

To the General Assembly of
Fédération Internationale des Echecs (FIDE), Lausanne

Lausanne, 27 July 2021

Report of the statutory auditor on the financial statements

As statutory auditor we have audited the accompanying financial statements of Fédération Internationale des Echecs, which comprise the balance sheet, income statement and notes for the year ended 31 December 2020.

Council and Treasurer's responsibility

The Council and the Treasurer are responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the articles of association. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Council and the treasurer are further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended 31 December 2020 comply with Swiss law and the articles of association.

Report on other legal requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 69b Swiss Civil Code (CC) in relation with article 728 CO) and that there are no circumstances incompatible with our independence.

In accordance with article 69b CC in relation to article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Council and the treasurer.

We recommend that the financial statements submitted to you be approved.

Ernst & Young Ltd

Licensed audit expert
(Auditor in charge)

Licensed audit expert

Enclosure

- ▶ Financial statements (balance sheet, income statement and notes)

1. BALANCE SHEET

	Notes	31.12.2020 EUR	31.12.2019 EUR	31.12.2020 CHF	31.12.2019 CHF
ASSETS					
Current Assets					
Cash and banks	4	3,865,483	3,564,008	4,174,722	3,886,596
Debtors Federations	5	207,504	559,114	224,105	609,721
Other Debtors	6	818,835	1,419,220	884,342	1,547,677
Prepayments		8,079	-	8,725	-
Accrued Income		42,378	1,979	45,768	2,158
Total Current Assets		4,942,279	5,544,321	5,337,661	6,046,152
Long-Term Assets					
Fixed assets	7	38,268	44,461	41,330	48,485
Total Long-Term Assets		38,268	44,461	41,330	48,485
TOTAL ASSETS		4,980,547	5,588,782	5,378,991	6,094,637
LIABILITIES					
Current Liabilities					
Upcoming Year Events	8	2,002,700	2,488,100	2,162,916	2,713,305
Prepayments by Federations		44,165	34,646	47,699	37,782
Other Creditors	9	105,349	1,625,276	113,777	1,772,384
Taxes Payable		155,812	-	168,277	-
Deferred Revenue	10	304,376	-	328,726	-
Accrued Expenses		54,635	54,468	59,006	59,398
Total Current Liabilities		2,667,037	4,202,490	2,880,401	4,582,869
Long-Term Liabilities					
Events Beyond Upcoming Year	11	1,140,786	20,000	1,232,048	21,810
Permanent Fund	12	76,414	76,414	82,527	83,330
Total Long-Term Liabilities		1,217,200	96,414	1,314,575	105,140
TOTAL LIABILITIES		3,884,237	4,298,904	4,194,976	4,688,009
Currency translation difference		-	-	-54,217	-38,848
FIDE RESERVE FUND (NET ASSETS)		1,096,310	1,289,878	1,238,233	1,445,477

2. STATEMENT OF INCOME AND EXPENSES

2.1 Income and Expenses Summary		2020 Actual	2019 Actual	2020 Actual	2019 Actual	
		EUR	EUR	CHF	CHF	
TOTAL INCOME		2,982,251	4,833,824	3,192,987	5,364,954	
TOTAL EXPENSES		<u>3,175,820</u>	<u>5,146,484</u>	<u>3,400,231</u>	<u>5,711,969</u>	
INCOME AGAINST EXPENSES		<u>-193,569</u>	<u>-312,660</u>	<u>-207,244</u>	<u>-347,015</u>	
FIDE Reserve Fund at beginning of period		1,289,879	1,602,539	1,445,477	1,792,492	
FIDE Reserve Fund at end of period		1,096,310	1,289,879	1,238,233	1,445,477	
2.2 INCOME		2020 Actual	2020 Budget	2019 Actual	2020 Actual	2019 Actual
		EUR	EUR	EUR	CHF	CHF
Fees from Federations						
Membership Fees		137,255	134,000	134,595	146,954	149,384
Affiliated Membership Application Fees		3,000	-	-	3,212	-
Entry Fees		-	25,000	191,075	-	212,070
Registered Tournaments		245,697	120,000	566,500	263,059	628,746
Late Tournament Report Charges / Misc Penalties		2,060	1,000	2,700	2,206	2,997
Change of Federation		18,050	20,000	28,950	19,325	32,131
Title Application Fees		<u>132,963</u>	<u>100,000</u>	<u>199,990</u>	<u>142,358</u>	<u>221,964</u>
Federation fees		<u>539,025</u>	<u>400,000</u>	<u>1,123,810</u>	<u>577,114</u>	<u>1,247,292</u>
Net Income from FIDE Events						
Women World Championship Match	13.1	84,051	100,000	-	89,990	-
Candidates	13.2	-	150,000	-	-	-
Online Events	13.3	673,322	100,000	-	720,901	-
World Cup	13.4	-	-	388,343	-	431,014
World Rapid and Blitz Championship	13.5	-	-	389,136	-	431,893
Grand Prix Series	13.6	-	-	104,000	-	115,427
Grand Swiss	13.7	-	-	77,286	-	85,778
World and Women World Team Championship	13.8	-	-	18,532	-	20,568
World Fischer Random Chess Championship	13.9	-	-	61,586	-	68,353
Other Tournament Income	13.10	-	50,000	73,585	-	81,670
Net income from FIDE events		<u>757,373</u>	<u>400,000</u>	<u>1,112,468</u>	<u>810,891</u>	<u>1,234,703</u>
Income from Commissions						
Arbiters seminar fees		13,260	20,000	21,080	14,197	23,396
Arbiters license fees		48,990	50,000	73,560	52,452	81,643
Trainers license fees		14,835	50,000	30,600	15,883	33,962
Trainers seminars		27,146	25,000	38,100	29,064	42,287
Trainers academy annual and registration fees		11,100	9,000	10,400	11,884	11,543
Organizers seminar fees		-	1,000	1,495	-	1,659
School Instructor seminar fees		1,300	2,000	140	1,392	155
Chess in Schools Online		-	5,000	1,427	-	1,584
Chess in Schools booklet		-	-	100	-	111
Global Strategy Commission		-	-	53,520	-	59,401
Event bidding fees		7,500	20,000	12,485	8,030	13,857
Clock Testing fees		-	-	4,799	-	5,327
Chess Clock / Suppliers bid fees		300	-	3,946	321	4,379
CNC Web FIDE Online Arena		20,407	15,000	17,997	21,849	19,974
FIDE flag license fees		<u>1,986</u>	<u>3,000</u>	<u>5,608</u>	<u>2,126</u>	<u>6,224</u>
Income from Commissions		<u>146,824</u>	<u>200,000</u>	<u>275,257</u>	<u>157,198</u>	<u>305,501</u>
Other Income						
International Olympic Committee / ARISF	10	-	30,000	28,512	-	31,645
Rental of boards/ anti cheating devices		-	-	5,111	-	5,673
Interest from bank /Investment income		-	-	142	-	158
Royalties - Chess Equipment	14	11,223	20,000	33,898	12,016	37,622
Royalties - TV Rights		20,160	-	-	21,585	-
Gain on investments / currency conversion		-	-	17,524	-	19,449
Americas Continental Account UBS		-	-	8,837	-	9,808
Release of general provision		<u>38,563</u>	<u>-</u>	<u>246,609</u>	<u>41,289</u>	<u>273,706</u>
Other income		<u>69,946</u>	<u>50,000</u>	<u>340,633</u>	<u>74,890</u>	<u>378,061</u>
Donations and Sponsorship						
Donations	15	<u>1,469,083</u>	<u>2,300,000</u>	<u>1,981,656</u>	<u>1,572,894</u>	<u>2,199,396</u>
Donations and Sponsorship		<u>1,469,083</u>	<u>2,300,000</u>	<u>1,981,656</u>	<u>1,572,894</u>	<u>2,199,396</u>
TOTAL INCOME:		2,982,251	3,350,000	4,833,824	3,192,987	5,364,954

2.3 EXPENSES

		2020 Actual EUR	2020 Budget EUR	2019 Actual EUR	2020 Actual CHF	2019 Actual CHF
OFFICIALS' EXPENSES						
President's travel		3,504	40,000	96,136	3,752	106,699
Officials' travel and expenses		35,936	40,000	129,175	38,475	143,368
Treasurer expenses		-	26,000	14,925	-	16,565
Presidential advisers		23,995	24,000	94,205	25,690	104,556
Council Meetings and Congress	16	10,296	50,000	32,197	11,024	35,735
Officials' miscellaneous expenses		-	20,000	-	-	-
	Officials' Expenses	73,731	200,000	366,639	78,941	406,924
SECRETARIAT						
LAUSANNE						
Staff Costs	17	660,930	600,000	628,366	707,633	697,410
Staff Travel		645	16,000	13,317	690	14,780
Athens Office Discontinuation		-	-	29,570	-	32,819
Office Rent		49,747	50,000	28,434	53,262	31,559
General Office Expenses		21,890	67,000	28,359	23,437	31,475
Secretariat Hospitality		839	10,000	2,735	898	3,036
	Lausanne / Athens offices	734,051	743,000	730,781	785,920	811,079
ELISTA / MOSCOW						
Staff and office costs		276,127	220,000	270,796	295,640	300,550
	Russian offices	276,127	220,000	270,796	295,640	300,550
	SECRETARIAT TOTAL	1,010,178	963,000	1,001,577	1,081,560	1,111,629
GENERAL EXPENSES						
Accountancy / Accreditation Software		10,396	10,000	9,996	11,131	11,094
Audit & Tax Accountant		81,241	50,000	87,954	86,982	97,618
Legal, Tax & Other Professional Services	18	155,036	150,000	249,656	165,991	277,088
Bank Charges		36,526	40,000	59,628	39,107	66,180
Loss on currency conversion		241,458	30,000	-	258,521	-
Depreciation	7	14,572	-	18,584	15,602	20,626
Discounts Allowed for Early Payment	19	29,474	10,000	34,581	31,556	38,381
Entry Fees Refund to Organizing Federations		-	-	38,285	-	42,492
FIDE Online / IT Department		81,825	150,000	101,596	87,607	112,759
Insurance		10,936	10,000	8,943	11,708	9,926
Pins and Badges		15,759	10,000	851	16,872	945
Increase in provision for federations' arrears		-	-	18,206	-	20,206
Anti-cheating Software Licensing Fee		-	6,000	-	-	-
Bad Debts & Write offs		2,049	-	35,715	2,194	39,639
Press / PR / Marketing / Work with Sponsors		56,784	40,000	140,690	60,796	156,149
Sport Exhibitions and Conferences		3,294	5,000	11,188	3,527	12,417
Subscriptions		6,899	6,000	7,161	7,386	7,947
Taxes		39,292	100,000	43,275	42,068	48,031
Veterans' support		53,985	50,000	50,000	57,799	55,494
Data Protection Project		4,800	10,000	4,454	5,139	4,943
Composition		1,100	10,000	-	1,178	-
Handbook Review Project		-	10,000	37,379	-	41,486
	General Expenses	845,426	697,000	958,142	905,164	1,063,420
COMMISSIONS & COMMITTEES						
Arbiters		17,494	30,000	19,894	18,730	22,080
Fair Play		10,000	10,000	28,309	10,707	31,420
Chess for the Disabled		5,000	5,000	21,714	5,353	24,099
Chess in Education		22,103	15,000	60,082	23,665	66,683
Constitutional Commission		8,866	10,000	8,125	9,492	9,018
Planning and Development Commission		29,462	30,000	42,799	31,544	47,502
Ethics		19,137	20,000	20,781	20,489	23,064
Events		14,215	14,000	32,651	15,219	36,238
Medical		3,266	3,500	4,679	3,497	5,193
Online		1,500	2,000	12,000	1,606	13,319
Qualification		27,974	14,000	3,612	29,951	4,008
Rules and Tournaments regulations		7,500	7,500	12,306	8,030	13,659
Systems of Pairings and Programs		5,000	5,000	7,447	5,353	8,266
Technical		5,000	5,000	10,427	5,353	11,572
Trainers		45,986	60,000	52,470	49,235	58,235
Verification		12,917	23,000	13,818	13,830	15,337
Women's Chess		5,000	5,000	14,230	5,353	15,794
Global Strategy Commission		31,200	35,000	61,489	33,405	68,246
Social Commission		5,997	6,000	16,824	6,421	18,672
Chess History Committee		230	-	-	246	-
	Commissions & Committees	277,847	300,000	443,657	297,479	492,405

	2020 Actual EUR	2020 Budget EUR	2019 Actual EUR	2020 Actual CHF	2019 Actual CHF
EVENTS EXPENSES					
Women World Championship Match: expenses	-	5,000	6,345	-	7,042
World Championship Match: expenses	1,575	-	1,123	1,686	1,247
Olympiad: Expenses	6,211	-	-	6,650	-
World Cup: expenses	-	-	5,194	-	5,765
World Team & Women World Team Championship	-	-	13,800	-	15,316
World Rapid and Blitz Championships	-	-	6,162	-	6,839
World Corporate Online Chess Championship: expenses	650	-	-	696	-
Checkmate Coronavirus Project 2020: expenses	23,165	-	-	24,802	-
Grand Prix Series	-	-	251,566	-	279,208
Women's Grand Prix Series	114,633	150,000	86,592	122,733	96,106
ARISF and IOC Events	-	15,000	28,746	-	31,905
Paris 2024 Summer Olympiad Bid	-	-	44,000	-	48,835
Medals	-	10,000	-	-	-
Electronic Boards (storage & transportation)	20 3,679	10,000	39,728	3,939	44,093
<i>Events Expenses</i>	<u>149,913</u>	<u>190,000</u>	<u>483,256</u>	<u>160,506</u>	<u>536,356</u>
FIDE DEVELOPMENT FUND					
	21				
Support of Continental Associations	21.1 210,387		901,169	225,254	1,000,187
Support of National Chess Federations	21.2 290,431		777,479	310,954	862,907
Support of Social projects and Reserves	317,907		214,565	340,373	238,140
<i>FIDE Development Fund</i>	<u>818,725</u>	<u>1,000,000</u>	<u>1,893,213</u>	<u>876,581</u>	<u>2,101,234</u>
TOTAL EXPENSES	3,175,820	3,350,000	5,146,484	3,400,231	5,711,969

NOTES TO THE FINANCIAL STATEMENTS

1. FIDE OPERATIONS

The International Chess Federation, or Fédération Internationale des Echecs (FIDE), is the recognized international federation in the domain of chess, which was founded on July 20, 1924 in Paris. The Federation is recognized by the International Olympic Committee as the supreme body responsible for the game of chess and its championships. FIDE unites over 195 national chess federations throughout the world and oversees all official world competitions. The Federation is concerned exclusively with chess activities. FIDE has its registered office in Lausanne where it is incorporated as an association under Swiss Law. Operating headquarters is located in Lausanne, and a representative office is located in Moscow.

2. BASIS OF FINANCIAL STATEMENTS

FIDE financial statements have been prepared in accordance with the requirements of Swiss Law stipulated in the “Code of Obligations” and FIDE bylaws (Statutes and Financial Regulations). The financial statements have been prepared on the historical cost basis and they include the accounts of the following entities:

- FIDE main entity registered in Switzerland (Lausanne)
- FIDE representative office in Russia (Moscow)

3. SIGNIFICANT ACCOUNTING POLICIES

3.1. Foreign currency translation

FIDE uses Euro as functional currency. Transactions denominated in foreign currencies have been translated into Euro at the rate in effect at the date of the transaction. Financial assets and liabilities denominated in foreign currencies have been translated into Euro at the year-end exchange rate. Realized foreign exchange gains and losses as well as unrealized foreign exchange losses are recognized in the statement of income and expenses while unrealized foreign exchange gains are deferred on the balance sheet.

For statutory reporting under Swiss law, the financial statements have been translated from Euro (EUR) to Swiss Francs (CHF). Assets and liabilities have been translated at the year-end exchange rate of EUR 1 for CHF 1.08 (2019 : EUR 1 for CHF 1.091), FIDE Permanent Fund at historical exchange rate, and the income and expenses at the average exchange rate for the year of EUR 1 for CHF 1.071 (2019: EUR 1 for CHF 1.110). The resulting currency translation difference is recorded on the balance sheet.

3.2. Debtors

Debtors are stated at nominal value, net of provision for doubtful debts. FIDE is using the following provisioning policy:

- For all debts overdue by more than one year (i.e. debts originated prior to December 31 of the previous financial year and unpaid until December 31 of the current year), a 100% provision is created
- if a debtor has a debt overdue by more than one year and a current-year debt, a 50% provision is created against the current-year debt (in addition to the 100% provision against the debts originated in previous years);
- FIDE may create additional provisions on a discretionary basis if it receives information indicating that a debt is unlikely to be paid.

3.3. Fixed assets depreciation

Depreciation rate used is 30% per annum on the declining balance method.

3.4. Revenue recognition

Membership, entry and other fees are recorded as income in the year they are earned. Income from events, including related sponsorship, is recognized when an event is completed. Donations are recorded as income at the date of receipt of funds while sponsorships not directly related to events are recognized as income over the period stated in the sponsorship agreement.

4. Cash and banks

Year-end balances

	EUR	
	<u>2020</u>	<u>2019</u>
Cash in Banks (see details below)	3,815,596	3,549,851
Cash at Paypal accounts *	49,887	14,158
	<u>3,865,483</u>	<u>3,564,008</u>

Cash and banks are composed of:

	EUR	
	<u>2020</u>	<u>2019</u>
Caixa Bank EUR Account	368,642	486,611
Caixa Bank USD Account	1081,985	64,425
Caixa Bank CHF Account	41,050	90,608
Sberbank EUR Account	701,541	1,036,725
Sberbank USD Account	103,630	1,230,965
Sberbank RUB Account	363,897	294,590
Otkrytie Bank EUR Account (Moscow office account)	160,211	329,711
Otkrytie Bank RUB Account (Moscow office account)	2,099	16,216
Gazprombank Switzerland USD Account	977,541	-
Gazprombank Russia EUR Account	15,000	-
	<u>3,815,596</u>	<u>3,549,851</u>

* FIDE operates Paypal accounts that are used for receiving online payments. The balances from Paypal accounts are transferred to bank accounts on a regular basis. The line "Cash at Paypal accounts" represents the money that were not yet transferred to bank accounts.

5. Debtors Federations

	EUR	
	<u>2020</u>	<u>2019</u>
Current year debts	268,358	656,045
Debts overdue by 1 year	185,517	211,906
Debts overdue by 2 years	134,951	82,135
Debts overdue by 3 years or more	84,803	25,783
Total gross	<u>673,629</u>	<u>975,868</u>

Provision for doubtful debts	-466,125	-416,754
Total net	207,504	559,114

6. Other Debtors

	<u>EUR</u>	
	<u>2020</u>	<u>2019</u>
Other debtors, gross	818,835	1,478,774
Provision for doubtful debts	-	-59,554
Total net	818,835	1,419,220

Other Debtors are largely represented by the contractual obligations of the sponsors with regard to donation and sponsorship contracts signed in 2020 (EUR 790,000 in total). FIDE received these funds in January 2021.

7. Fixed assets

<u>At cost (EUR)</u>	<u>Office furniture</u>	<u>Machines & equipment</u>	<u>Total</u>
Opening balance	-	450,511	450,511
Additions	7,235	1,145	8,380
Disposals	-	-	-
Closing balance	7,235	451,656	458,891
<u>Accumulated depreciation (EUR)</u>			
Opening balance	-	406,051	406,051
Depreciation charge	960	13,612	14,572
Disposals	-	-	-
Closing balance	960	419,663	420,623
 Net book value	 6,275	 31,993	 38,268

8. Upcoming Year Events

As of December 31, 2020 :

	<u>EUR</u>
Prepayments for World Championship Match	830,892
Prepayments for FIDE Women's Grand Prix Final	20,000
Prepayment for Candidates' tournament	452,195
Prepayments for Grand Swiss	574,613
Deposit fees for events in upcoming year	125,000
Total	2,002,700

As of December 31, 2019 :

	<u>EUR</u>
Prepayments for Olympiad 2020	1,121,093
Prepayments for World Championship Match	242,522
Prepayments for Women World Championship Match	315,000
Prepayment for Candidates' tournament	684,486
Deposit fees for events in upcoming year	125,000
Total	<u>2,488,100</u>

Deposit fees are refundable and were paid by organizers as stipulated in bidding procedures for FIDE official tournaments that will be organized in the coming year. Deposit fees shall be returned to the organizers on successful completion of the events in question.

9. Other Creditors

Other creditors are mainly composed of the FIDE obligations that were approved but not yet paid in 2020 (staff compensation, commission stipends, development fund, IT development services etc). FIDE paid these items in early 2021.

10. Deferred Revenue

	<u>EUR</u>	
	<u>2020</u>	<u>2019</u>
Sponsorship*	275,000	-
International Olympic Committee support**	29,376	-
Total	<u>304,376</u>	<u>-</u>

* In 2020, FIDE received EUR 275,000 sponsorship from Rosseti – Lenenergo Company. As per revenue recognition policy, this revenue will be recognized in 2021 financial year.

** In 2020, FIDE received USD 32,000 (equivalent to EUR 29,376) grant from the International Olympic Committee. This revenue will be recognized in 2021 financial year.

11. Events Beyond Upcoming Year

	<u>EUR</u>	
	<u>2020</u>	<u>2019</u>
Deposit fees for events beyond upcoming year	-	20,000
Prepayment for Chess Olympiad 2022	1,027,056	-
Prepayment for Chess Paralympiad 2022	55,000	-
Prepayment for Candidates 2022	58,730	-
Total	<u>1,140,786</u>	<u>20,000</u>

12. Permanent Fund

The FIDE Permanent Fund has been established by deed of trust on May 9, 1927. The trust deed stipulates that the Permanent Fund shall be administrated independently from the finances of FIDE by three administrators: the manager of the Fund appointed by the Swiss Chess Federation, and two administrators appointed by the Italian and the British Chess Federations.

The liability to the Permanent Fund is valued at historical FX rate (EUR 76,414 = CHF 82,166).

13. Net income from FIDE events

Income is presented net in the income and expenses account. Gross income and expenses are detailed below.

13.1 Women World Championship Match

	EUR	
	<u>2020</u>	<u>2019</u>
Gross income	642 000	-
Prize Fund	500 000	-
Stipends	24 010	-
Travel and Expenses	33 939	-
Total expenses	557 949	-
Net income	84 051	-

13.2 Candidates

Candidates tournament started in March 2020 but was interrupted after the first round due to COVID-19 pandemic. The income for this event will be recognized when the event will be completed in 2021.

13.3 Online Events

	EUR	
	<u>2020</u>	<u>2019</u>
Gross income	1,062,973	-
Total expenses	389,651	-
Net income	673,322	-

13.3.1 Online Olympiad

	EUR	
	<u>2020</u>	<u>2019</u>
Gross income	508,571	-
Stipends and expenses	103,699	-
Total expenses	103,699	-
Net income	404,872	-

13.3.2 Online Nations' Cup

	EUR	
	<u>2020</u>	<u>2019</u>
Gross income	294,650	-

Prize Fund	166,189	-
Total expenses	166,189	-
Net income	128,461	-

13.3.3 Online Cup for players with disabilities

	EUR	
	<u>2020</u>	<u>2019</u>
Gross income	4,980	-
Prize Fund	2,500	-
Stipends and expenses	4,008	-
Total expenses	6,508	-
Net loss	-1,528	-

13.3.4 Online Olympiad for players with disabilities

	EUR	
	<u>2020</u>	<u>2019</u>
Gross income	109,865	-
Stipends and expenses	35,743	-
Total expenses	35,743	-
Net income	74,122	-

13.3.5 Online World Cadet and Youth Chess Championship

	EUR	
	<u>2020</u>	<u>2019</u>
Gross income	100,000	-
Prize Fund	3,555	-
Total expenses	3,555	-
Net income	96,445	-

13.3.6 Women's Speed Chess Championship Online

	EUR	
	<u>2020</u>	<u>2019</u>
Gross income	29,908	-
Prize Fund	43,459	-
Total expenses	43,459	-
Net loss	-13,551	-

13.3.7 Steinitz Memorial Online

	EUR	
	<u>2020</u>	<u>2019</u>
Gross income	15,000	-
Prize Fund	30,499	-
Total expenses	30,499	-
Net loss	-15,499	-

13.4 World Cup

	EUR	
	<u>2020</u>	<u>2019</u>
Gross income	-	1,926,638
Prize Fund	-	1,418,199
Arbiters and Principals Stipends	-	51,854
Travel and Expenses	-	14,722
Total expenses	-	1,484,775
Net income	-	441,863

In 2019, out of EUR 441,863 net income for World Cup, EUR 388,343 is recorded as income from the event, and EUR 53,520 is recorded as income of Global Strategy Commission.

13.5 World Rapid and Blitz Championship

	EUR	
	<u>2020</u>	<u>2019</u>
Gross income	-	1,362,145
Prize Fund	-	911,277
Arbiters and Principals Stipends	-	44,430
Travel and Expenses	-	17,303
Total expenses	-	973,009
Net income	-	389,136

13.6 Grand Prix Series

	EUR	
	<u>2020</u>	<u>2019</u>
Gross income	-	781,084
Total expenses	-	677,084
Net income	-	104,000

13.7 Grand Swiss

	EUR	
	<u>2020</u>	<u>2019</u>
Gross income	-	453,811

Prize Fund	-	357,200
Arbiters and Principals Stipends and Travel	-	18,086
Hire of anti-cheating equipment	-	1,239
Total expenses	-	376,525
Net income	-	77,286

13.8 World and Women's World Team Championship

	EUR	
	<u>2020</u>	<u>2019</u>
Gross income	-	63,838
Stipends	-	45,306
Total expenses	-	45,306
Net income	-	18,532

13.9 World Fischer Random Chess Championship

	EUR	
	<u>2020</u>	<u>2019</u>
Gross income	-	61,586
Total expenses	-	-
Net income	-	61,586

13.10 Other tournament Income (IMSA)

	EUR	
	<u>2020</u>	<u>2019</u>
Gross income	-	381,700
Prize Fund	-	250,000
Stipends	-	18,948
Travel and Expenses	-	39,167
Total expenses	-	308,115
Net income	-	73,585

14. Royalties - Chess Equipment

FIDE allows certain manufacturers of chess equipment (chess sets, clocks, electronic boards for online game broadcasts, etc.) to label their products as FIDE Official products. Such royalties earned by FIDE amounted to EUR 11,223 (2019: EUR 33,898).

15. Donations

FIDE receives donations from corporate donors. According to contracts with the donors, FIDE usually can spend the donations unrestrictedly for any activities related to chess, such as organization of chess tournaments, support of member federations and continental associations, and any other initiatives aligned with FIDE mission. These contracts do not have provisions that FIDE has to spend the money on

particular events and would need to return the money to donors if the event in question does not take place. As such, the income from donations is recognized in full immediately as it is earned.

	EUR	
	<u>2020</u>	<u>2019</u>
Russian Railways	586,000	941,500
Norilsk Nickel	550,000	-
Safmar Group JSC	119,027	-
PJSC Interregional Distribution Grid Company of Center and Volga Region	110,000	210,500
Lenenergo	-	275,000
Rosatom	-	220,000
OCP S.A.	-	120,000
PJSC Interregional Distribution Grid Company of Siberia	-	71,500
PJSC Kuban Power Company	-	71,500
Other donations	104,056	71,656
	<u>1,469,083</u>	<u>1,981,656</u>

16. Council meetings and Congress

	EUR	
	<u>2020</u>	<u>2019</u>
Expenses on Council meetings	-	29,913
Expenses on other meetings	-	2,286
General Assembly	10,296	-
Total	<u>10,296</u>	<u>32,198</u>

17. Government support for short-time work

Due to COVID-19 pandemic, FIDE have introduced short-time work for all its employees based in Lausanne office for the period from 2 April to 31 December 2020, and received short-time work compensation amounting to 80% of the salary for the hours not worked. The total short-time compensation recognized for the year 2020 amounts to EUR 68,543 and has been recorded as a reduction in salary expenses.

18. Legal, Tax & Other Professional Services

In addition to permanent staff, FIDE hires consultants to assist with a number of back-office functions, such as legal advice, financial reports preparation, tax reporting, and similar professional services. FIDE expenses incurred on consultants' fees and business expenses are recorded under this line. FIDE had 5 consultants in 2020 and 5 in 2019 providing services on a regular basis. Additionally, FIDE uses two legal firms and an accounting / tax consulting firm on a regular basis.

19. Discounts allowed for early payments

According to Paragraph 7.1 of FIDE the Financial Regulations, "In January and July each year, the Secretariat shall invoice all the federations for the services of the previous six months and additionally in

January shall include the annual membership fees. Any Federation settling all outstanding amounts by the following 15 March or 15 September respectively shall be entitled to deduct 5% from the amount due.” The line “Discounts allowed for early payments” represents total amount of such deductions.

20. Electronic Boards (storage & transportation)

FIDE owns a large stock of electronic chess sets (see note 7, which are used for online broadcast of major chess events throughout the world. Expenses recorded under this line represent FIDE costs associated with storage (warehouse rent and utilities), management, transportation (including custom duties) of these electronic chess sets.

21. Development Fund

The numbers in this note show actual amount of support from FIDE development fund received by continental associations and national chess federations. These numbers do not necessarily sum up to the numbers shown in Income Statement, which may contain development rebates and other technical entries.

21.1. Support for Continental Associations

	EUR	
	<u>2020</u>	<u>2019</u>
Africa	50,460	320,695
Americas	25,836	173,453
Asia	56,911	201,259
Australia & Oceania	-	26,370
Europe	77,180	179,330
Support for Continental Associations Total	<u>210,387</u>	<u>901,169</u>

21.2 Support for National Chess Federations

National Chess Federations – Africa

	EUR	
	<u>2020</u>	<u>2019</u>
Angola	4,230	14,352
Botswana	4,515	15,168
Burundi	-	7,240
Cameroon	-	13,260
Cape Verde	-	15,228
Central African Republic	-	8,852
Congo	4,195	10,519
Djibouti	-	6,314
Egypt	-	15,168
Eritrea	4,162	-
Ethiopia	-	8,136
Gabon	-	10,608
Gambia	4,235	12,740
Ghana	4,195	13,465
Kenya	4,230	13,420
Liberia	4,235	-

Madagascar	4,255	13,420
Malawi	4,500	17,909
Mali	-	8,145
Mauritania	4,457	14,497
Mauritius	4,235	11,612
Morocco	-	2,000
Mozambique	4,140	15,217
Namibia	-	16,072
Nigeria	-	9,080
Rwanda	-	9,080
Senegal	4,255	12,511
Seychelles	-	12,432
Sierra Leone	-	5,430
Somalia	-	11,402
Swaziland	-	7,781
Tanzania	4,255	-
Togo	4,455	15,128
Uganda	-	15,212
Zambia	-	16,876
Zimbabwe	4,250	-
Africa Total	72,799	378,274

National Chess Federations - Americas

	EUR	
	<u>2020</u>	<u>2019</u>
Antigua & Barbuda	4,235	15,128
Aruba	-	8,082
Bahamas	2,535	16,128
Barbados	4,255	-
Bermuda	-	13,300
Bolivia	4,240	15,330
Chile	4,250	9,040
Colombia	4,444	16,112
Costa Rica	4,249	10,000
Cuba	4,147	17,298
Dominican Republic	-	14,306
El Salvador	-	14,334
Guyana	4,255	14,360
Haiti	4,225	16,148
Honduras	4,255	15,128
Jamaica	4,455	8,145
Mexico	-	9,050
Nicaragua	4,255	14,264
Panama	4,515	14,244
Paraguay	4,235	2,444

Peru	-	17,680
Puerto Rico	-	16,072
Saint Kitts & Nevis	4,225	-
Santa Lucia	4,235	-
Trinidad and Tobago	4,455	17,750
Uruguay	4,455	8,145
Venezuela	-	17,385
Americas Total	79,919	319,872

National Chess Federations – Asia

	EUR	
	<u>2020</u>	<u>2019</u>
Bangladesh	4,140	7,240
Cambodia	4,195	-
Chinese Taipei	-	13,490
Guam	4,017	-
Hong Kong	4,154	-
Indonesia	4,270	-
Japan	4,235	-
Laos	4,195	-
Lebanon	5,000	-
Malaysia	4,225	-
Kyrgyzstan	-	14,384
Maldives	4,225	8,145
Mongolia	-	17,715
Myanmar	4,238	13,490
Oman	-	12,656
Solomon Islands	4,462	14,156
Timor-Leste	4,215	13,310
Turkmenistan	-	8,136
Asia Total	55,571	122,722

National Chess Federations – Europe

	EUR	
	<u>2020</u>	<u>2019</u>
Albania	4,457	15,904
Andorra	4,457	13,464
Belarus	4,250	17,820
Belgium	1,000	-
Iceland	4,205	-
Ireland	-	10,000
Jersey	-	12,601
Kosovo	4,235	8,124
Liechtenstein	4,127	-

Moldova	4,500	16,152
Monaco	4,287	8,140
Montenegro	4,562	-
Portugal	-	15,028
San Marino	4,562	17,670
Wales (UK)	4,235	-
Europe Total	48,877	134,903

22. Number of employees

FIDE had less than 50 employees in 2020 and in 2019.