst producing truly magnificent Winter Games in Turin. We have delivered record revenues to assist athletes and sports organisations the world over and promote sport throughout society. We have brought the Olympic values to life every day.

With more than a century of history, we have remained authentic. Standing the test of time, we have nonetheless modernised to match today's world. We have codified fundamental values of excellence, friendship and respect into a system that makes a secure and persuasive connection to our mission of sharing a dream of a better world. We have launched initiatives to solidify our position as an opinion leader at the intersection of sport, culture, education and the environment, and we have employed state-of-the-art communication tools.

We still face significant challenges, of course. We must make further advances in the fight against doping, which threatens the principles of fair play in sport and endangers the health of the athletes we all work so hard to serve. We must find new ways to engender the interest of young people in the thrill of active sports and reduce the skyrocketing obesity rates in developed countries that threaten their well-being. We must make the education of youth through sport as relevant today as it was when Pierre de Coubertin founded the IOC on that principle more than 100 years ago. We must continue to hold fast against those forces that threaten to abuse or antagonise a mission we hold dear.

But in airing our challenges openly and frankly, we have forged new partnerships and new ways of working. You in the Olympic Movement have demonstrated who we are and what we stand for, and for that I hold each of you, respectfully, in the highest regard.



Jacques Rogge



**WE HAVE BROUGHT
THE OLYMPIC VALUES
TO LIFE EVERY DAY.**

THE IOC: CATALYST FOR COLLABORATION

The IOC has a distinctive scope, mission and structure: to unite 203 countries and territories in peace, in one place, under one flag, for 16 days, to engage in sport at the service of society.

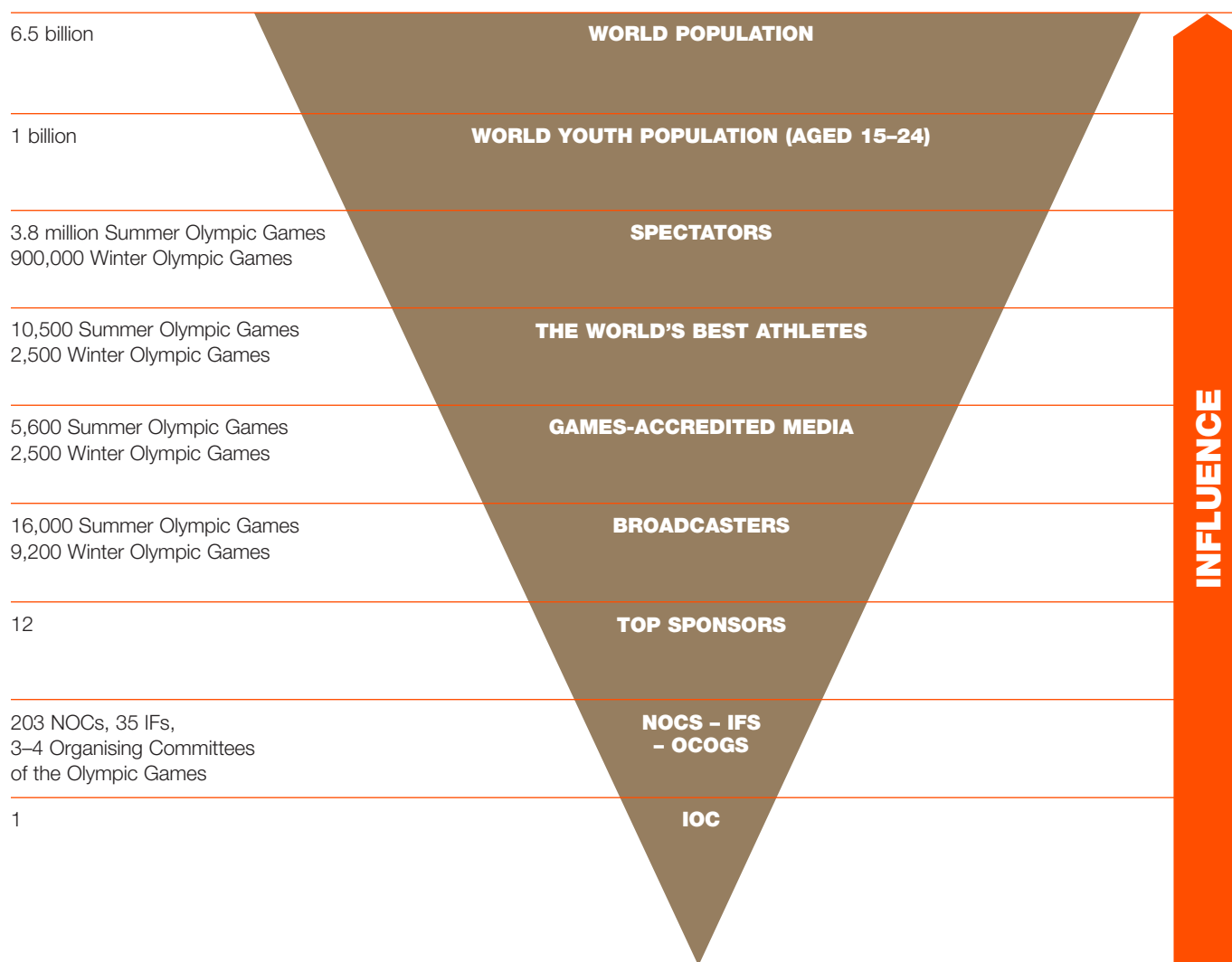
As the leader of the Olympic Movement, the IOC is an autonomous non-governmental organisation that lives at the intersection of sport and government. It owns all rights to the Olympic Games but does not itself stage them. Its success in ensuring the continuity of a unique and universal event depends on close collaboration with a wide range of partners.

The IOC Session, Executive Board and 23 Commissions direct, advise and guide the IOC. From this base of fewer than 500¹ people, the IOC influences its stakeholders on behalf of 6.5 billion people ultimately. Together they deliver a matchless combination of sport, culture and education to build a better and more peaceful world.

¹Includes IOC Members, IOC Commission members and IOC staff.



STAKEHOLDERS HOW WE WORK WITH THEM AND WHO WE INFLUENCE



IOC STRUCTURE, SESSION DECISIONS AND MEMBERSHIP

Universality is at the heart of the IOC membership structure. Members do not represent their countries. Instead, they represent the IOC in their respective countries to better promote the interests of the IOC and the Olympic Movement they serve.

Importantly, all IOC members are volunteers. They bring unique expertise to the management of the IOC, spanning sectors as diverse as sports, economics, science, media and politics. Many of the members have participated in the Games as athletes or have been active athletes or sports officials. In addition, members of the Athletes' Commission automatically become IOC members with full voting rights.

Members convene annually in a meeting of the IOC Session, which selects the host city and the sports programme for the Olympic Games seven years hence. The Session also elects a President for a term of eight years, renewable once for four years, as well as 14 Executive Board members, who serve four-year terms. The Executive Board meets quarterly to manage the affairs of the IOC.

In addition, IOC Commissions, established by the President, study specialised subjects and make recommendations to the Executive Board. Commissions include IOC members, representatives of the International Federations and National Olympic Committees, athletes, technical experts, advisers and sports specialists.

Together the IOC Session, Executive Board and Commissions define the strategic decisions implemented by the IOC administration. It is through their work that the achievements showcased in this Interim Report have come about.



UNIVERSALITY IS AT THE HEART OF THE IOC MEMBERSHIP STRUCTURE.

MAJOR DECISIONS OF THE IOC SESSION

2005 117th IOC Session, Singapore

Major decisions:

- London was elected as host city for the Games of the XXX Olympiad in 2012.
- As part of the systematic review of the Olympic Programme, the Session selected a quality programme of 26 sports for the Games of the XXX Olympiad in London in 2012. Two sports (baseball and softball) did not receive the absolute majority required and were eliminated from the programme, the first time the IOC has amended the Olympic Programme since 1936.
- Lambis V. Nikolaou and Chiharu Igaya were elected as Vice-Presidents to the IOC's Executive Board (EB).
- Ser Miang Ng was elected as a member of the EB.
- Barbara Kendall's nomination as an IOC member was confirmed.

2006 118th IOC Session, Turin

Major decisions:

- Thomas Bach was elected IOC Vice-President of the IOC's Executive Board.
- Mario Pescante and Sam Ramsamy were elected to the EB as members.
- Beatrice Allen, Nicole Hovertsz, HRH Prince Tunku Imran, Francesco Ricci Bitti and Hein Verbruggen were elected as IOC members.
- The Olympic Programme for London 2012 was confirmed.
- Copenhagen (Denmark) was chosen to stage the 13th Olympic Congress in 2009.
- Beckie Scott and Saku Koivu, elected by their peers to the IOC Athletes' Commission during the Turin Games, were voted as IOC members.

IOC EXECUTIVE BOARD MEETINGS

2005

10–11 February:	Turin
18–20 April:	Berlin
2–4 July:	Singapore
26–28 October:	Lausanne

2006

5–7 February:	Turin
5–8 April:	Seoul
21–23 June:	Lausanne
29 November–1 December:	Kuwait City

MANY OF THE MEMBERS HAVE
PARTICIPATED IN THE GAMES AS
ATHLETES OR SPORTS OFFICIALS.



MEMBERS

LIST OF MEMBERS BY PROTOCOL ORDER AT 31 DECEMBER 2006

First name, Last name	Country	Year of election	Games participation
1. Mr João HAVELANGE	BRA	1963	1936/52
2. Mr Mohamed MZALI	TUN	1965	
3. Mr Vitaly SMIRNOV	RUS	1971	
4. Mr Peter TALLBERG	FIN	1976	1960/64/68/72/80
5. Mr Richard Kevan GOSPER, AO	AUS	1977	1956/60 **
6. Mr Shagdarjav MAGVAN	MGL	1977	
7. Mr Richard W. POUND, Q.C.	CAN	1978	1960
8. Mr Zhenliang HE	CHN	1981	
9. Mr Franco CARRARO	ITA	1982	
10. Mr Phillip Walter COLES	AUS	1982	1960/64/68
11. Mr Iván DIBÓS	PER	1982	
12. Mr Chiharu IGAYA*	JPN	1982	1952/56/60 **
13. Mr Anani MATTHIA	TOG	1983	
14. Mr Roque Napoleón MUÑOZ PEÑA	DOM	1983	
15. Mr Pál SCHMITT	HUN	1983	1968/72/76 **
16. HSH the Princess Nora of LIECHTENSTEIN	LIE	1984	
17. Major General Henry Edmund Olufemi ADEFOPE	NGR	1985	
18. Mr Francisco J. ELIZALDE	PHI	1985	
19. HSH the Sovereign Prince ALBERT II	MON	1985	1988/92/94/98/02
20. Mr Lambis V. NIKOLAOU*	GRE	1986	
21. Ms Anita L. DEFRANTZ	USA	1986	1976 **
22. Mr Anton GEESINK	NED	1987	1964 **
23. HRH the Princess ROYAL	GBR	1988	1976
24. Mr Ching-Kuo WU	TPE	1988	
25. Mr Ram RUHEE	MRI	1988	
26. Mr Willi KALTSCHMITT LUJÁN	GUA	1988	
27. Major General Francis W. NYANGWESO	UGA	1988	1960
28. Mr Fernando F. Lima BELLO	POR	1989	1968/72
29. Mr Walther TRÖGER	GER	1989	
30. Mr Shun-ichiro OKANO	JPN	1990	1968 **
31. Mr Richard L. CARRIÓN*	PUR	1990	
32. Mr Nat INDRAPANA	THA	1990	
33. Colonel Antonio RODRÍGUEZ	ARG	1990	1948
34. Mr Denis OSWALD*	SUI	1991	1968/72/76 **
35. Count Jacques ROGGE*	BEL	1991	1968/72/76
36. Mr Mario VÁZQUEZ RAÑA*	MEX	1991	
37. Dr Thomas BACH*	GER	1991	1976 **
38. Sheikh Ahmad Al-Fahad AL-SABAH	KUW	1992	
39. Mr James L. EASTON	USA	1994	
40. Sir Craig REEDIE, CBE	GBR	1994	
41. Mr Mario PESCANTE*	ITA	1994	
42. Mr Gerhard HEIBERG*	NOR	1994	
43. Professor Arne LJUNGVIST	SWE	1994	1952
44. Mr Austin L. SEALY	BAR	1994	

MEMBERS

LIST OF MEMBERS BY PROTOCOL ORDER AT 31 DECEMBER 2006

First name, Last name	Country	Year of election	Games participation
45. Dr Robin E. MITCHELL	FIJ	1994	
46. Mr Alpha Ibrahim DIALLO	GUI	1994	
47. Mr Alex GILADY	ISR	1994	
48. Mr Shamil TARPISCHEV	RUS	1994	
49. Mr Valeriy BORZOV	UKR	1994	1972/76 **
50. Mr René FASEL	SUI	1995	
51. Mr Jean-Claude KILLY	FRA	1995	1964/1968 **
52. Mr Sam RAMSAMY*	RSA	1995	
53. Mr Reynaldo GONZÁLEZ LÓPEZ	CUB	1995	
54. Mr Olegario VÁZQUEZ RAÑA	MEX	1995	1964/68/72/76
55. Mr Antun VRDOLJAK	CRO	1995	
56. Mr Patrick Joseph HICKEY	IRL	1995	
57. Mr Toni KHOURY	LIB	1995	
58. Mr Mustapha LARFAOUI	ALG	1995	
59. Syed Shahid ALI	PAK	1996	
60. Mr Ung CHANG	PRK	1996	
61. Ms Gunilla LINDBERG*	SWE	1996	
62. Mr Julio César MAGLIONE	URU	1996	
63. Mr Kun Hee LEE	KOR	1996	
64. Mr Ottavio CINQUANTA*	ITA	1996	
65. Mr Guy DRUT	FRA	1996	1972/76 **
66. Ms Irena SZEWINSKA	POL	1998	1964/68/72/76/80 **
67. HRH the Grand Duke of LUXEMBOURG	LUX	1998	
68. General Mounir SABET	EGY	1998	
69. Mrs Nawal El MOUTAWAKEL	MAR	1998	1984 **
70. Mr Melitón SÁNCHEZ RIVAS	PAN	1998	
71. Mr Leo WALLNER	AUT	1998	
72. HRH the Prince of ORANGE	NED	1998	
73. Mr Ser Miang NG*	SIN	1998	
74. Mr Samih MOUDALLAL	SYR	1998	
75. Mr Joseph S. BLATTER	SUI	1999	
76. Mr Lamine DIACK	SEN	1999	
77. Mr Sergey BUBKA*	UKR	1999	1988/92/96/00 **
78. Mr Robert CTVRTLÍK	USA	1999	1988/92/96 **
79. Ms Manuela DI CENTA	ITA	1999	1984/88/92/94/98 **
80. Mr Alexander POPOV	RUS	1999	1992/96/00/04 **
81. Mr Tamás AJÁN	HUN	2000	
82. Mr Gian-Franco KASPER	SUI	2000	
83. Mr Kipjoge KEINO	KEN	2000	1964/68/72 **
84. Mr Carlos Arthur NUZMAN	BRA	2000	1964
85. Intendant General Lassana PALENFO	CIV	2000	
86. Mr Henri SÉRANOUR	FRA	2000	

MEMBERS

LIST OF MEMBERS BY PROTOCOL ORDER AT 31 DECEMBER 2006

First name, Last name	Country	Year of election	Games participation
87. Mr Zaiqing YU*	CHN	2000	
88. Mr Timothy Tsun-Ting FOK	HKG	2001	
89. Raja Randhir SINGH	IND	2001	1964/68/72/76/80/84
90. Mr John Dowling COATES, AC	AUS	2001	
91. Mr Issa HAYATOU	CMR	2001	
92. Mr Juan Antonio SAMARANCH JR	ESP	2001	
93. Mrs Els van BREDA VRIESMAN	NED	2001	
94. HRH Prince Nawaf Faisal Fahd ABDULAZIZ	KSA	2002	
95. Mr Yong Sung PARK #	KOR	2002	
96. Mr Patrick S. CHAMUNDA	ZAM	2002	
97. HRH Prince Tamim Bin Hamad AL-THANI	QAT	2002	
98. Mr Kai HOLM	DEN	2002	
99. Mr Youssoupha NDIAYE	SEN	2002	
100. Ms Pernilla WIBERG	SWE	2002	1992/94/98/02 **
101. Sir Philip CRAVEN, MBE	GBR	2003	
102. Mr Frank FREDERICKS	NAM	2004	1992/96/04 **
103. Mr Jan ZELEZNY	CZE	2004	1988/92/96/00/04 **
104. Mr Hicham EL GUERROUJ	MAR	2004	1996/00/04 **
105. Dr Rania ELWANI	EGY	2004	1992/96/00
106. Ms Barbara KENDALL	NZL	2005	1992/96/00/04 **
107. Mr Francesco RICCI BITTI	ITA	2006	
108. HRH Prince Tunku IMRAN	MAS	2006	
109. Ms Nicole HOEVERTSZ	ARU	2006	1984
110. Ms Béatrice ALLEN	GAM	2006	
111. Mr Hein VERBRUGGEN	NED	2006	
112. Ms Rebecca SCOTT	CAN	2006	1998/02/06 **
113. Mr Saku KOIVU	FIN	2006	1994/98/06 **

* Executive Board member

** Olympic medallist

N.B. Mr Yong Sung PARK is provisionally suspended whilst the Ethics Commission continues its inquiry and until the judicial authorities have rendered a final judgement.

HONORARY PRESIDENT

AT 31 DECEMBER 2006

First name, Last name	Country	Year of election	Games participation
Marqués Juan Antonio SAMARANCH	ESP	1966	

HONORARY MEMBERS

AT 31 DECEMBER 2006

First name, Last name	Country	Year of election	Games participation
HRH the Grand Duke Jean of LUXEMBOURG	LUX	1946	
Syed Wajid ALI	PAK	1959	
HM King CONSTANTINE	GRE	1963	1960 **
Mr Gunnar ERICSSON	SWE	1965	
Mr James WORRALL	CAN	1967	1936
Mr Abdel Mohamed HALIM	SUD	1968	
Mr Maurice HERZOG	FRA	1970	
Mr Henry HSU	TPE	1970	
Mr Berthold BEITZ	GER	1972	
Mr Pedro RAMÍREZ VÁZQUEZ	MEX	1972	
Mr Ashwini KUMAR	IND	1973	
Judge Kéba MBAYE	SEN	1973	
Mr Niels HOLST-SØRENSEN	DEN	1977	1948
Mr Philipp von SCHOELLER	AUT	1977	
Hon. Tan Seri HAMZAH BIN HAJI ABU SAMAH	MAS	1978	
Mr Nikos FILARETOS	GRE	1981	
Mr Günther HEINZE	GER	1981	
Mr Vladimir CERNUSAK	SVK	1981	
Ms Flor ISAVA-FONSECA	VEN	1981	
Dame Mary Alison GLEN-HAIG, D.B.E.	GBR	1982	1948/52/56/60
Mr Fidel MENDOZA CARRASQUILLA	COL	1988	
Mr Tay WILSON, O.B.E.	NZL	1988	
Mr Borislav STANKOVIC	SRB	1988	
HRH the Infanta Doña Pilar de BORBÓN	ESP	1996	

* Executive Board member

** Olympic medallist

HONOUR MEMBERS

AT 31 DECEMBER 2006

First name, Last name	Country	Year of election	Games participation
Mr Kurt FURGLER	SUI	2000	
Mr Henry KISSINGER	USA	2000	

COMMISSIONS AND WORKING GROUPS

AT 31 DECEMBER 2006

Commission

Athletes' Commission
Audit Committee
Commission for Culture and Olympic Education
Coordination Commissions for the Olympic Games:
Beijing 2008, Vancouver 2010, London 2012
Ethics Commission
Evaluation Commission for the XXII Olympic
Winter Games in 2014
Finance Commission
International Relations Commission
Juridical Commission
Marketing Commission
Medical Commission
Nominations Commission
Olympic Philately, Numismatic and Memorabilia Commission
Olympic Programme Commission
Olympic Solidarity Commission
Press Commission
Radio and Television Commission
Sport and Environment Commission
Sport and Law Commission
Sport for All Commission
TV Rights and New Media Commission
Women and Sport Commission
2009 Congress Commission

Chairman/Chairwoman

Sergey Bubka
Richard L. Carrión
Zhenliang He

Hein Verbruggen, René Fasel, Denis Oswald
Kéba Mbaye

Chiharu Igaya
Richard L. Carrión
Jacques Rogge
Thomas Bach
Gerhard Heiberg
Arne Ljungqvist
Francisco J. Elizalde
Juan Antonio Samaranch
Franco Carraro
Mario Vázquez Raña
Richard Kevan Gosper
Jacques Rogge
Pál Schmitt
Thomas Bach
Walther Tröger
Jacques Rogge
Anita L. DeFrantz
Jacques Rogge

IOC EXECUTIVE BOARD

AT 31 DECEMBER 2006

President	Year of election to the Executive Board
Jacques Rogge (BEL)	2001
Vice-Presidents	
Gunilla Lindbergh (SWE)	2004
Lambis V. Nikolaou (GRE)	2005
Chiharu Igaya (JPN)	2005
Thomas Bach (GER)	2006
Members	
Gerhard Heiberg (NOR)	2003
Denis Oswald (SUI)	2004
Mario Vázquez Raña (MEX)	2004
Ottavio Cinquanta (ITA)	2004
Sergey Bubka (UKR)	2004
Zaiqing Yu (CHN)	2004
Richard L. Carrión (PUR)	2004
Ser Miang Ng (SIN)	2005
Mario Pescante (ITA)	2006
Sam Ramsamy (RSA)	2006
Administration – Director General	
Urs Lacotte	



KEEP THE OLYMPIC GAMES UNIQUE AND MANAGEABLE

The Olympic Games are more than metres and medals. They're magic. The Games are a unique combination of sport, culture, education, Opening and Closing Ceremonies, Olympic Torch Relay and city, regional and national activities. Above all, the Games are an experience, one that must be singular and satisfying – for the athletes, partners, media, spectators, viewers, volunteers and fans.

But the Games also must be manageable – for the Organising Committees that stage them, the cities and nations that host them, and the broadcasters and sponsors that promote them. In the past two years the IOC took significant steps to control the cost, size and complexity of the operating budget of the Olympic Games so that they can continue to be unique – the most watched, most respected and most spectacular celebration of humanity anywhere on earth.

To achieve its objectives, the IOC focused on ways to:

- Increase the quality of the Games
- Improve the experience of the Games
- Expand assistance to the Organising Committees

A full-page background image showing a male ice skater in a black, vertically striped shirt and black pants performing a lift on a female ice skater. The female skater is wearing a red and black patterned top with a large, bright yellow feathered skirt and white ice skates. She is being held horizontally in the air by the male skater. The scene is set on an ice rink with visible yellow and red markings on the ice.

**THE OLYMPIC GAMES
ARE MORE THAN
METRES AND MEDALS.
THEY'RE MAGIC.**

INCREASE THE QUALITY OF THE GAMES

The 2006 Games in Turin were the first Winter Games to be able to implement 40 of the 117 recommendations made by the Olympic Games Study Commission, established in 2002 to make the Games more manageable. Ninety per cent of the remaining recommendations will be implemented for the Summer Games in Beijing in 2008 and the Winter Games in Vancouver in 2010, with full compliance expected for the Summer Games in London in 2012.

The recommendations cover a gamut of issues – from environmental sustainability (maximising the use of temporary structures, for example), to controlling the service levels for transportation of Olympic Family members (buses rather than private cars). Implementation also meant adapting all the contracts and integrating the new recommendations into all documents so that the Torino Organising Committee (TOROC) could implement its portion of the recommendations on the ground.

New ways of working produced “truly magnificent Games”, as IOC President Jacques Rogge described them during the Closing Ceremony. An increased number of National Organising Committees (NOCs) competed (see box), including, for the first time, Albania, Ethiopia and Madagascar. Medal winners were spread across four of the five continents, proving again the universality of the Olympic Games. The sports competitions, under the direction of the International Federations (IFs), were widely acclaimed to be technically excellent. The sport of snowboard cross, on the programme for the first time, delivered an additional level of excitement. The Turin Games also witnessed the most stringent anti-doping controls ever.



The Paralympic Games also saw increased participation. In June 2006, the IOC formally extended its support to the International Paralympic Committee through to 2016. As a result, the Paralympic Games athletes can continue to compete in the same city, benefit from the same Organising Committee, use the same sports venues and facilities, and enjoy the same conditions for official travel and accommodation as Olympic athletes.

On the broadcasting front, regular television viewers in Mongolia and Azerbaijan were able to watch the Winter Games for the first time. In another first, live video coverage was available on mobile phones. In addition, 23 right-holders exploited their Internet rights, delivering more than 40 million video streams to Olympic fans. Broadcast rights for the Turin Games generated US\$833 million, distributed amongst Olympic Movement constituents. The IOC keeps less than 10 per cent of all revenue received from broadcast and marketing rights.

IN TERMS OF **ECONOMIC IMPACT**, THE TURIN GAMES WERE A RESOUNDING SUCCESS.

To serve the media better, the IOC also introduced a range of new and customised tools that efficiently communicated IOC standpoints to specific target groups. A comprehensive new Olympic website registered record visits. Special editions of the flagship Olympic Review magazine (including a first-time Italian version), Olympic Review Focus newsletter and a daily internal staff newsletter communicated key perspectives and updates on the Turin Games.

In terms of economic impact, the Turin Games were a resounding success as well. This was especially important for a city that wanted to use the Games to accelerate its transition from a post-industrial era to a service economy. The privately financed €5 billion investment generated €17 billion for the city and for Italy. Major infrastructure investments have funded the renovation of part of Turin's architectural heritage as well as new amenities in transport and housing. Structures built specifically for the Olympic Games have been transformed for other uses, including exhibition centres, concert halls and corporate events, as well as for athletic competitions.

The domestic sponsorship programme for the Turin Games was the most lucrative and successful in Italian history. A total of 57 companies and 63 brands generated €271.5 million. The programme changed the face of sports marketing in the Italian market, leaving a strong legacy for Italy and the Olympic Movement.

TURIN GAMES BY THE **NUMBERS:**

16 days	TV audience grew by 2.5% to 3.2 billion people (half the planet's population)
84 events	16,311 hours broadcast (57% more than Salt Lake City)
2,508 athletes, including 960 women	200 countries broadcast the Games (40 more than for Salt Lake City)
80 NOCs competing (76 at Salt Lake City in 2002)	US\$833 million from broadcast rights
26 NOC medal winners	US\$408 million to Turin Organising Committee
1,219 drug tests	US\$425 million to IFs, NOCs through Olympic Solidarity, and the IOC
18,000 volunteers + 6,000 volunteers for the Opening and Closing Ceremonies	5 million visitors to www.olympic.org during the Games
930,000 spectators	32 million pages viewed (30% more than during the Athens Games in 2004)
2,500 staff members	
Paralympics:	
600 athletes	
1,200 media	
39 NOCs	
5 sports, including curling for the first time	
3,000 volunteers	

THE TURIN WINTER GAMES SET NEW STANDARDS IN ENVIRONMENTAL SUSTAINABILITY IN MASS SPORT AND AUDIENCE EVENTS.

From a “green” perspective, the Turin Winter Games set new standards in environmental sustainability in mass sport and audience events. Key initiatives, which have been independently certified, include the compensation of greenhouse gas emissions, waste minimisation, conservation of fresh water and mountain ecosystems, and eco-friendly building designs. Spurred by its commitment to make the Games climate-neutral, TOROC was the first Organising Committee to obtain an ISO 14001 international environment standard certification as well as an EMAS certification for its environmental systems and programmes (the European equivalent). TOROC also received the 2004 and 2005 EMAS-ECOLABEL (the European Union Eco Label) Award for organising a sporting event that had the highest respect for the environment.

Environmental challenges for the Beijing Games in 2008 will be arguably greater than for any previous Games, given the context of China’s rapid growth. With that in mind, the Beijing Organising Committee of the Olympic Games (BOCOG) has begun formally collaborating with the United Nations Environment Programme (UNEP) to develop specific programmes. BOCOG has received ISO 14001 certification for its environmental management system. It also has issued environmental guidelines for Olympic project construction and renovation and other services the city will require. Already a great deal of work has occurred in the areas of environmental education and to improve air quality, water treatment, forestation and waste management.



In addition, Beijing will be the first host city to produce a full Olympic Games Impact (OGI) report. Launched by the IOC, the rigorous OGI study encompasses 150 sustainable development criteria divided into three areas: social, economic and environmental. Together with a dynamic knowledge transfer programme, OGI will help Organising Committees remake, remodel and rejuvenate their cities.

The Vancouver Organising Committee has taken a holistic view of sustainability for the 2010 Winter Games, broadening the interpretation beyond environmental issues to include the sustainability impact of every element of the business plan, such as transportation and workforce issues. The London Organising Committee aims to sustain a client focus throughout the 2012 Summer Games. In particular, the Committee is putting a premium on the youth market by making sure that all elements appeal to young people.

IMPROVE THE **EXPERIENCE** OF THE GAMES

Despite many Games successes, the IOC and Organising Committees cannot afford to be complacent. Olympic clients have expectations that extend beyond sport alone. They are looking for an emotional experience tailored to their unique needs. They want perfect execution of the technical elements, such as sports competitions, and perfect execution of the practical elements they experience directly. Case in point: spectators witnessed great moments in the venues at Turin, and the concerts at night in the medals plaza gave the event that magical “Olympic touch”. But the concerts were so successful that the plaza could not accommodate all who wanted to attend.

The challenge for the IOC and Games organisers is to understand the expectations of all participants and ensure that they are fulfilled – and preferably exceeded. It’s critical, then, to be “client driven”: to think through in advance what the experience will be for all “clients”, or Games beneficiaries, be they athletes, spectators, journalists, fans – the entire gamut – then provide the best possible services for each group.

That lesson was taken to heart in the highly successful debriefing of the Turin Games, held in Vancouver in July 2006. For the first time, the four-day meeting was attended by all the stakeholders (some 300) involved in staging different editions of the Games: the Organising Committees for the Games in Turin, Vancouver and London; the three Candidate Cities for the 2014 Winter Games, Sochi, Salzburg and PyeongChang; NOCs, IFs, sponsors, broadcasters, media and government authorities; and even spectators.



SINCE THE IOC BEGAN FACILITATING **GREATER** ACCESS TO INFORMATION, THE QUALITY OF BIDS FROM APPLICANT CITIES IS MUCH HIGHER.



Participants made a point of thinking like the clients they serve. Rather than analyse functions in isolation – like transportation, accommodation and cultural activities – they focused on integrating the entire experience so that all elements will work well together in the future, both for ticketed spectators at the Games and for those unable to see the event in person. Vancouver organisers, for example, already know how to spread the experience of the 2010 Games across the nation so that people who can't attend can still enjoy. The capital city in every province will showcase Games highlights every night on giant television screens in central locations, complete with live music and other cultural activities. With the IOC providing more assistance, Organising Committees are further ahead in their implementation activities, and Candidate Cities will submit more comprehensive bids.

Importantly, Candidate Cities gain the benefits of the bid process even when they don't win. The Olympic Games are the premier reference point for sustainability, so Candidate Cities must envision their transformation as part of their bid. Usually they implement a portion of their plans anyway, as was the case for New York, Paris, Madrid and Moscow, which bid against London for the 2012 Games.

By the end of the debriefing, participants had started to become partners, working in one direction with shared objectives, so that clients numbering in the billions can be treated one at a time.

EXPAND ASSISTANCE TO THE ORGANISING COMMITTEES

In recent years the IOC has developed a significant transfer of knowledge programme, but it has become even more robust in the past two years. In 2005, the IOC absorbed the activities of the Olympic Games Knowledge Services (OGKS) subsidiary into a streamlined Olympic Games Knowledge Management (OGKM) programme, a section of the Games department working in partnership with the Technology and Information Management departments.

Combining their expertise, the departments rolled out a redesigned extranet in 2006, based on feedback from extensive surveys conducted in 2005. The new extranet gives round-the-clock access to 15 gigabytes of data and targets information better. For example, technical data are organised by specific themes, whilst information on key management issues appeals to the executive officers of Organising Committees.

Online resources are further supplemented by 34 technical manuals – 10 times the number available five years ago – that describe organisers' legal obligations and provide step-by-step guidance on what needs to be done and by when. Meanwhile, a software tool to monitor progress has become the envy of corporate event planners worldwide. Master Schedule II, finalised in 2006, is a simple, intuitive programme that gives at-a-glance status on technical, operational and client aspects of every upcoming edition of the Games.

Rounding out the knowledge management programme is a stepped-up schedule of intensive seminars, workshops and observer programmes for Applicant Cities, Candidate Cities and Organising Committees alike.

Since the IOC began facilitating greater access to information, the quality of bids from Applicant Cities is much higher. Organising Committees are more fully informed than in the past and are able to sign legally binding obligations when they bid. Governmental authorities and the private sector, in turn, are willing to guarantee financial support, all of which reduces risk for the IOC and the bid cities. Finally, once a Candidate City has been selected, its projects are much more ambitious and can be developed faster. The London Organising Committee, for example, is deep into plans to rejuvenate a wide swath of the city's underdeveloped East End as part of its legacy contribution.

Best of all, throughout the candidature process a deep feeling of partnership emerges, with all parties working in an atmosphere of information sharing and problem solving to deliver perfectly organised events, unforgettable moments and a lasting legacy.

SUPPORT SPORT ORGANISATIONS

Support means more than financial assistance. It also means demonstrating sensitivity to the diverse needs of the National Olympic Committees (NOCs) and International Federations (IFs) around the world that cultivate future Olympians. It means respecting different levels of development and working to improve them in ways that best meet individual needs. It is for these organisations that the IOC raises record broadcast revenues. And it is for them that Olympic Solidarity works with 203 NOCs to:

- Provide unprecedented support for athletes
- Deliver the highest-quality coaching
- Strengthen NOC administration and management
- Assist in the development of sport

Olympic Solidarity – an autonomous body reporting to the IOC's Commission for Olympic Solidarity – is the principal organisation responsible for coordinating assistance to the 203 National Olympic Committees around the world. To serve better their individual needs, Olympic Solidarity completed a restructuring that began in 2001 to decentralise the organisation and move some of its activities closer to its constituents on the five continents. Olympic Solidarity offices in Cameroon, Kuwait City, Rome, Suva and Mexico City, as well as the Lausanne headquarters, work closely with Continental Associations to give NOCs access to technical, financial and administrative assistance that addresses the specific needs and priorities of NOCs on that continent.

Decentralisation was further reinforced at the start of the 2005–2008 quadrennial by increasing the funding to Continental Associations to 37 per cent of the overall Olympic Solidarity budget. Importantly, Continental Associations also have the freedom to decide how the funds should be distributed to their NOCs. The total Olympic Solidarity budget for the 2005–2008 quadrennial stands at US\$244 million, 16.48 per cent more than for the past four-year plan (2001–2004).

In addition, the IOC has increased its support of sports organisations in the past two years by providing such services as consulting assistance to the NOCs by the IOC TV and Marketing Services department. Financial assistance from the IOC also enabled the International Federations (IFs) to run mid- to long-term projects for the development of their sports. Efforts included the training of judges and referees, the provision of equipment for sports practice and the covering of operational expenses for IF training centres. Finally, representatives of the Olympic Movement convened in Lausanne in September 2006 for the First Seminar on the Autonomy of the Olympic and Sport Movement. They discussed ways to foster greater cooperation amongst the sports, political, social and economic worlds, and agreed to a systematic exchange of information to react jointly and efficiently in cases of conflict with governmental organisations.

The 20 World Programmes that Olympic Solidarity provides to the NOCs from Lausanne fall within the four main areas of sports development considered most essential for supporting an NOC's role of developing future Olympians and forming a team to participate in the Olympic Games. In these activities Olympic Solidarity partners with IFs, IOC Commissions and NOCs to develop and deliver high-quality programmes.

A photograph of two women performing a balancing act. The woman on the bottom is wearing a white turtleneck sweater with a colorful geometric pattern on the chest and has her arms outstretched. She is balancing the woman on top on her right hand. The woman on top is wearing a white long-sleeved shirt and black pants, with her arms also outstretched. The background is a plain, light-colored wall.

**SUPPORT MEANS
MORE THAN
FINANCIAL
ASSISTANCE.**

PROVIDE UNPRECEDENTED SUPPORT FOR ATHLETES

Olympic Solidarity's athletes' programmes are based on a pyramid structure that allows for a clear reference to the athlete's technical level and variations in the degree of investment per athlete, whilst also promoting interaction between the levels. At the elite level, for example, Olympic Solidarity helps the NOCs prepare for the Beijing Olympic Games by awarding team support grants and individual Olympic scholarships. In addition, a tailored programme for the Turin Games saw a record 71 NOCs receive funding to assist their elite athletes in preparing for these Games.

At the continental and regional level, Olympic Solidarity offers the NOCs a flexible programme of assistance to help their athletes and teams prepare for continental multi-sport competitions, such as the Doha Asian Games or the European Youth Olympic Festival. At the grassroots level, Olympic Solidarity funds talent identification projects and specific activities to provide early exposure to high-level training and coaching opportunities for young athletes who may participate in the 2010 and 2012 Olympic Games.

In a separate initiative, the IOC Athletes' Commission launched a new programme in February 2005 to help athletes make the transition from elite sport to normal life after they retire from sport. Jointly managed by the IOC and Adecco, the world leader in human resources, the programme is offered in more than 15 countries across five continents.

Deliver the highest-quality coaching

Programmes to train coaches offer the NOCs the opportunity to train their national coaches in different ways and at different levels. The main objective is to improve the proficiency of coaches worldwide so that they have the latest scientific and technical knowledge to meet today's athlete training requirements. Support is provided for basic training, individual training and at the national level. Programmes include technical courses led by an International Federation-appointed expert, as well as Olympic scholarships so that coaches can access high-level training and then pass on their knowledge to their peers. NOCs wishing to develop their national sports and coaching structure also receive funds to implement a mid- to long-term action plan for a specific sport.

THE MAIN OBJECTIVE IS TO **IMPROVE** THE PROFICIENCY OF COACHES WORLDWIDE SO THAT THEY HAVE THE LATEST SCIENTIFIC AND TECHNICAL KNOWLEDGE TO MEET TODAY'S ATHLETE TRAINING REQUIREMENTS.



2005–2006 **SUPPORT** FOR ATHLETES

89% of participating NOCs in Turin benefited from an NOC preparation programme for their athletes

925 Olympic scholarships awarded from 155 NOCs for the Beijing Games

83 team support grants

Assistance provided to 153 NOCs to prepare their athletes for continental and regional Games, notably the Doha Asian Games, the European Youth Olympic Festivals, the Pan American Games and the All Africa Games

133 NOCs offered 2012 athlete training grants

73 talent identification projects approved

Training for coaches

569 basic coaching courses organised

240 Olympic scholarships for national-level coaches

83 projects for development of national sports structures

NOC Management

75 NOC administration development initiatives

67 NOC subsidies to train staff

222 national training courses for sports administrators

94 scholarships for sports management master's degrees, including 28 to female NOC administrators

58 NOC exchange projects, including 16 internships

19 regional forums organised on the five continents

STRENGTHEN NOC **ADMINISTRATION AND** **MANAGEMENT**

Four management programmes funded by Olympic Solidarity help NOCs face one of their most important challenges: how best to equip their staff with the knowledge and skills needed to run a successful sports organisation in the 21st century. Two of the programmes support the general operating costs of NOC administrative structures and fund NOC exchange projects and regional forums. Another programme supports national training courses for sports administrators, featuring the manual on Managing Olympic Sports Organisations (MOSO), a key tool developed by Olympic Solidarity in 2005 that contains case studies from more than 35 sports organisations. The fourth programme offers scholarships to NOCs for the Executive Masters in Sports Organisation Management (MEMOS) degree in English, French or Spanish.



ASSIST IN THE DEVELOPMENT OF SPORT

With so many priorities favouring athletes or the development of coaches and NOC administrators, many NOCs need the ways and means to organise activities in other fields, particularly to fulfil their responsibilities under the Olympic Charter to develop and promote Olympic ideals. For these reasons, Olympic Solidarity created a number of programmes to assist the NOCs in promoting Olympic values in their respective countries. Programmes enable the NOCs to convey the fundamental principles of Olympism according to their need, their individual situation and their culture.

Olympic Solidarity also encourages NOCs to preserve their national Olympic and sport history and heritage. First established for the 2001–2004 quadrennial plan, the project has approved 64 NOC legacy initiatives. More and more NOCs are using Olympic Solidarity funding to create museums or libraries open to the public.

PROGRAMMES ENABLE THE NOCS TO
CONVEY THE FUNDAMENTAL PRINCIPLES
OF OLYMPISM ACCORDING TO THEIR
NEED, THEIR INDIVIDUAL SITUATION AND
THEIR **CULTURE**.

PROMOTION OF OLYMPIC IDEALS

Subsidies to 45 NOCs to attend the 6th World Conference on Sport and Environment in Nairobi, the 11th World Sport for All Congress in Havana and the 5th World Conference on Culture and Education

Subsidies to 468 participants in the International Olympic Academy Sessions

PROMOTE SPORT IN SOCIETY

Whilst Olympic feats are milestones that punctuate our history, every day they also spark the imaginations of girls and boys, men and women, young and old, who come to understand that they have the right to participate and the potential to perform. It is for these people that the IOC works to:

- Foster good health and human development
- Provide humanitarian assistance
- Teach the benefits of sport, education and culture
- Advance women's participation in sports



A photograph of three young children sitting on a metal bench on a grassy sports field. They are wearing pink and green soccer jerseys. The child on the left has the number 14 on their back, and the child in the middle has the number 18. They are looking towards a fenced-in soccer field in the background where other children are playing. The sky is overcast and there are trees in the distance.

TEACH THE **BENEFITS**
OF SPORT, EDUCATION
AND CULTURE.

FOSTER GOOD HEALTH AND HUMAN DEVELOPMENT

Ravaged by war and disease, disadvantaged and marginalised, much of the world's population can benefit from the role sport plays in building a safer, more prosperous and peaceful society. Sport helps bridge cultural and ethnic divides, creates jobs and businesses, promotes tolerance and non-discrimination, reinforces social integration and advocates healthy lifestyles. Based on its long-time commitment as a socially responsible organisation, the IOC looks to engage in grassroots sport development worldwide to increase access to physical activity and improve social and human well-being.

Sport for All, a pillar of the Olympic Movement, continues to enjoy significant support. Some 80 per cent of NOCs participate in the popular Olympic Day Run, funded by subsidies from Olympic Solidarity and McDonald's. Many NOCs add courses on physical activities and ageing, youth festivals and activities to bring sport to the workplace. The 11th World Sport for All Congress in Havana in 2006 elaborated on the specific needs of developing countries and the most effective ways to influence decision makers who can implement Sport for All ideas and programmes. The Sport department provided financial support for 25 NOC initiatives.



HIV/AIDS prevention programmes aim to promote awareness and fight related discrimination and stigma. The first toolkit for HIV and AIDS prevention through sport was jointly published in 2005 by the IOC and UNAIDS. Currently available in French, English, Portuguese and Russian – and available as a free download on the IOC website – the toolkit also will be made available in Swahili and Chinese. Related seminars created working relationships between the National Olympic Committees (NOCs) and aid organisations, such as UNICEF, the World Bank and the International Federation of the Red Cross and Red Crescent Societies (IFRC), so they may cooperate in their activities and extend their reach.

In another programme, the IOC and the United Nations Food and Agriculture Organisation (FAO) joined forces during the past two years to provide grassroots sports and equipment to disadvantaged rural areas, contributing to the socioeconomic development of 19 countries and moderating the exodus to big cities.

The positive effects of sport on human development got an extra boost in 2005 when a number of activities were undertaken in the name of the International Year of Sport and Physical Education. In a move unparalleled in the history of the UN, the summit of heads of state and government included in their final statement a paragraph on the need to consider sport as a major contributor to peace and development. The IOC President and UN Secretary General also co-signed a message to NOCs on the Olympic Day Run, another first in the history of the Olympic Movement. In addition, the UN created a Department of Sport for Peace and Development at its headquarters to support initiatives to mainstream sport in UN country activities. All these initiatives are in addition to the important ongoing work amongst specialised UN agencies that have partnered with the IOC to place sport on their development agendas. Contacts with the African Union and the New Economic Partnership for African Development also bore fruit. In April 2006 a sport for development forum took place in Cape Town, the first time such a conference has occurred in Africa.

SPORT FOR ALL, A PILLAR OF THE OLYMPIC MOVEMENT, CONTINUES TO ENJOY SIGNIFICANT SUPPORT.

HEALTH AND HUMAN DEVELOPMENT

HIV/AIDS prevention toolkit published in 4 languages + free website download

1,000 participants from 100 nations attended the 11th World Sport for All Congress in Havana

80% of NOCs sponsored Olympic Day Runs; youngest participant was 5 months old, oldest was 87 years old

Rural areas in 19 countries used grassroots sport to moderate the exodus to big cities

Humanitarian assistance
Sport and education assistance to refugees benefited 15,000 youth in Africa alone

Tsunami relief assistance through the Red Cross and NOCs

Sport, education and culture

400 million young people in China participating in 500,000 schools

20% increase in NOC funding requests for special initiatives

Olympic Museum established network of 10 museums to extend the impact of Olympic history and ideals worldwide

Women in sports

Media briefing for 16 female journalists from 16 developing countries drew widespread coverage

International consensus gained on how to prevent the female athlete's triad (anorexia, osteoporosis, amenorrhoea)

Funded by Olympic Solidarity, 51 women from 5 continents attended a training seminar to build sports management skills

PROVIDE HUMANITARIAN ASSISTANCE

The IOC's sport programmes for refugees, conducted in partnership with the UN High Commissioner for Refugees (UNHCR), have reached thousands of refugees, particularly young people, touched by war. Four projects launched with UNHCR in the past two years provided sport and education assistance to refugees, internally displaced people and returnees in Africa, Kosovo, Europe and Latin America. Some 15,000 children and young people benefited in Africa alone.

The IOC also was one of the first organisations to provide tsunami relief assistance through the Red Cross and to the NOCs of affected countries to rebuild sports activities and infrastructures and support youth projects. In another move, sports equipment sent to 19 tsunami-hit areas in Somalia was used by the Red Cross to bring warring youngsters together to play.



TEACH THE BENEFITS OF SPORT, EDUCATION AND CULTURE

Nowhere could it have been more apparent that the Olympic Movement is, above all, an educational movement than in Beijing, site of the 5th World Forum on Sport, Education and Culture held in November 2006. Co-hosted by the IOC and the Beijing Games organisers, in partnership with UNESCO, the conference showcased China's vast Olympic education programme. Some 400 million young people are participating in 500,000 elementary and secondary schools, learning Olympic history and discovering other cultures and societies. Several universities also now have included Olympic and general sport education in their curricula, and physical education has become a subject of choice for many students. With the theme of "Sport and a World of Harmony", the oversubscribed conference focused on the role of sport in promoting world peace and its contribution to the international community's struggle to build a harmonious world.

In 2006 the Olympic Museum launched a network of 10 museums within the Olympic Movement to collaborate on collections, exhibitions and education programmes that will extend the impact of Olympic history and ideals worldwide. Exhibitions around the world produced by the Olympic Museum already attract between 500,000 and three million visitors annually, a figure expected to expand significantly now that an organised network is in place.

ADVANCE WOMEN'S PARTICIPATION IN SPORTS

The IOC has long made women's participation in sports, Olympic Games and administrative posts a high priority. Sport is an important means of communication and emancipation, helping women and young girls become aware of their role in society.

To raise awareness of the IOC's position, a workshop and media briefing for 16 female journalists from 16 developing countries was held in 2005 before the Magglingen Conference on Sport and Development, the culminating event of the UN's International Year of Sport and Physical Education. The event promoted the role of women within the sports movement and drew widespread, in-depth coverage. To further support the IOC's activities in this area, the women and sport section of the IOC website was completely revised in 2005, with new pages covering the diversity of the IOC gender equality policy.

THE MEDICAL DEPARTMENT
GAINED CONSENSUS IN 2005 FROM
INTERNATIONALLY **RENOWNED**
EXPERTS ON HOW TO PREVENT THE
FEMALE ATHLETE'S TRIAD, A PATHOLOGY
THAT LINKS ANOREXIA, OSTEOPOROSIS
AND AMENORRHOEA.



In another important initiative, the Medical department gained consensus in 2005 from internationally renowned experts on how to prevent the female athlete's triad, a pathology that links anorexia, osteoporosis and amenorrhoea. The resulting consensus statement was published on the IOC extranet and website with the expectation that new research will begin on how the triad could affect sport and how the rules may be changed to prevent it.

Finally, as part of its NOC administration development programme, Olympic Solidarity also provided scholarships in 2005 and 2006 to 51 women working with NOCs on five continents to attend a four-day capacity-building seminar for female sports administrators.

LIVE THE OLYMPIC VALUES

Olympic values matter. They distinguish the Olympic Games from all other sporting events and drive the entire Olympic Movement. The universal language of sport teaches us how to:

- Strive for excellence in all that we do
- Live in friendship and peace
- Respect ourselves, each other and the rules

Not for nothing at the Opening Ceremonies of the Turin Games did media all over the world disseminate a single, powerful image: the symbolic representation of a dove. This feat of athleticism, balletic in its grace, was viewed through the five Olympic rings. When the athletes disappeared from view, what lingered in the memory was the sight of the rings and what they mean to those who cherish them.

Olympic values have come to stand for many things, to the point where their power risks being diluted. With that in mind, collaboration occurred across the Olympic Movement in 2006 to enable Olympic values to be articulated in a tangible way. After consulting with other IOC departments, the Communications department codified the values and placed them within a comprehensive framework. This new system clearly shows how IOC activities link to the IOC's guidelines and principles, all of which are now anchored by three fundamental values: excellence, friendship and respect.



**OLYMPIC VALUES
HAVE COME TO STAND
FOR MANY THINGS.**



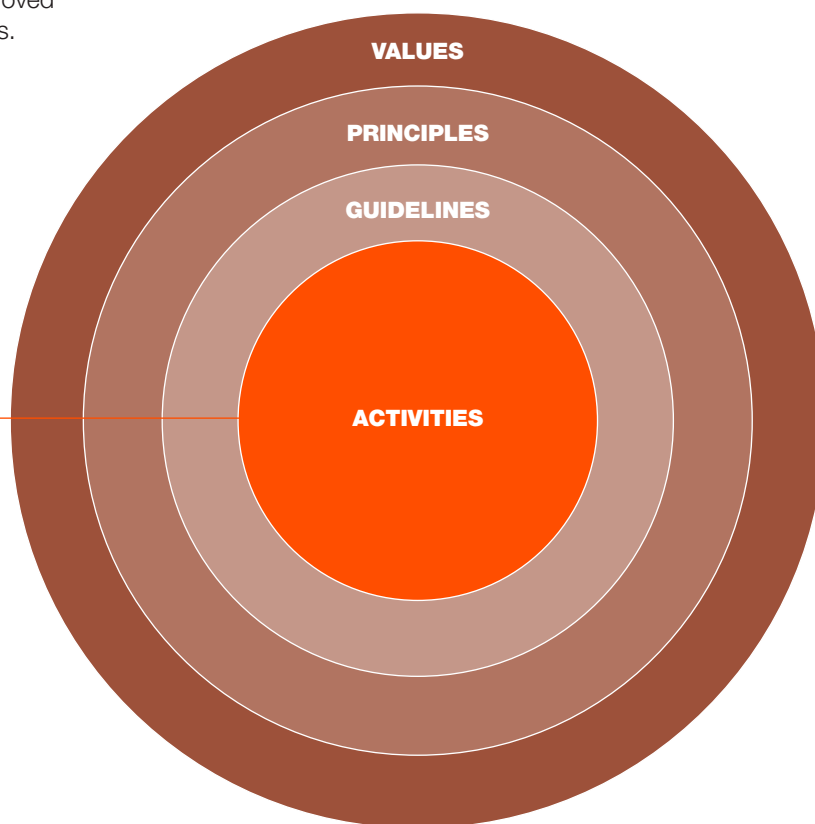
THE IOC VALUE SYSTEM

Olympic values in action

The tight connection between all elements of the system ensures that everything the IOC does is driven by each of the values and principles, monitored by the appropriate guidelines, and encompassed in approved activities, as the following illustration demonstrates.

Activities

- Celebration of the Olympic Games
- Support for sports organisations
- Promotion of the Olympic values
- Promotion of sport in society
- Development of the organisation



Excellence

By providing examples of the pinnacle of sporting achievement, the Olympic Games inspire us to strive to do, and be, our best in our daily lives. Tangible aspects of excellence include:

- Our commitment to continuous improvement through extensive knowledge transfer programmes that help host cities learn from and build on achievements from previous Olympic Games
- Our systematic review of sports on the Olympic Programme to ensure that it remains relevant to the Olympic Movement and the public at large
- Development of the qualification system for each Olympic Games, working with the international sports federations to ensure that each sport is operated correctly and consistently across the federations
- Our use of state-of-the-art communications tools to reach a wider audience with responsive and credible points of view

Friendship

By providing examples of how humanity can overcome political, economic, religious and racial prejudices, the Olympic Games inspire us to forge friendships in spite of those differences. Tangible aspects of friendship include:

- Turin medal winners signing the Olympic Truce, under which athletes compete at every Olympic Games and for which the UN General Assembly has expressed its support for more than 10 years
- Athletes marching side by side at the Olympic Games without regard to race, nationality, gender, political opinions or religious beliefs
- The first Sport and Peace Forum organised in Olympia, Greece, which included participants from Israel and Palestine
- The Peace Games in Kinshasa, which were a prelude to the first free elections in 60 years in the Democratic Republic of the Congo
- Humanitarian assistance programmes such as the Giving Is Winning initiative, which distributes clothing and sports equipment to refugees

- Olympic Solidarity programmes that support athletes, coaches, managers and NOCs
- Sport for All programmes that promote grassroots sports in all levels of athletes, in all societies
- Promotional campaigns that communicate Olympic values between Games
- Culture and education initiatives that help people experience the wider world through sport. The Olympic Values Education toolkit for children and youth was distributed to 10,000 children in New Delhi in 2006

Respect

By providing examples of the profound meaning of respect as a life lesson for humanity, the Olympic Games inspire respect for ourselves, for each other and for the rules. Tangible aspects of respect include:

- The IOC's complete dedication to zero tolerance for doping and to remaining the leader in the fight against doping as a matter of fairness and protection of athletes' health, working in close concert with the World Anti-Doping Agency (WADA), Organising Committees, International Federations and National Organising Committees (NOCs)



- Our deep commitment to putting athletes at the centre of the Olympic Movement. Athletes are our raison d'être – from meeting their training needs throughout their development, to ensuring perfect playing fields and smoothly run Games, to helping athletes launch new careers after they retire
- Our staunch support for women in sport, as athletes, administrators and IOC Members
- Our promotion of sustainable environmental programmes, as measured by rigorous Olympic Games Impact reports, in order to create a lasting legacy
- Our focus on social responsibility in the value chain of goods provided to the Olympic Games and wider Olympic Movement

THE POWER OF VALUES

In demonstrating who we are and what we stand for, the Olympic values maximise our association with some of the world's foremost institutions and corporations and reap significant benefits for the Olympic Movement. For example, in a first-ever visit to IOC headquarters in 2006 from Kofi Annan, Secretary General of the United Nations, an inspiring new range of peace through sport initiatives were discussed. As a result, the IOC developed and implemented programmes with UN Peacekeeping Forces in Liberia and the Democratic Republic of the Congo. Projects were aimed at creating dialogue between communities and providing relief and entertainment through sport for young people and the population at large.

In another example, combining the values of the Olympic brand with the marketing power of the Worldwide Sponsors ensures that universal Olympic ideals are brought to the world. The Olympic Games offer sponsors an unrivalled brand platform. The relevance of Olympic values to human achievement provides sponsors with a powerful foundation for building, enhancing and promoting their own brands. In return, they help provide more nations with the necessary resources to develop Olympic teams and send athletes to participate in the Games. With each edition of the Games, Worldwide Sponsors find new and innovative ways to support the athletes, contribute to event operations and promote Olympic ideals.

Worldwide Sponsors also mirror the global nature of the Olympic Movement. The 12 Worldwide Sponsors for the Turin Games are headquartered in seven countries across three continents. They include Coca-Cola, Atos Origin, GE, Kodak, Lenovo, Manulife, McDonald's, Omega, Panasonic, Samsung, Visa International and Johnson & Johnson, which became the first broad health care products sponsor.

Of these 12, Coca-Cola has established the record for the longest corporate sponsorship. Having joined The Olympic Partnership (TOP) programme when it first began in 1985, the company signed an agreement in 2006 that extends its sponsorship through 2020. Omega and Atos Origin extended their TOP sponsorship through 2012.

The universal appeal of the Olympic Games also is reflected in the sale of rights to broadcast future editions of the Games. In Canada, broadcast rights for the London Games in 2012 were awarded to Bell Globemedia/Rogers Media for US\$153 million, a 110 per cent increase. Seoul Broadcasting System (SBS) in Korea agreed to pay US\$33 million to broadcast the Vancouver Games in 2010 and the London Games in 2012. SBS also agreed to pay US\$39.5 million to broadcast the 2014 and 2016 Games. The Arab States Broadcasting Union agreed to pay US\$21 million to broadcast the London Games in 2012, a significant increase from the agreement signed for the Beijing Games in 2008. The deal includes coverage for 12 countries in the Middle East across all platforms and languages.

Without a doubt, the Olympic values of excellence, friendship and respect extend well beyond the playing fields and beyond the hearts and minds of Olympic athletes. They are universal ideals that reinforce the humanity in each of us. They position sport as a model for harmony. And they show us what is possible when the world comes together as a single society to witness the fulfilment of man's potential and celebrate human dignity on a global stage.

STRENGTHEN THE SERVICE CULTURE

In the same way that Games operations are becoming more customer focused, so, too, is the IOC administration. In the course of strengthening its corporate governance, leadership and performance orientation, the IOC administration is becoming a state-of-the-art organisation able to offer the best possible service to its stakeholders. In the past two years the IOC administration made significant progress to:

- Modernise management practices
- Create a performance-driven organisation
- Strengthen core competencies





**STRENGTHEN
CORE
COMPETENCIES.**

MODERNISE MANAGEMENT PRACTICES

The IOC has continued to put in place the foundation for sound corporate governance in response to the series of audits initiated by President Rogge shortly after he took office in 2001. An Audit Committee and internal audit function has been established to minimise risk and assure that policies and procedures agreed by the Executive Board are implemented effectively. The new post of internal auditor will be filled in 2007.

In the area of risk management, negotiations were completed in 2006 for a three-year rolling cancellation insurance policy, purchased at competitive rates, for the Olympic Games to be staged in 2008, 2010 and 2012. Work also is ongoing for a comprehensive disaster recovery plan that will assure business continuity.

The IOC also has made significant investments in infrastructure, especially in the areas of information storage and retrieval, and streamlined communication. An information technology master plan has been finalised, ensuring that information systems will match the needs of the IOC's business strategy. An ambitious programme called 3Net, which integrates all Internet-based assets – the external website, the intranet, and the marketing and National Olympic Committee extranets – was activated in 2005. The organisation also decided to upgrade its



Enterprise Resource Planning (ERP) system to improve the output of financial management information. Migration to the new system will occur in 2007. An integrated corporate document management system and contact database has been rolled out across the organisation to increase collaboration and teamwork. The Olympic Museum is now in the midst of making plans to upgrade technology for managing all reservations, ticketing and event services. This move is part of a larger objective to increase efficiency and lower costs.

CREATE A PERFORMANCE-DRIVEN ORGANISATION

Two corporate functions introduced in 2005 in the Director General's office further integrate the IOC's 13 departments and entities and strengthen collaboration across work functions. Corporate Development instituted a new planning process that better aligns departmental objectives with the IOC's overall goals, provides a transparent overview of activities, projects and budgets, and increases buy-in throughout the organisation. A renewed emphasis on project management skills, complemented by appropriate training, also has increased the administration's ability to make collective choices about priorities and share resources to deliver complex interdepartmental projects.

To reinforce the new performance-driven environment, a revamped Human Resources function introduced a formal evaluation process, improved management training and internal communication, and updated personnel policies.



...FURTHER INTEGRATE THE IOC'S
13 DEPARTMENTS AND ENTITIES AND
STRENGTHEN COLLABORATION ACROSS
WORK FUNCTIONS.

STRENGTHEN CORE COMPETENCIES

To better focus its operations, the IOC has continued to reorganise and streamline the administration under the management of the Director General. Two critical functions were internalised in 2005 to strengthen IOC leadership amongst key constituents. The Olympic Games Knowledge Services (OGKS) subsidiary was integrated into the Games department, which now works in partnership with the Technology and Information Management departments to streamline transfer of knowledge programmes. Marketing activities were further consolidated when the IOC bought out Meridian Marketing Services SA (since renamed IOC Television and Marketing Services, or ITMS) and brought all broadcast rights and marketing functions in-house within this wholly owned subsidiary. This move achieves synergies across all revenue and brand functions.

In addition, the IOC decided to take responsibility for the host broadcast function, creating Olympic Broadcasting Services SA (OBS) in 2005, with subsidiaries in Madrid and the Host Cities.



THE MOVE FROM SELF-RELIANCE TO INTERDEPENDENCE HAS REQUIRED A RETHINKING ACROSS THE ORGANISATION THAT IS STILL ONGOING.

The Department of Finance and Administration underwent a complete restructuring. In addition to the creation of a new section – Protocol, Events Management and Hospitality – existing areas were rationalised. Within the finance section, work that was previously divided into three areas was consolidated into one corporate financial function, providing a more streamlined and effective service. Similarly, the logistics and technical teams, formerly split amongst the IOC's different bases, were merged to create a one-stop solution provider for client needs. This new structure allowed the four departments re-located from Vidy to the House of International Sport to be fully operational within four days of the move. The Technology Department, too, merged its services into one, thus linking all the IOC's administrative bases into one technology source.

The Olympic Museum has embarked on a new position of “quality over quantity” in the management of patrimonial assets and in the display of new exhibits. It is devoting more space to critical exhibits – such as Fair Play and the Mind makes a Champion – that have proved popular with the public, whilst scaling back its collecting activities for faster indexing and retrieval.

Finally, to strengthen management proficiency and continue to respect the overall budget and headcount, the IOC has focused on hiring fewer staff members but with higher capabilities.

The move from self-reliance to interdependence has required a rethinking across the organisation that is still ongoing. Service and service levels to stakeholders have been defined. Common back-office processes also have been combined into a shared service organisation to deliver faster results. Across the administration there is a renewed sense of purpose and possibilities and a heightened sense of collaboration and partnership.

The background of the page is a large, glowing Olympic flag made of lights, displayed in a stadium at night. The flag is composed of five interlocking rings, each filled with a dense pattern of small lights. The entire scene is illuminated with a warm, orange-red glow, and the stadium's metal truss structure is visible in the background.

THE OLYMPIC LEGACY

There's a reason the Olympic flag has no border. Borders confine the outer limits of what we can create. But our vision has no boundaries.

Like the five interlocked rings in the centre of the flag, we are **united** across continents in a culture of **collaboration**. Together we work to **educate** youth through sport. Together we work to build a **sustainable** legacy.



TOGETHER WE SHARE A DREAM OF A BETTER **WORLD.**

The IOC is proud to lead the Olympic Movement.
We invite all who share our vision to pursue it with us.
The Olympic Movement belongs to everyone.

REPORT OF THE AUDITORS AND COMBINED FINANCIAL STATEMENTS

31 DECEMBER, 2006

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REPORT OF THE AUDITORS

Executive Board and Session of the International Olympic Committee Lausanne

We have audited the accompanying combined financial statements of the International Olympic Committee as at 31 December, 2006, comprising the statements of financial position as at that date, the related statements of activities, cash flows and changes in fund balances for the year then ended and the notes to the financial statements, set out on pages 58 to 80.

These combined financial statements are the responsibility of the Executive Board of the International Olympic Committee. Our responsibility is to express an opinion on these combined financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audit was conducted in accordance with International Standards on Auditing which require that an audit be planned and performed to obtain reasonable assurance about whether the combined financial statements are free of material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the consolidated financial statements. We have also assessed

the accounting principles used, significant estimates made and the overall combined financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the combined financial statements give a true and fair view of the financial position of the International Olympic Committee as of 31 December, 2006, and of the results of its activities, cash flows and changes in fund balances for the year then ended in accordance with the International Financial Reporting Standards.

PricewaterhouseCoopers SA

F Roth
Auditor in charge
Lausanne, 26 April 2007

E Hamoir

COMBINED STATEMENTS OF FINANCIAL POSITION

AT 31 DECEMBER, 2006 AND 2005 (IN THOUSANDS OF US DOLLARS)

	Notes	2006	2005
ASSETS			
UNRESTRICTED			
Current assets			
Cash and cash equivalents	4	226 765	94 400
Financial assets at fair value through profit or loss	5	325 057	187 072
Receivables and other current assets	6	<u>131 537</u>	<u>143 315</u>
		<u>683 359</u>	<u>424 787</u>
Non-current assets			
Financial assets	5	191 973	266 750
Tangible fixed assets	7	<u>115 432</u>	<u>100 647</u>
		<u>307 405</u>	<u>367 397</u>
RESTRICTED			
Restricted bank deposits and television broadcasting rights instalments held in trust	8	<u>195 215</u>	<u>282 748</u>
Total assets		<u><u>1 185 979</u></u>	<u><u>1 074 932</u></u>
LIABILITIES AND FUND BALANCES			
Current liabilities			
Accounts payable and accrued expenses	9	92 869	80 293
Olympic Games related advances, guarantee deposits and deferred income, net	10	–	154 989
Earmarked funds	11	<u>19 646</u>	<u>19 995</u>
		<u>112 515</u>	<u>255 277</u>
Non-current liabilities			
Olympic Games related advances, guarantee deposits and deferred income, net	10	227 469	142 849
Other deferred income and long-term debt		15 667	5 880
Earmarked funds	11	37 494	21 342
Retirement benefit obligations	12	<u>736</u>	<u>2 537</u>
		<u>281 366</u>	<u>172 608</u>
Fund balances			
Undesignated		631 564	513 076
Designated		140 400	115 554
Cumulative translation adjustment		<u>20 134</u>	<u>18 417</u>
		<u>792 098</u>	<u>647 047</u>
Total liabilities and fund balances		<u><u>1 185 979</u></u>	<u><u>1 074 932</u></u>

The notes included on pages 62 to 80 are an integral part of the financial statements.

COMBINED STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED 31 DECEMBER, 2006 AND 2005 (IN THOUSANDS OF US DOLLARS)

	Notes	2006		2005	
		Undesignated	Designated	Total	
REVENUES					
Television broadcasting rights	13	830 844	–	830 844	–
TOP programme marketing rights	14	268 390	–	268 390	176 237
Other rights		27 433	–	27 433	6 855
Others		5 204	653	5 857	5 871
		<u>1 131 871</u>	<u>653</u>	<u>1 132 524</u>	<u>188 963</u>
EXPENDITURE					
Central operating and administrative costs	15	<u>80 565</u>	<u>2 851</u>	<u>83 416</u>	<u>80 598</u>
Olympic Games related expenditure, subsidies and special projects					
Olympic Games related expenditure	16	34 569	–	34 569	–
Grants and subsidies		3 192	–	3 192	2 854
Funds earmarked for allocation	11	33 082	–	33 082	–
Olympic Solidarity programme	17	–	51 768	51 768	44 918
Special projects		840	–	840	723
		<u>71 683</u>	<u>51 768</u>	<u>123 451</u>	<u>48 495</u>
Distribution of rights to OCOG, USOC and IF					
Television broadcasting	13	686 934	(73 346)	613 588	–
TOP programme marketing	14	238 753	–	238 753	137 070
		<u>925 687</u>	<u>(73 346)</u>	<u>852 341</u>	<u>137 070</u>
Excess of revenues (expenditure) before financial items		53 936	19 380	73 316	(77 200)
Financial income, net	18	<u>64 552</u>	<u>5 466</u>	<u>70 018</u>	<u>44 362</u>
Excess of revenues (expenditure)		<u>118 488</u>	<u>24 846</u>	<u>143 334</u>	<u>(32 838)</u>

The notes included on pages 62 to 80 are an integral part of the financial statements.

COMBINED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED 31 DECEMBER, 2006 AND 2005 (IN THOUSANDS OF US DOLLARS)

	2006	2005
Operating activities		
Excess of revenues (expenditure)	143 334	(32 838)
Adjustments for:		
• Excess of television broadcasting rights revenues over distribution	(217 256)	–
• Allocation to earmarked funds	33 082	–
• Release of Olympic Games related deferred income and expenditure, net	14 062	4 756
• Financial income, net	(70 018)	(44 362)
• Depreciation and amortisation	6 543	6 158
• Foreign exchange differences	3 399	(5 903)
	<u>(86 854)</u>	<u>(72 189)</u>
Changes in:		
• Olympic Games related deferred income and expenditure, net	3 134	17 000
• Olympic Games related guarantee deposits, net	(5 110)	4 103
• Receivables and other current assets	13 788	(30 948)
• Accounts payable and accrued expenses	23 738	(36 540)
	<u>35 550</u>	<u>(46 385)</u>
TV rights receipts and disbursements		
• Receipt of Olympic Games related advances	644 710	330 568
• Disbursement of Olympic Games related advances	(509 909)	(185 674)
• Earmarked funds	(20 455)	(17 525)
• Television Broadcasting rights instalments held in trust	53 308	(54 432)
	<u>167 654</u>	<u>72 937</u>
Interest received	39 905	22 238
Interest paid	(1 027)	(1 107)
	<u>38 878</u>	<u>21 131</u>
Net cash generated by operating activities	<u>155 228</u>	<u>(24 506)</u>
Investing activities		
Purchase of fixed assets	(16 941)	(5 872)
Purchase of financial assets at fair value through profit or loss	(240 601)	(234 366)
Proceeds from sales of financial assets at fair value through profit or loss	200 117	76 360
Net cash used in investing activities	<u>(57 425)</u>	<u>(163 878)</u>
Increase/(decrease) in cash and cash equivalents	<u>97 803</u>	<u>(188 384)</u>
Movement in cash and cash equivalents		
At start of year	255 520	442 120
Increase/(decrease)	97 803	(188 384)
Effects of exchange rate changes	337	1 784
	<u>353 660</u>	<u>255 520</u>
Definition of cash and cash equivalents for the purpose of the cash flow statement		
Unrestricted cash and cash equivalents	226 765	94 400
Restricted bank deposits (note 8)	126 895	161 120
	<u>353 660</u>	<u>255 520</u>

The notes included on pages 62 to 80 are an integral part of the financial statements.

COMBINED STATEMENTS OF CHANGES IN FUND BALANCES

FOR THE YEARS ENDED 31 DECEMBER, 2006 AND 2005 (IN THOUSANDS OF US DOLLARS)

	Undesignated funds	Designated funds	Cumulative translation adjustments	Total
Balance at 1 January, 2005	502 080	159 388	63 861	725 329
Translation adjustment	–	–	(45 444)	(45 444)
Excess of revenues/(expenditures) recognised in statement of activities	<u>10 996</u>	<u>(43 834)</u>	<u>–</u>	<u>(32 838)</u>
Balance at 31 December, 2005	513 076	115 554	18 417	647 047
Translation adjustment	–	–	1 717	1 717
Excess of revenues recognised in statement of activities	<u>118 488</u>	<u>24 846</u>	<u>–</u>	<u>143 334</u>
Balance at 31 December, 2006	<u><u>631 564</u></u>	<u><u>140 400</u></u>	<u><u>20 134</u></u>	<u><u>792 098</u></u>

The notes included on pages 62 to 80 are an integral part of the financial statements.

1. ACTIVITY

The International Olympic Committee (IOC), domiciled in Lausanne, Switzerland, is an international non-governmental, non-profit organisation in the form of an association. Its registered office is located at Château de Vidy. The mission of the IOC is to lead the Olympic Movement in accordance with the Olympic Charter. The Olympic Movement encompasses organisations, athletes and other persons who agree to be guided by the Olympic Charter, including, in addition to the IOC, the International Sports Federations (IFs), the National Olympic Committees (NOCs) including the United States of America Olympic Committee (USOC) and the Organising Committees of the Olympic Games (OCOGs).

The Olympic Movement's revenues are largely generated from royalties on licensing television broadcasting rights for Olympic Games, as well as revenues from the commercial exploitation of the Olympic symbol and Olympic emblems. The allocation of the revenues between the organisations making up the Olympic Movement is generally contractually based in respect of the IOC, the USOC and the OCOGs, and in respect of the IFs, the NOCs and the OS negotiated on an ongoing basis with the IOC.

In addition to the activities of the IOC, these combined financial statements include the activities of the following organisations and programmes:

- The Olympic Museum (OM), a foundation governed by the provisions of the Swiss Civil Code. It has been entrusted by the IOC with the task of depicting the history and development of the Olympic Movement and of associating the movement with art and culture, for specialists and the public at large worldwide.
- The Olympic Foundation (OF), a foundation governed by the provisions of the Swiss Civil Code. It has been entrusted by the IOC to give support to the activities of the Olympic Movement, notably in the areas of culture, education and sports.
- The Olympic Solidarity (OS), a programme developed jointly by the IOC and the National Olympic Committees (NOCs). Its purpose is to assist the officially recognised NOCs, especially those most in need, to fulfil their mission and in making known the ideals of the Olympic Movement.

- The IOC Television and Marketing Services SA (IOCTMS), a company owned by the OF which manages the IOC's worldwide sponsorship programme, all its other marketing activities and activities related to broadcasting rights and new media, is a fully owned subsidiary of the OF.
- The Olympic Programme (TOP) is the IOC's worldwide sponsorship programme which is managed by IOCTMS.
- The Olympic Broadcasting Services SA (OBS), a company that shall supply all services relating to the establishment and management of the Host Broadcasting function of the Olympic Games, and in which the OF holds a 99% shareholding. At 31 December, 2006, the value of the minority interest amounted to USD 10 739 (USD 2 888 at 31 December, 2005).
- The Olympic Games Knowledge Services OGKS SA (OGKS), a company which supports the IOC in the transfer of knowledge and expertise from one OCOG to another, and in which the OF holds a 100% shareholding. OGKS activity has been transferred to the IOC during the year 2005 and the company has been liquidated during 2006.

The activities of the OM, the OF, the OS, the IOCTMS, the TOP Programme, the OBS and OGKS have been combined with those of the IOC (together, the IOC or the Group) on the basis of the fact that the latter has a majority shareholding or control of the Boards of each organisation and of each programme.

A 33.3% investment in La Maison du Sport International SA, Lausanne, held by the OF, is accounted for under the equity method of accounting.

2.

BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of presentation

The combined financial statements are prepared in accordance with and comply with International Financial Reporting Standards (IFRS). The significant accounting policies are described below and have been consistently applied to the years presented, unless otherwise stated. The financial statements are prepared under the historical cost convention except for financial assets at fair value through profit or loss and derivative financial instruments, which are shown at fair value. Transactions and balances among the combined organisations and programmes have been eliminated.

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates and also requires the exercise of judgement in the application of the accounting policies. In particular, significant assumptions are used in the calculation of the defined benefit obligations (note 12).

Amendments to published standards coming into effect in 2006

IAS 19 (Amendment), Employee Benefits (effective from 1 January, 2006). The impact of the amendment will be limited to the format and extent of disclosures presented in the combined financial statements.

Other standards, amendments or interpretations becoming effective in 2006 are not relevant for the IOC. The IOC has not early adopted any other standards, amendments or interpretations.

Standards, amendments and interpretations not yet effective and which have not been early adopted

Certain new standards, amendments and interpretations to existing standards have been published that are mandatory to the IOC's accounting periods beginning on or after 1 January, 2007 or later periods but which the IOC has not early adopted. The IOC currently believes that only the following will have an impact on its combined financial statements:

IFRS 7, Financial Instruments: Disclosures and a complementary amendment to IAS 1, Presentation of Financial Statements – Capital Disclosures (effective from 1 January, 2007): This standard introduces new disclosures to improve the information about financial instruments.

The amendment to IAS 1 introduces disclosures about the level of the Group's capital and how it manages capital.

These combined financial statements have been approved by the Executive Committee of the IOC on 26 April, 2007.

The amounts shown in these combined financial statements are presented in US dollars, in view of the international nature of the IOC's operations and due to the majority of its revenues being earned in that currency.

The television broadcasting revenues are received in USD, EUR and AUD. The related distributions are paid in USD and EUR.

Restricted assets represent advances received on television rights royalties and guarantee deposits made by OCOGs. Such funds are held in bank deposit accounts or in trust.

Fund balances include designated funds which are set aside for the financing of the Olympic Solidarity programme.

B. Foreign currencies

The statements of activities of OM, IOCTMS, OBS and OGKS which use the Swiss franc as their functional currency have been translated into US dollars at average exchange rates for the year (USD/CHF 1.25 for 2006 and USD/CHF 1.25 for 2005) and the statements of financial position at the year-end exchange rates ruling at 31 December (USD/CHF 1.22 for 2006 and USD/CHF 1.32 for 2005). Exchange differences arising from such translation have been taken to the statement of changes in fund balances.

As from 1 January, 2006, the functional currency of the OF was changed from the Swiss franc to the US dollar in view of the increased treasury management role on behalf of the IOC.

Foreign currency income and expenditure are accounted at the exchange rates prevailing at the date of the transactions. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of activities. Non-monetary items carried at historical cost denominated in a foreign currency are reported using the historical exchange rate at the date of the transaction.

C. Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

D. Financial assets

The Group classifies its financial assets in the following categories: financial assets at fair value through profit or loss, and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

a) Financial assets at fair value through profit or loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as such. Assets in this category are classified as current assets if they are expected to be realised within 12 months of the balance sheet date.

b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets.

Regular purchases and sales of investments are recognised on settlement date. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. They are subsequently carried at fair value. Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the IOC has transferred substantially all risks and rewards of ownership. Loans and receivables are carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category, including interest and dividend income, are presented in the statement of activities within financial income, net, in the period in which they arise.

E. Deferred income and expenditure

Income and expenditure relating to Olympic Games not yet held are deferred and recognised in the statement of activities upon successful completion of the Olympic Games. These include costs incurred on certain projects which provide benefits to a number of Olympic Games. Income and expenditure relating to the TOP programmes are deferred for items relating to future TOP four-year-programmes. In addition, certain amounts relating to value in kind contributions received and payable to OCOGs under the TOP programme are deferred and recognised in the year of the Olympic Games.

F. Fixed assets

Buildings and building installations, leasehold improvements, furniture and equipment and information technology systems are stated at cost less accumulated depreciation. Broadcasting equipment is depreciated according to its effective use during Olympic Winter Games and during the Games of Olympiad once every two years.

Depreciation of other assets is calculated on a straight line basis over the estimated useful life of the assets as follows:

Buildings	50 years
Building installations	25 years
Leasehold improvements, furniture and equipment	4 to 10 years
Information technology systems	5 years

Land and collections are stated at cost and are not depreciated.

New building installations and major renewals are capitalised, in particular regarding broadcasting equipment; maintenance, repairs and minor renewals are charged to the statement of activities as incurred.

G. Pension obligations

The Group sponsors pension plans for employees of the IOC, OM, OF and IOCTMS. These plans are cash-balance plans treated as a defined benefit plan for financial reporting purposes. The plan assets are separated and managed independently from the Group's assets. The pension plans' obligations and the service cost are calculated annually by an independent actuary. The method used is the projected unit credit method. As at 1 September, 2005, the pension plans were amended. The expense for 2005 includes the impact of this change. The Group's policy for recognition of actuarial gains and losses is to recognise the amount exceeding 10% of the maximum between the present value of obligations and the assets over the average future working life of the active members. Furthermore, the Group pays contributions to a savings plan (401k) for IOCTMS' employees in Atlanta; the related 2006 employer's contributions amount to USD 0.086 million, compared to USD 0.113 million in 2005.

H. Revenue recognition

a) Television broadcasting rights

Royalties from the licensing of television rights to broadcast Olympic Games are recognised on the successful completion of the respective Olympic Games. Instalments received by the IOC prior to this date are deferred as they may be repayable, in whole or in part, to the television networks at any time up to the completion of the Games upon the occurrence, for any reasons, of one or several conditions specified in the agreements. Interests earned on the instalments received are for the benefit of the IOC and are recorded as interest income currently.

The proceeds from television rights royalties are allocated between the IOC, OCOGs, IFs, NOCs and OS by decision of the IOC Executive Board upon the successful completion of the Olympic Games.

b) TOP rights

Revenues from TOP rights are partly received in cash, in which case they are recorded in the period the instalments become due, and partly received in the form of goods or services (Value in Kind). Value in Kind is recognised for the USOC, the NOCs and the IOC on a linear basis during the

period of the contract and in the year of the Games of the Olympiad or Olympic Winter Games for the OCOGs. Value in Kind revenues are recorded based on their underlying fair value. Fair value is considered to be the estimated market price obtainable between knowledgeable, willing parties in an arm's length transaction.

The TOP rights proceeds, net of related management fees, are allocated between the IOC, OCOGs and NOCs based on a standard formula agreed by the parties. Such distribution is recorded in line with the aforementioned policy with respect to the recognition of TOP rights.

c) Other rights

Other rights include revenues from the commercial exploitation of the Olympic symbol and Olympic emblems. The revenues represent the Group's share of the OCOGs marketing programmes, as well as income from other sponsorship, suppliership and licensing agreements. Revenues which are related to Olympic Games are deferred until the year the Olympic Games are held; other revenues are recorded in the period the instalments become due. Part of these revenues is received in the form of goods or services (Value in Kind).

I. Financial income

Interest income is recognised on an effective yield basis, and dividend income is recognised when the right to receive payment is established.

J. Income taxes

The IOC, the OF and the OM are exempt from paying income taxes. Income taxes due by IOCTMS and OBS as at 31 December, 2005 and 2006 are included in accounts payable and accrued expenses.

3. **FINANCIAL RISK MANAGEMENT**

A. Financial risk factor

The Group's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. Its overall risk management programme seeks to minimise potential adverse effects on the activities of the Group. The Group uses derivative financial instruments such as foreign currency options, interest rate swaps, swaptions and forward contracts to cover certain exposures.

Risk management is carried out by the IOC treasury department under limits determined by the IOC financial management committee and the policies approved by the IOC Executive Committee.

a) Foreign exchange risk

The Group is exposed to foreign exchange risks mainly because most of its revenues are generated in US dollars, whereas its central operating and administrative costs are essentially Swiss franc based. Foreign currency option and forward contracts are used to reduce the related exposure. In addition, the Group makes use of US dollar bank deposits which offer a superior interest rate compared to ordinary US dollar deposits but which include an embedded option to repay the deposit in Swiss francs rather than US dollars if, at the maturity of the deposit, the US dollar rate against the Swiss franc exceeds the strike price fixed at the inception of the deposit.

b) Interest rate risk

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing assets. These exposures are managed partly through the use of derivative financial instruments such as interest rate swaps and swaptions.

c) Credit risk

Substantially all of the Group's revenues are generated from the licensing of television broadcasting rights and other rights. The Group believes that all amounts due under such rights are fully collectible. The Group has policies which limit the amount of credit and investment exposures. Cash is placed with, and derivative instruments are entered into with, major Swiss banks. Investment securities represent notes issued by major corporations and government entities as well as investment fund units issued by major banks.

B. Accounting for derivative financial instruments and hedging activities

Derivative financial instruments are initially recognised in the statement of financial position at cost and subsequently are remeasured at their fair value. All fair value changes are recognised immediately in the statement of activities.

Certain financial instrument transactions provide effective economic hedges under the Group's risk management policies, however, they do not qualify for hedge accounting under the specific rules in IAS 39. As a consequence, the hedging instrument and the hedged item are reported independently as if there were no hedging relationship.

C. Fair value estimation

The fair value of publicly traded derivatives and available-for-sale investments is based on quoted market prices at the statement of financial position date. The fair value of interest rate swaps and swaptions is calculated at the present value of the estimated future cash flows. The fair value of forward foreign exchange options and forward contracts is determined using forward exchange market rates at the statement of financial position date.

4. CASH AND CASH EQUIVALENTS

	2006 USD 000	2005 USD 000
Cash at bank and in hand	19 859	18 531
Bank deposits		
• in USD	187 747	40 434
• in Euros	1 661	15 072
• in Swiss francs	17 214	20 363
• in other currencies	284	–
Total cash and cash equivalents	<u>226 765</u>	<u>94 400</u>

All bank deposits are made through major Swiss banks.
At 31 December, 2006 and 2005, respectively, the weighted average interest rate was respectively 5.29% and 4.18% for USD deposits, 1.82% and 0.63% for Swiss franc deposits, 3.59% and 2.28% for Euro deposits.

5. FINANCIAL ASSETS

A. Movements in financial assets at fair value through profit or loss

	2006 USD 000	2005 USD 000
For the year ended 31 December 2006		
Opening net book amount	450 623	305 237
Additions	224 722	234 366
Disposals	(200 027)	(75 846)
Exchange differences	13 202	(16 423)
Increase in market value	9 170	3 289
Closing net book amount	<u>497 690</u>	<u>450 623</u>
As at 31 December		
Current	325 057	187 072
Non current	172 633	263 551
Total of financial assets at fair value through profit or loss	<u>497 690</u>	<u>450 623</u>

Financial assets at fair value through profit or loss mainly consist of fixed and floating rate bonds and investment fund units, including equity funds, which are carried at market value. Market value is calculated by reference to Stock Exchange quoted selling prices and published investment fund unit prices at the close of business on the statement of financial position date.

At 31 December, 2006, bonds amounting to USD 169.435 million (USD 82.849 million in 2005) are subject to a security

lending convention with major Swiss banks. In addition, a further amount of USD 11.186 million (USD 7.599 million in 2005) was pledged in favour of the same institutions to guarantee lines of credit, rentals and taxes.

At 31 December, 2005 financial assets at fair value through profit or loss include the fair value of USD 0.035 million relating to forward rate agreements with a nominal value of USD 300 million.

B. Long-term financial assets

	2006 USD 000	2005 USD 000
Shareholding in Beijing Olympic Broadcasting Co. Ltd	264	235
Loan to the Maison du Sport International	3 197	2 964
Other long-term financial assets	15 879	–
Financial assets at fair value through profit or loss	<u>172 633</u>	<u>263 551</u>
Total financial assets	<u><u>191 973</u></u>	<u><u>266 750</u></u>

In relation with the preparation of the Games of the XXIX Olympiad, OBS SA has invested an amount of Euro 200 000 in an entity called Beijing Olympic Broadcasting Co. Ltd. This not-for-profit entity was created jointly with the Beijing Organising Committee. This investment does not give the right to the payment of any dividend or surplus nor any financial responsibility over and above the amount invested.

6.

RECEIVABLES AND OTHER CURRENT ASSETS

	2006	2005
	USD 000	USD 000
Rights income receivable	5 635	50 811
Recoverable withholding taxes and VAT	17 815	17 941
Advances to TOP technology partner on behalf of Beijing and Vancouver OCOG	57 834	42 905
Receivable from Turin OCOG	–	4 076
Receivable from Beijing OCOG	18 752	4 137
Receivable from Vancouver OCOG	1 950	241
Receivable from London OCOG	1	29
Other receivables	10 833	3 103
Accrued interest receivable	10 857	8 847
Prepaid expenses and advances	6 930	7 157
Pension fund advance (note 12)	–	2 997
Olympic souvenirs and awards	930	1 071
Total receivables and other current assets	<u>131 537</u>	<u>143 315</u>

7. TANGIBLE FIXED ASSETS

	Land, buildings and building installations USD 000	Leasehold improvements, furniture and equipment USD 000	Information technology systems USD 000	Broadcasting equipment USD 000	Collections USD 000	Total USD 000
Year ended 31 December, 2005						
Opening net book amount	74 640	10 766	3 647	–	20 826	109 879
Exchange differences	(7 956)	(946)	(41)		(4)	(8 947)
Additions/Disposals, net	474	1 468	3 190		741	5 873
Depreciation charge	(1 542)	(2 139)	(2 445)		(32)	(6 158)
Closing net book amount	<u>65 616</u>	<u>9 149</u>	<u>4 351</u>	<u>–</u>	<u>21 531</u>	<u>100 647</u>
At 31 December, 2005						
Cost	74 641	46 077	22 778		21 501	164 997
Exchange differences	9 387	3 350	33		3	12 773
Accumulated depreciation	(18 412)	(40 278)	(18 460)		27	(77 123)
Net book amount	<u>65 616</u>	<u>9 149</u>	<u>4 351</u>	<u>–</u>	<u>21 531</u>	<u>100 647</u>
Year ended 31 December, 2006						
Opening net book amount	65 616	9 149	4 351	–	21 531	100 647
Exchange differences	3 763	386	6	232	–	4 387
Additions/Disposals, net	1 816	2 158	2 779	9 399	789	16 941
Depreciation charge	(1 544)	(2 647)	(2 352)	–	–	(6 543)
Closing net book amount	<u>69 651</u>	<u>9 046</u>	<u>4 784</u>	<u>9 631</u>	<u>22 320</u>	<u>115 432</u>
At 31 December, 2006						
Cost	86 532	23 577	27 398	9 399	22 320	169 226
Exchange differences	3 764	386	6	232	–	4 388
Accumulated depreciation	(20 645)	(14 917)	(22 620)	–	–	(58 182)
Net book amount	<u>69 651</u>	<u>9 046</u>	<u>4 784</u>	<u>9 631</u>	<u>22 320</u>	<u>115 432</u>

8.

RESTRICTED BANK DEPOSITS AND TELEVISION BROADCASTING RIGHTS INSTALMENTS HELD IN TRUST

	2006 USD 000	2005 USD 000
Restricted bank deposits	126 895	161 120
Television broadcasting rights instalments held in trust	<u>68 320</u>	<u>121 628</u>
Total restricted bank deposits and television broadcasting rights held in trust	<u><u>195 215</u></u>	<u><u>282 748</u></u>

Restricted bank deposits mainly consist of fixed rate bank deposits made principally in US dollars through major Swiss banks for which book value approximates their fair value because of the relatively short maturity turns.

At 31 December, 2006 and 2005, the weighted average interest rates on the restricted bank deposits were 5.13% and 4.18% and on television broadcasting rights instalments 5.38% and 2.97%, respectively.

9.

ACCOUNTS PAYABLE AND ACCRUED EXPENSES

	2006 USD 000	2005 USD 000
Rights income to be redistributed	27 725	23 297
Payable to Turin OCOG	1 508	9 886
Payable to Beijing OCOG	14 007	14 416
Other payables	36 568	24 160
Accrued expenses	<u>13 061</u>	<u>8 534</u>
Total accounts payable and accrued expenses	<u><u>92 869</u></u>	<u><u>80 293</u></u>

10.

OLYMPIC GAMES RELATED ADVANCES, GUARANTEE DEPOSITS AND DEFERRED INCOME, NET

	Advances on TV Rights USD 000	Less TV Rights Allocated to OCOGs USD 000	Less TV Rights Allocated to USOC USD 000	Advances, net USD 000	Deferred Income USD 000	Deferred Expenditure USD 000	Guarantee Deposit USD 000	Total USD 000
2006 Olympic Winter Games								
01.01.2005	213 871	(104 797)	(19 552)	89 522	337	(4 438)	1 180	86 601
31.12.2005	367 246	(179 951)	(23 462)	163 833	2 746	(16 808)	5 218	154 989
31.12.2006	—	—	—	—	—	—	—	—
2008 Games of Olympiad								
01.01.2005	37 094	(17 437)	(2 847)	16 810	2 456	(7 018)	1 057	13 305
31.12.2005	210 206	(102 262)	(17 080)	90 864	39 262	(8 511)	1 090	122 705
31.12.2006	390 383	(179 303)	(22 773)	188 307	64 394	(23 400)	1 145	230 446
2010 Olympic Winter Games								
01.01.2005	8 728	—	—	8 728	2 575	(2 562)	1 018	9 759
31.12.2005	10 673	(5 000)	(1 046)	4 627	4 359	(7 907)	1 050	2 129
31.12.2006	10 693	(22 000)	(1 046)	(12 353)	8 414	(13 967)	1 103	(16 803)
2012 Games of Olympiad								
01.01.2005	15 469	—	—	15 469	3 700	(1 749)	—	17 420
31.12.2005	17 605	—	(1 506)	16 099	3 844	(2 773)	—	17 170
31.12.2006	18 125	—	(1 506)	16 619	3 844	(8 831)	—	11 632
2014 Olympic Winter Games								
01.01.2005	—	—	—	—	—	—	—	—
31.12.2005	—	—	—	—	1 050	(205)	—	845
31.12.2006	25	—	—	25	2 550	(718)	—	1 857
2016 Games of Olympiad								
01.01.2005	—	—	—	—	—	—	—	—
31.12.2005	—	—	—	—	—	—	—	—
31.12.2006	370	—	—	370	—	(33)	—	337
Total								
01.01.2005	275 162	(122 234)	(22 399)	130 529	9 068	(15 767)	3 255	127 085
31.12.2005	605 730	(287 213)	(43 094)	275 423	51 261	(36 204)	7 358	297 838
31.12.2006	419 596	(201 303)	(25 325)	192 968	79 202	(46 949)	2 248	227 469
Current portion								
01.01.2005	—	—	—	—	—	—	—	—
31.12.2005	367 246	(179 951)	(23 462)	163 833	2 746	(16 808)	5 218	154 989
31.12.2006	—	—	—	—	—	—	—	—
Non-current portion								
01.01.2005	275 162	(122 234)	(22 399)	130 529	9 068	(15 767)	3 255	127 085
31.12.2005	238 484	(107 262)	(19 632)	111 590	48 515	(19 396)	2 140	142 849
31.12.2006	419 596	(201 303)	(25 325)	192 968	79 202	(46 949)	2 248	227 469

11. EARMARKED FUNDS

This account represents provisions for distribution of broadcasting rights to organisations of the Olympic Movement. Transactions recorded during 2006 and 2005 are as follows:

	2006 USD 000	2005 USD 000
Year ended 31 December		
Balance at 1 January	41 337	56 384
Funds earmarked for allocation to organisations of the Olympic Movement	33 082	–
Reallocation of provision to earmarked funds	3 176	2 478
Allocation to and funds expensed on behalf of the World Antidoping Agency	(11 950)	(9 079)
Allocation to the International Council of Arbitration of Sports	(3 534)	(3 429)
IOC/IFs solidarity programme	(1 750)	(1 510)
Financial assistance to other organisations of the Olympic Movement	<u>(3 221)</u>	<u>(3 507)</u>
Balance at 31 December	<u><u>57 140</u></u>	<u><u>41 337</u></u>
At 31 December		
Current	19 646	19 995
Non-current	<u>37 494</u>	<u>21 342</u>
Balance at 31 December	<u><u>57 140</u></u>	<u><u>41 337</u></u>

12. STAFF COSTS

	2006 USD 000	2005 USD 000
Salaries	37 158	36 021
Social security costs	4 546	5 094
Pension costs – defined benefit plan	<u>1 408</u>	<u>3 393</u>
Total staff costs (note 15)	<u><u>43 112</u></u>	<u><u>44 508</u></u>

Defined benefit pension plan

The IOC's pension scheme covers substantially all employees. Starting 1 January, 2006, the pension obligations related to all employees of the IOC have been transferred to a semi-autonomous Swiss foundation. The scheme was valued by independent actuaries using the projected unit credit method as at 31 December, 2006.

The amounts recognised in the statement of activities are as follows:

	2006 USD 000	2005 USD 000
Current service cost	4 986	4 022
Interest cost on projected benefit obligations	956	887
Expected return on plan assets	(1 587)	(1 031)
Net amortisation	4	–
Past service costs/(income)	(1 140)	1 030
Employee contribution	<u>(1 811)</u>	<u>(1 515)</u>
Total net periodic pension cost, included in staff costs, as above	<u>1 408</u>	<u>3 393</u>

The actual return on plan assets was a gain of USD 3.032 millions in 2006 and USD 1.188 millions in 2005.

The following tables set forth the status of the pension plan and the amounts recognised in the statement of financial position at 31 December, 2006 and 2005:

	2006 USD 000	2005 USD 000
Projected benefit obligations	39 350	33 028
Fair value of plan assets	<u>(33 150)</u>	<u>(30 134)</u>
	6 200	2 894
Pension fund advance	–	2 997
Unrecognised net losses	<u>(5 464)</u>	<u>(3 354)</u>
Retirement benefit obligation recognised in the statement of financial position	<u>736</u>	<u>2 537</u>

Movement in retirement benefit obligation recognised in the statement of financial position:

	2006	2005
	USD 000	USD 000
Year ended 31 December		
At beginning of year	2 537	147
Total expense as above	1 408	3 393
Contribution paid	(1 346)	(2 979)
Past contribution attributed to the contribution reserve	1 140	–
Movement in pension fund advance (note 6)	(2 997)	1 967
Exchange difference	(6)	9
Balance at 31 December	<u>736</u>	<u>2 537</u>

The assumptions used for the calculations are the following:

	2006	2005
Discount rate used in determining present values	2.75%	2.75%
Annual rate of increase in future compensation levels	1.75%	1.75%
Expected rate of future increases in pension benefits	0.50%	0.50%
Expected long-term rate of return on plan assets	5.00%	5.00%

The weighted average asset allocation at 31 December, 2006 is:

	Share of plan assets	Expected return rate
Cash	7%	1.50%
Equity securities	26%	8.50%
Debt securities	44%	3.50%
Real estate	14%	5.00%
Others	9%	3.50%

The movement in the defined benefit obligation is:

	2006	2005
	USD 000	USD 000
Present value of obligation at 1 January	33 028	30 241
Service costs	4 986	4 022
Interest costs	956	887
Benefits paid	(2 566)	(1 537)
Experience loss	253	3 997
Impact of exchange rate changes	2 693	(4 582)
Present value of obligation at 31 December	<u>39 350</u>	<u>33 028</u>

The movement in the fair value of plan assets is:

	2006	2005
	USD 000	USD 000
Plan assets at fair value at 1 January	30 134	30 446
Allocation to employer contribution reserve	(2 997)	-
Employees contribution	1 811	1 515
Employer contribution	1 346	2 979
Benefits paid	(2 566)	(1 537)
Expected return on plan assets	1 587	1 031
Experience gain	1 445	157
Impact of exchange rate changes	2 390	(4 457)
Plan assets at fair value at 31 December	<u>33 150</u>	<u>30 134</u>

Selected pension data at 31 December of the last four years is as follows:

	2006	2005	2004	2003
	USD 000	USD 000	USD 000	USD 000
Present value of obligation	39 350	33 028	30 241	23 508
Plan assets at fair value	(33 150)	(30 134)	(30 446)	(25 867)
Losses/(Gains)	<u>6 200</u>	<u>2 894</u>	<u>(205)</u>	<u>(2 359)</u>
Gain/(losses) on projected benefit obligations	(253)	(3 997)	(2 495)	N/A
Gain/(losses) on assets	1 445	157	(518)	N/A

13.

TELEVISION BROADCASTING RIGHTS REVENUES AND DISTRIBUTION

	2006 USD 000	2005 USD 000
Source of rights revenues by continent		
America	643 213	–
Europe	133 667	–
Africa	615	–
Asia	40 205	–
Oceania	13 144	–
Total revenues from television broadcasting rights	<u>830 844</u>	<u>–</u>
Use and distribution of revenues		
Insurance premium for Games cancellation	3 308	–
Organising Committee of the XX Olympic Winter Games	406 071	–
United States Olympic Committee	78 209	–
Special marketing remuneration to International Federations	52 654	–
International Federations	73 346	–
Use and distribution of television broadcasting rights to OCOG, USOC and IF	613 588	–
Allocation to OS	73 346	–
Total use and distribution of television broadcasting rights	<u>686 934</u>	<u>–</u>

14.

TOP PROGRAMME MARKETING RIGHTS REVENUES AND DISTRIBUTION

	2006 USD 000	2005 USD 000
Total revenues from the TOP marketing programme	<u>268 390</u>	<u>176 237</u>
Use and distribution of revenues		
Organising Committees of the Games of the Olympiad and of the Olympic Winter Games	171 915	48 445
United States Olympic Committee	23 932	33 854
National Olympic Committees	33 206	48 667
Other programme costs	9 700	6 104
Total use and distribution of programme TOP revenues	<u>238 753</u>	<u>137 070</u>

15.

CENTRAL OPERATING AND ADMINISTRATIVE COSTS

	2006 USD 000	2005 USD 000
Salaries and social charges (note 12)	43 112	44 508
Press, publications and public relations	3 264	3 201
External services	8 647	8 086
Session, commission and mission expenses	5 843	5 332
Transport, travel and residence expenses	5 092	4 056
Maintenance, supplies and other expenses	10 452	9 166
Taxes	463	91
Depreciation and amortisation	6 543	6 158
Total central operating and administrative costs	<u>83 416</u>	<u>80 598</u>

16.

OLYMPIC GAMES RELATED EXPENDITURE

	2006 USD 000	2005 USD 000
Expenditure in relation with the XX Olympic Winter Games		
Candidacy, Evaluation Commission and Coordination Commission costs	3 400	–
Technology: ORIS project and systems homologation and testing	3 297	–
IOC Turin operations	5 103	–
Subsidies to NOCs including grants for travel, equipment and athletes	8 091	–
IF judges and referees and other IF costs	6 920	–
Contribution to anti-doping programme	1 432	–
Marketing programme	65	–
Television broadcasting right related costs	300	–
Insurance premium for Games cancellation	1 662	–
Other costs	4 299	–
Total expenditures in relation with the XX Olympic Winter Games	<u>34 569</u>	<u>–</u>

17. OLYMPIC SOLIDARITY PROGRAMME

	2006 USD 000	2005 USD 000
Previous years' programme	<u>937</u>	<u>3 227</u>
Current year programme		
Programme managed by continental associations	<u>23 389</u>	<u>22 289</u>
World Programme managed centrally by Olympic Solidarity		
• NOC preparation programme	490	1 512
• Scholarships for athletes	6 024	1 364
• Regional & Continental Games – NOC preparation	3 111	1 178
• Youth development programme	1 945	1 533
• Technical courses	3 334	2 123
• Scholarships for coaches	1 446	1 208
• Development of national coaching structure	1 074	931
• NOC infrastructure	5 501	5 175
• Sports administrators programme	391	553
• High-level education for sports administrators	453	352
• Sports medicine	558	430
• Sports & environment	190	252
• Women & sport	287	249
• International Olympic Academy	471	493
• Sport for All	637	598
• Culture & education	527	365
• NOC's heritage	433	480
	<u>26 872</u>	<u>18 796</u>
Forums	<u>570</u>	<u>606</u>
Total current year programme	<u>50 831</u>	<u>41 691</u>
Total current and prior years' programme costs	<u><u>51 768</u></u>	<u><u>44 918</u></u>

18. FINANCIAL INCOME, NET

	2006 USD 000	2005 USD 000
Interest income	41 915	25 988
Interest expense	(1 027)	(1 107)
Fair value gains on financial assets at fair value through profit or loss, net	7 363	853
Gains (losses) on sale of financial assets at fair value through profit or loss, net	90	514
Net foreign exchange gains (losses), net	<u>21 677</u>	<u>18 114</u>
Total financial income, net	<u><u>70 018</u></u>	<u><u>44 362</u></u>

19. RELATED PARTY TRANSACTIONS

Transactions and balances with other organisations of the Olympic Movement are disclosed elsewhere in these financial statements. The members, the President and the Executive Board of the IOC are not remunerated by the IOC. However, the IOC covers all expenses related to the execution of their functions, in particular travel, hotel and meal expenses and a daily allowance for out-of-pocket expenses, as well as a fixed amount for their personal administrative expenses.

These costs are included in session, commission and mission expenses in the statement of activities. In addition, the IOC covers the cost of the President's residence expenses (room rent, living expenses, residence taxes, insurance) which amounted to USD 0.426 million (CHF 0.535 million) in 2006 and USD 0.419 million (CHF 0.515 million) in 2005, as well as the same costs

for the Life Honorary President which amounted to USD 0.175 million (CHF 0.217 million) in 2006 and USD 0.120 million (CHF 0.148 million) in 2005 and which are included in the statement of activities under transport, travel and residence expenses.

The executive management of the IOC are considered to be the President, the Director General, the President's Chief of Cabinet and the Executive Director of the Olympic Games. As mentioned previously, the President is not remunerated. The salaries and short-term benefits of the other three members of the executive management amounted to USD 1.254 millions (CHF 1.568 million) in 2006 and USD 1.264 millions (CHF 1.584 millions) in 2005. Their post-employment benefits amounted to USD 0.123 million (CHF 0.154 million) for 2006 and USD 0.100 million (CHF 0.125 million) in 2005.

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International Olympic Committee, Château de Vidy, Lausanne, Switzerland Tel +41 (0)21 621 6111 Fax +41 (0)21 621 6216 www.olympic.org

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INTERNATIONAL OLYMPIC COMMITTEE
CHÂTEAU DE VIDY, 1007 LAUSANNE, SWITZERLAND

www.olympic.org

