

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

Lausanne, 3 April 2024

Report of the statutory auditor

Report on the audit of the financial statements



Opinion

We have audited the financial statements of Fédération Internationale des Echecs (FIDE) (the Federation), which comprise the balance sheet as of 31 December 2023, the statement of income and expenses for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements comply with Swiss law and the Federation's articles of incorporation.



Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Federation in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Council and Treasurer's responsibilities for the financial statements

The Council and the Treasurer are responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Federation's articles of incorporation, and for such internal control as the Council and The Treasurer determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Council and the Treasurer are responsible for assessing the Federation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Council and the Treasurer either intend to liquidate the Federation or to cease operations, or have no realistic alternative but to do so.



Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse's website at: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

Report on other legal and regulatory requirements



In accordance with Art. 69b CC in conjunction with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the 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

Enclosures

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

1. BALANCE SHEET

	Notes	31.12.2023 EUR	31.12.2022 EUR	31.12.2023 CHF	31.12.2022 CHF
ASSETS					
Current Assets					
Cash and Banks	4	6'941'454	4'925'758	6'447'431	4'851'530
Debtors Federations	5	678'342	578'288	630'064	569'573
Other Debtors	6	474'534	267'936	440'761	263'899
Prepayments		161'461	-	149'970	-
Tax Refundable		5'562	58'550	5'166	57'668
Total Current Assets		8'261'353	5'830'532	7'673'392	5'742'670
Long-Term Assets					
Investment in Subsidiary	7	19'707	19'707	18'304	19'410
Tangible Assets	8	79'071	68'103	73'444	67'077
Intangible Assets	8	19'135	27'336	17'774	26'924
Total Long-Term Assets		117'913	115'146	109'522	113'411
TOTAL ASSETS		8'379'266	5'945'678	7'782'914	5'856'081
LIABILITIES					
Current Liabilities					
Upcoming Year Events	9	3'509'322	2'428'836	3'259'564	2'392'235
Prepayments by Federations		48'947	29'612	45'464	29'166
Other Creditors	10	1'850'388	1'410'252	1'718'696	1'389'000
Deferred Revenue	11	40'762	36'812	37'861	36'257
Accrued Expenses		208'089	127'000	193'279	125'086
Total Current Liabilities		5'657'508	4'032'512	5'254'864	3'971'744
Long-Term Liabilities					
Events Beyond Upcoming Year	12	311'000	547'000	288'866	538'757
Permanent Fund	13	76'414	76'414	70'976	75'262
Total Long-Term Liabilities		387'414	623'414	359'842	614'019
TOTAL LIABILITIES		6'044'922	4'655'926	5'614'706	4'585'763
Currency translation difference		-	-	-454'979	-337'971
FIDE RESERVE FUND (NET ASSETS)		2'334'344	1'289'752	2'623'187	1'608'289

2. STATEMENT OF INCOME AND EXPENSES

2.1 INCOME AND EXPENSES SUMMARY		2023 Actual	2022 Actual	2023 Actual	2022 Actual	
		EUR	EUR	CHF	CHF	
TOTAL INCOME		18'647'802	10'820'533	18'117'718	10'786'020	
TOTAL EXPENSES		17'603'210	12'727'180	17'102'820	12'686'577	
INCOME AGAINST EXPENSES		1'044'592	-1'906'647	1'014'898	-1'900'557	
FIDE Reserve Fund at beginning of period		1'289'752	3'196'399	1'608'289	3'508'846	
FIDE Reserve Fund at end of period		2'334'344	1'289'752	2'623'187	1'608'289	
2.2 INCOME		2023 Actual	2023 Budget	2022 Actual	2023 Actual	2022 Actual
		EUR	EUR	EUR	CHF	CHF
INCOME FROM FEDERATIONS						
Membership Fees		138'775	138'000	138'775	134'830	138'332
Affiliated Membership Application Fees		-	-	1'000	-	997
Entry Fees		279'103	250'000	310'230	271'169	309'240
Registered Tournaments		562'233	600'000	482'282	546'251	480'744
Late Tournament Report Charges / Misc Penalties		25'045	-	16'915	24'333	16'861
Change of Federation		27'300	-	27'500	26'524	27'412
Title Application Fees		206'043	150'000	161'266	200'186	160'752
	Federation fees	1'238'499	1'138'000	1'137'968	1'203'293	1'134'338
INCOME FROM FIDE EVENTS						
Olympiad	14	-	-	2'893'823	-	2'884'593
World Championship Match	14.1	6'791'000	4'100'000	-	6'597'959	-
Women World Championship Match	14.2	456'517	900'000	-	443'540	-
Candidates	14.3	-	-	1'516'233	-	1'511'396
Women Candidates	14.4	292'276	450'000	199'224	283'968	198'589
World Cup	14.5	3'499'439	2'700'000	-	3'399'964	-
Grand Swiss / Women Grand Swiss	14.6	886'424	900'000	-	861'226	-
Grand Prix Series	14.7	-	-	668'563	-	666'431
Women Grand Prix Series	14.8	839'342	650'000	204'863	815'483	204'210
World Rapid and Blitz Championship	14.9	1'585'569	1'500'000	2'203'395	1'540'498	2'196'367
World Teams Rapid Championship	14.10	673'578	900'000	-	654'430	-
World Team Championship	14.11	-	-	89'828	-	89'541
Women World Team Championship	14.12	144'550	-	-	140'441	-
Paralympiad	14.13	114'660	200'000	-	111'401	-
Tech Mahindra Global Chess League AG	14.14	149'447	-	-	145'199	378'649
World Schools Championship	14.15	405'666	-	-	394'134	-
Online Events	14.16	8'045	200'000	-	7'816	-
Other Events Income	14.17	26'000	-	379'861	25'261	-
	Income from FIDE events	15'872'513	12'500'000	8'155'790	15'421'320	8'129'776
INCOME FROM COMMISSIONS						
Arbiters seminar fees		16'900	20'000	14'540	16'420	14'494
Arbiters license fees		84'240	70'000	62'360	81'845	62'161
Trainers license fees		36'006	50'000	35'240	34'982	35'128
Trainers seminars		53'652	50'000	3'516	52'127	3'505
Trainers academy fees		10'600	9'000	7'000	10'299	6'978
Organizers seminar fees		-	1'000	-	-	-
International Organizer license		800	-	-	777	-
Chess in Education		-	15'000	3'207	-	3'197
Event bidding fees		25'435	20'000	-	24'712	-
FIDE flag license fees		7'140	3'000	6'236	6'937	6'217
Queen's Festival		-	-	250	-	249
Fair Play seminars		3'930	-	-	3'818	-
Ethics Commission submission fees		1'050	-	500	1'020	498
	Income from Commissions	239'753	238'000	132'849	232'937	132'427
DONATIONS AND SPONSORSHIP						
Donations	15.1	187'132	-	3'168	181'813	3'158
Sponsorship	15.2	139'685	-	141'508	135'714	141'056
	Donations and Sponsorship	326'817	2'750'000	144'676	317'527	144'214
OTHER INCOME						
FIDE Online Arena		342'625	400'000	402'500	332'886	401'216
International Olympic Committee / ARISF		28'622	35'000	31'369	27'808	31'269
Royalties - Chess Equipment		50'001	50'000	50'000	48'580	49'840
Royalties - TV Rights / IP Rights	16	362'528	350'000	363'934	352'223	362'773
Foreign Exchange Gain / (Loss), Net		-	-	391'210	-	389'962
Tax Refund		11'646	-	10'237	11'315	10'205
Interest		174'798	-	-	169'829	-
	Other income	970'220	835'000	1'249'250	942'641	1'245'265
TOTAL INCOME		18'647'802	17'461'000	10'820'533	18'117'718	10'786'020

2.3 EXPENSES		2023 Actual EUR	2023 Budget EUR	2022 Actual EUR	2023 Actual CHF	2022 Actual CHF
OFFICIALS' EXPENSES						
President's travel		97'835	100'000	100'853	95'054	100'531
Officials' travel and expenses		99'538	150'000	143'898	96'709	143'439
Treasurer expenses		66'965	40'000	12'114	65'061	12'075
Presidential advisers		18'279	76'000	29'432	17'760	29'338
Council Meetings and Congress	17	92'158	250'000	422'079	89'538	420'732
Officials' miscellaneous expenses		-	10'000	2'729	-	2'720
	Officials' Expenses	374'775	626'000	711'105	364'122	708'835
SECRETARIAT						
LAUSANNE						
Staff Costs		1'647'853	1'430'000	1'483'584	1'601'012	1'478'851
Service Agreements		235'031	-	50'160	228'350	50'000
Staff Travel		160'894	50'000	106'851	156'320	106'511
Office Rent		74'385	60'000	61'529	72'270	61'332
General Office Expenses		44'515	32'000	31'766	43'249	31'665
Secretariat Hospitality		12'183	10'000	11'810	11'836	11'772
	Lausanne office	2'174'861	1'582'000	1'745'700	2'113'037	1'740'131
MOSCOW OFFICE						
Staff costs		51'761	-	114'084	50'290	113'720
Travel and office expenses		-	-	1'300	-	1'296
	Moscow office	51'761	280'000	115'384	50'290	115'016
	SECRETARIAT TOTAL	2'226'622	1'862'000	1'861'084	2'163'327	1'855'147
GENERAL EXPENSES						
Accountancy / Accreditation Software		9'810	10'000	9'628	9'531	9'597
Audit & Tax Accountant		221'590	100'000	216'147	215'291	215'457
Legal, Tax & Other Professional Services	18	319'805	250'000	254'493	310'715	253'682
Bank Charges		100'088	100'000	94'095	97'243	93'795
Depreciation and amortization	8	33'935	-	29'174	32'971	29'081
Discounts Allowed for Early Payment	19	90'056	10'000	70'169	87'496	69'945
FIDE Online / IT Department		102'482	235'000	140'638	99'569	140'190
Insurance		8'063	10'000	14'497	7'834	14'451
Bad Debts & Write offs		1'488	-	12'350	1'445	12'311
Press / PR / Marketing / Work with Sponsors		80'417	400'000	109'005	78'131	108'657
Sport Exhibitions and Conferences		3'846	-	9'033	3'737	9'004
Subscriptions		7'651	-	2'028	7'434	2'022
Taxes		29'972	20'000	36	29'120	35
Data Protection Project		4'800	-	5'693	4'664	5'675
Increase of Bad Debt Provisions		152'977	-	56'457	148'628	56'277
Foreign Exchange Loss, Net		100'628	-	-	97'768	-
Handbook Review Project		-	10'000	-	-	-
	General Expenses	1'267'608	1'145'000	1'023'443	1'231'577	1'020'179
COMMISSIONS & COMMITTEES						
Arbiters Commission (ARB)		16'000	12'000	15'000	15'545	14'952
Fair Play Commission (FPL)		17'100	26'000	10'000	16'614	9'968
Chess for the Disabled (DIS)		2'000	5'000	5'000	1'943	4'984
Chess in Education Commission (EDU)		66'865	36'000	23'442	64'964	23'367
Constitutional Commission (CON)		10'000	10'000	10'000	9'716	9'968
Planning and Development Commission (PDC)		32'000	50'000	28'006	31'090	27'916
Ethics Commission (ETH)		36'770	40'000	25'021	35'724	24'941
Events Commission (EVE)		34'000	42'000	30'050	33'034	29'954
Medical Commission (MED)		2'000	3'500	4'776	1'943	4'761
Qualification Commission (QC)		21'427	14'000	12'000	20'818	11'962
Rules Commission (RC)		3'000	13'500	6'501	2'915	6'480
Systems of Pairings and Programs Commission (SPP)		-	-	5'000	-	4'984
Technical Commission (TEC)		4'999	12'000	5'000	4'857	4'984
Trainers Commission (TRG)		20'500	66'000	55'683	19'917	55'505
Verification Commission (VER)		24'992	35'000	25'044	24'281	24'964
Commission for Women Chess (WOM)		49'500	38'000	4'420	48'093	4'406
Global Strategy Commission (GSC)		88'000	36'000	43'000	85'499	42'863
Social Commission (SC)		21'500	22'000	7'750	20'889	7'725
Chess History Committee		4'319	-	1'000	4'196	997
Reserve for Commissions Expenses / Inter-Commission Projects		163'441	95'000	54'592	158'795	54'417
	Commissions & Committees	618'413	556'000	371'285	600'833	370'098

		2023 Actual EUR	2023 Budget EUR	2022 Actual EUR	2023 Actual CHF	2022 Actual CHF
EVENTS EXPENSES	14					
Tournament Expenses						
Olympiad	14.1	10'186	-	2'791'472	9'897	2'782'568
World Championship Match	14.2	4'465'324	2'300'000	-	4'338'393	-
Women World Championship Match	14.3	186'912	800'000	-	181'599	-
Candidates	14.4	1'343	-	1'366'294	1'305	1'361'936
Women Candidates	14.5	30'676	450'000	230'857	29'804	230'121
World Cup	14.6	2'620'777	2'200'000	-	2'546'279	-
Grand Swiss	14.7	702'338	700'000	-	682'373	-
Grand Prix Series	14.8	-	-	651'586	-	649'508
Women Grand Prix Series	14.9	731'242	650'000	142'046	710'456	141'593
World Rapid and Blitz Championship	14.10	1'489'229	1'200'000	1'360'513	1'446'896	1'356'173
World Teams Rapid Championship	14.11	585'644	400'000	-	568'996	-
World Team Championship	14.12	-	-	198'937	-	198'302
Women World Team Championship	14.13	60'459	-	-	58'740	-
Paralympiad	14.14	133'423	200'000	-	129'630	-
Tech Mahindra Global Chess League AG	14.15	21'275	-	-	20'670	-
World Schools Championship	14.16	398'641	-	-	387'309	-
Online Events	14.17	-	100'000	-	-	-
Checkmate Coronavirus Project		-	-	46'561	-	46'412
Other Events Expenses	14.17	82'601	-	130'484	80'253	130'067
Non-Tournament Expenses						
ARISF and IOC Events		45'748	25'000	-	44'448	-
Electronic Boards (storage & transportation)	20	12'866	10'000	2'467	12'500	2'459
FIDE 100 Years Anniversary		94'445	100'000	-	91'760	-
Other Events Expenses		55'751	-	-	54'166	-
		11'728'880	9'135'000	6'921'217	11'395'474	6'899'139
	Events Expenses					
FIDE DEVELOPMENT FUND	21					
Support of National Chess Federations	21.1	349'870	400'000	389'877	339'925	388'633
Support of Continental Associations	21.2	398'853	400'000	418'788	387'515	417'452
Support for Zones / Supra-National Associations		35'000	150'000	125'532	34'005	125'131
Commissions Development and Social Projects		267'271	540'000	465'121	259'674	463'638
Open Tournament Support Program		172'020	200'000	165'617	167'130	165'089
Women Chess Development Programs		60'042	100'000	100'011	58'335	99'692
Youth Development Programs		4'000	150'000	95'436	3'886	95'132
Veterans' Support Program		86'853	100'000	65'675	84'384	65'465
Chess Composition Support Program		13'003	10'000	12'989	12'633	12'947
	FIDE Development Fund	1'386'912	2'050'000	1'839'046	1'347'487	1'833'179
TOTAL EXPENSES		17'603'210	15'374'000	12'727'180	17'102'820	12'686'577

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. FIDE is recognized by the International Olympic Committee as the supreme body responsible for the game of chess and its championships. FIDE unites 201 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 are 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 Rules). 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)

For the purpose of organizing events in Russia, FIDE used a special-purpose vehicle (SPV) that was set up as a not-for-profit organization. The SPV is independent from FIDE, and the accounts of the SPV are not included in the FIDE accounts.

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 0.929 (2022: EUR 1 for CHF 0.985), and the income and expenses at the average exchange rate for the year of EUR 1 for CHF 0.972 (2022: EUR 1 for CHF 0.997). 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. Investments in subsidiaries

Investments in subsidiaries are stated at cost less a provision for permanent impairment in value, if any.

3.4 Fixed and intangible assets depreciation and amortization.

Depreciation rate applied to fixed assets is 30% per annum on the declining balance method.

Amortization rate applied to intangible assets (software) is 30% per annum on the declining balance method.

3.5. 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. If an event is composed of several tournaments (e.g. Grand Prix Series), the revenue and expenses related to each tournament are recorded upon completion of that tournament, even if the event has not been 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.

3.6 Reclassification of prior year figures

Some expenses related to staff costs were booked to other categories in 2022. Prior year figures have been reclassified to allow proper comparison with current year figures.

4. Cash and banks

Year-end balances

EUR

	<u>2023</u>	<u>2022</u>
Cash and Banks (see details below)	6,915,424	4,903,618
Cash at Paypal accounts *	11,131	19,996
Payrexx	14,899	2,144
	<u>6,941,454</u>	<u>4,925,758</u>

Cash and banks are composed of:

EUR

	<u>2023</u>	<u>2022</u>
Caixa Bank EUR Account	2,110,082	3,206,928
Caixa Bank USD Account	4,630,527	1,547,242
Caixa Bank CHF Account	83,079	69,494
Sberbank RUB Account	21,124	11,905
Otkrytie Bank RUB Account (Moscow office account)	7,224	4,545
Gazprombank Russia RUB Account	756	872
Gazprombank Russia EUR Account	62,632	15,000
Money in transit	-	47,632
	<u>6,915,424</u>	<u>4,903,618</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>2023</u>	<u>2022</u>
Current year debts	888,209	726,321
Debts overdue by 1 year	207,763	103,748
Debts overdue by 2 years	54,271	103,766
Debts overdue by 3 years or more	188,474	151,850
Total gross	<u>1,338,717</u>	<u>1,085,685</u>
Provision for doubtful debts	<u>-660,375</u>	<u>-507,397</u>
Total net	<u>678,342</u>	<u>578,288</u>

6. Other Debtors

Other Debtors are mostly contractual obligations of corporate sponsors who have unpaid obligations with regard to sponsorship contracts related to FIDE events completed in 2023. FIDE received these funds in 2024.

7. Investment in subsidiary

<u>Name</u>	<u>Domicile</u>	<u>Ownership</u>	<u>Share Capital</u>
FIDE Enterprises Sarl	Switzerland	100%	CHF 20,000
Tech Mahindra Global Chess League AG (via FIDE Enterprises Sarl)	Switzerland	10%	CHF 111,120

Tech Mahindra Global Chess League AG is a joint venture with Tech Mahindra company (India), which was created for the purpose of organizing Tech Mahindra Global Chess League. The first edition of the tournament took place in Dubai in June 2023.

8. Tangible and intangible assets

	<u>Office furniture</u>	<u>Machines & equipment</u>	<u>Software</u>	<u>Total</u>
<u>At cost (EUR)</u>				
Opening balance	7,368	512,487	49,621	569,476
Additions	<u>-</u>	<u>36,702</u>	<u>-</u>	<u>36,702</u>
Closing balance	<u>7,368</u>	<u>549,189</u>	<u>49,621</u>	<u>606,178</u>
<u>Accumulated depreciation (EUR)</u>				
Opening balance	4,217	447,535	22,285	474,037
Depreciation charge	<u>945</u>	<u>24,789</u>	<u>8,201</u>	<u>33,935</u>
Closing balance	<u>5,162</u>	<u>472,324</u>	<u>30,486</u>	<u>507,972</u>
Net book value	<u>2,206</u>	<u>76,865</u>	<u>19,135</u>	<u>98,206</u>

9. Upcoming Year Events

As of December 31, 2023:

	<u>EUR</u>
Deposit fees for upcoming year events	65,000
Prepayment for Olympiad 2024	1,975,000
Prepayment for Candidates Tournament 2024	800,000
Prepayment for World Championship Match 2024	286,000
Prepayment for African Games	138,227
Prepayment for Women Grand Prix	135,155
Prepayment for World Rapid and Blitz Championship 2024	110,000
Total	<u>3,509,382</u>

As of December 31, 2022:

	<u>EUR</u>
Deposit fees for upcoming year events	50,000
Prepayment for Grand Swiss 2023	717,768
Prepayment for World Championship Match 2023	705,976
Prepayment for World Rapid Team Championship 2023	250,000
Prepayment for Women World Championship Match 2023	227,550
Prepayment for Women Candidates Tournament 2023	176,285
Prepayment for Women Grand Prix Series 2023	136,257
Prepayment for World Rapid and Blitz Championship 2023	110,000
Prepayment for Paralympiad 2022 (postponed to 2023)	55,000
Total	<u>2,428,836</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.

10. Other Creditors

Other creditors are mainly composed of the FIDE obligations related to the 2023 World Rapid and Blitz Championship that was held in Samarkand, Uzbekistan at the end of the year (December 25-31, 2023). FIDE paid all the prize money, stipends and travel expenses for the players and principals in early 2024.

11. Deferred Revenue

	<u>EUR</u>	
	<u>2023</u>	<u>2022</u>
FIDE Online Arena	36,812	36,712
Other Deferred Revenue	3,950	100
Total	<u>40,762</u>	<u>36,812</u>

12. Events Beyond Upcoming Year

As of December 31, 2023:

	<u>EUR</u>
Prepayment for World Rapid and Blitz Championship 2025	110,000
Prepayment for World Rapid and Blitz Championship 2026	101,000
Prepayment for Olympiad 2026	100,000
Total	<u>311,000</u>

As of December 31, 2022:

	<u>EUR</u>
Prepayment for World Rapid Team Championship 2024	250,000
Prepayments for World Championship Match 2024	133,000
Prepayments for World Rapid and Blitz 2024	110,000
Prepayments for Candidates 2024	50,000
Prepayments for Grand Prix Series 2024	4,000
Total	<u>547,000</u>

13. 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.

14. FIDE Events – Income and Expenses

14.1 Olympiad

	<u>EUR</u>	
	<u>2023</u>	<u>2022</u>
Gross income	-	2,893,823
Principals and Arbiters - Stipends and Travel	-	405,839
Travel Subsidies for Developing Countries	-	1,849,459
Subsidy for Registration Fees for Developing Countries	-	100,000
Training Support for Developing Countries	-	67,435
Pocket Money for Developing Countries	-	79,110
Organizational team stipends and travel	-	148,893
Miscellaneous expenses	10,186	140,736
Total expenses	<u>10,186</u>	<u>2,791,472</u>
Net income / (loss)	-10,186	102,351

14.2 World Championship Match

	EUR	
	<u>2023</u>	<u>2022</u>
Gross income	6,791,000	-
Prize fund	2,000,000	-
Stipends and travel	62,662	-
Players' tickets and transportation	8,390	-
Organizational expenses	2,131,297	-
Broadcast	146,320	-
Side Events	59,655	-
Website / Social media	57,000	-
Total expenses	4,465,324	-
Net income	2,325,676	-

14.3 Women World Championship Match

	EUR	
	<u>2023</u>	<u>2022</u>
Gross income	456,517	-
Principals stipends and travel	82,135	-
Marketing and promotion	97,500	-
Miscellaneous expenses	7,277	-
Total expenses	186,912	-
Net income	269,605	-

14.4 Candidates

	EUR	
	<u>2023</u>	<u>2022</u>
Gross income	-	1,516,233
Prize Fund	-	500,000
Principals and Arbiters Stipends	-	37,550
Travel and Expenses	-	15,339
Accommodation and Organizational Expenses	-	565,354
Playing Venue Rent	-	123,632
Miscellaneous Expenses	1,343	124,419
Total expenses	1,343	1,366,294
Net income / (loss)	-1,343	149,939

14.5 Women Candidates

	EUR	
	<u>2023</u>	<u>2022</u>
Gross income	292,276	199,224
Prize fund	-	140,000
Stipends and travel	30,676	58,703
Grant for organizer	-	11,154
Broadcast	-	21,000
Total expenses	30,676	230,857
Net income / (loss)	261,600	-31,633

14.6 World Cup

	EUR	
	<u>2023</u>	<u>2022</u>
Gross income	3,499,439	-
Open World Cup Prize Fund	1,540,472	-
Women World Cup Prize Fund	560,973	-
Stipends and travel expenses	128,682	-
Organizational expenses	331,227	-
Broadcast	59,423	-
Total expenses	2,620,777	-
Net income	878,662	-

14.7 Grand Swiss

	EUR	
	<u>2023</u>	<u>2022</u>
Gross income	886,424	-
Open Grand Swiss prize fund	427,048	-
Women Grand Swiss prize funds	130,937	-
Stipends and travel expenses	31,154	-
Organizational expenses	113,199	-
Total expenses	702,338	-
Net income	184,086	-

14.8 Grand Prix Series

	EUR	
	<u>2023</u>	<u>2022</u>
Gross income	-	668,563
Prize fund	-	450,000
Stipends and allowances	-	74,752
Travel expenses	-	50,993
Grant for organizer	-	35,000
Side events	-	31,971
Miscellaneous expenses	-	8870
Total expenses	-	651,586
Net income	-	16,977

14.9 Women Grand Prix Series

	EUR	
	<u>2023</u>	<u>2022</u>
Gross income	839,342	204,863
Prize fund	320,000	80,000
Accommodation	239,045	-
Stipends and Travel	96,158	37,801
Broadcast	41,000	20,375
Miscellaneous expenses	35,039	3,870
Total expenses	731,242	142,046
Net income	108,100	62,817

14.10 World Rapid and Blitz Championship

	EUR	
	<u>2023</u>	<u>2022</u>
Gross income	1,585,569	2,203,395
Prize Fund	929,719	894,711
Principals and Arbiters Stipends and Expenses	112,013	98,420
Grant for organizer	-	189,013
Organizational expenses	400,187	105,926
Broadcast	47,310	32,000
Miscellaneous expenses	-	40,442
Total expenses	1,489,229	1,360,513
Net income	96,340	842,882

14.11 World Team Rapid Championship

	EUR	
	<u>2023</u>	<u>2022</u>
Gross income	673,578	-
Prize Fund	142,512	-
Stipends and travel	64,049	-
Broadcast	25,207	-
Organizational expenses	353,876	-
Total expenses	585,644	-
Net income	87,934	-

14.12 World Team Championship

	EUR	
	<u>2023</u>	<u>2022</u>
Gross income	-	89,828
Grant for organizer	-	149,014
Stipends and travel	-	25,035
Broadcast	-	24,600
Miscellaneous expenses	-	288
Total expenses	-	198,937
Net loss	-	-109,109

14.13 Women World Team Championship

	EUR	
	<u>2023</u>	<u>2022</u>
Gross income	144,550	-
Stipends and travel	37,418	-
Broadcast	15,000	-
Miscellaneous expenses	8,041	-
Total expenses	60,459	-
Net income	84,091	-

14.14 Paralympiad

	EUR	
	<u>2023</u>	<u>2022</u>
Gross income	114,660	-
Travel subsidies	69,202	-
Stipends and travel expenses	34,814	-
Organizational expenses	20,407	-
Broadcast	9,000	-
Total expenses	133,423	-
Net loss	-18,763	-

14.15 Tech Mahindra Global Chess League AG

	EUR	
	<u>2023</u>	<u>2022</u>
Gross income	149,447	-
Stipends	16,669	-
Miscellaneous expenses	4,606	-
Total expenses	21,275	-
Net income	128,172	-

14.16 World Schools Championship

	EUR	
	<u>2023</u>	<u>2022</u>
Gross income	405,666	-
Travel subsidies	355,185	-
Organizational expenses	15,367	-
Marketing Expenses	13,772	-
Stipends and travel	14,317	-
Total expenses	398,641	-
Net income	7,025	-

14.17 Other Events / Online Events

	EUR	
	<u>2023</u>	<u>2022</u>
Gross income	34,045	-
Total expenses	82,601	-
Net loss	- 48,556	-

15. Donations and Sponsorship

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.

15.1 Donations

	EUR	
	<u>2023</u>	<u>2022</u>
Avalanche, Inc	93,657	-
Private Donors / Other donations	93,475	3,168
Donations Total	187,132	3,168

15.2 Sponsorship

	EUR	
	<u>2023</u>	<u>2022</u>
Chessable (sponsorship of children academy)	139,685	141,508
Sponsorship Total	139,685	141,508

16. Royalties – TV Rights / IP Rights

FIDE licenses the IP rights, including the right to issue NFT, to third parties for a consideration of flat fee and/or percentage of revenue earned by the licensees. Such royalties earned by FIDE amounted to EUR 362,528 (2022: EUR 363,934).

17. Council meetings and Congress

	EUR	
	<u>2023</u>	<u>2022</u>
Council meetings	92,158	106,143
General Assembly	-	315,936
Total	92,158	422,079

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 2023 and 5 in 2022 providing services on a regular basis. Additionally, FIDE uses two legal firms and two accounting / tax consulting firms 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 8, 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 National Chess Federations

National Chess Federations – Africa

	EUR	
	<u>2023</u>	<u>2022</u>
Angola	-	4,635
Botswana	-	4,381
Burundi	5,016	-
Cape Verde	-	7,453
Djibouti	5,000	4,556
Eritrea	5,000	-
Ethiopia	-	5,130
Gambia	-	4,685
Ghana	-	4,696
Ivory Coast	5,000	-
Kenya	5,000	4,766
Liberia	-	5,130
Madagascar	5,000	4,632
Malawi	5,000	4,773
Mauritania	5,000	5,130
Mauritius	5,000	-
Mozambique	5,000	3,000
Niger	5,000	4,658
Rwanda	-	5,446
Sao Tome & Principe	5,000	4,658
Senegal	5,000	4,658
Sierra Leone	5,014	-
Somalia	-	5,010
Togo	5,000	4,658
Uganda	5,000	-
Africa Total	80,030	92,055

National Chess Federations - Americas

	EUR	
	<u>2023</u>	<u>2022</u>
Aruba	-	4,696
Bahamas	5,028	-
Barbados	-	4,556
Chile	-	4,685
Colombia	-	5,050
Costa Rica	5,000	4,970
Cuba	5,000	9,425
Dominica	5,000	4,685
Grenada	-	5,130
Guyana	5,000	-
Haiti	10,000	-
Jamaica	5,000	4,685
Nicaragua	5,000	-
Panama	5,000	-
Paraguay	-	4,984
Peru	-	4,636
Saint Kitts & Nevis	-	4,977
Santa Lucia	5,000	4,676
Surinam	1,700	4,977
Trinidad and Tobago	4,507	4,676
Uruguay	2,900	5,130
US Virgin Islands	-	4,578
Americas Total	64,135	86,516

National Chess Federations – Asia

	EUR	
	<u>2023</u>	<u>2022</u>
Bhutan	5,000	4,676
Chinese Taipei	-	5,130
Hong Kong	-	5,110
Iraq	-	4,818
Japan	5,000	4,683
Kyrgyzstan	5,000	5,130
Laos	-	4,636
Lebanon	-	4,381
Malaysia	5,000	-
Maldives	5,000	4,894
Myanmar	5,000	4,773
Nepal	5,000	-
Oman	5,000	4,556
Palestine	-	4,411
Singapore	-	4,658
Syria	10,000	-
Timor-Leste	-	4,773
Turkmenistan	9,775	-
Yemen	4,982	-
Asia Total	64,757	66,629

National Chess Federations – Europe

	EUR	
	<u>2023</u>	<u>2022</u>
Albania	5,000	4,799
Andorra	5,000	4,799
Guernsey	5,000	4,773
Ireland	-	4,556
Jersey	5,000	-
Kosovo	5,000	4,635
Liechtenstein	5,000	4,773
Malta	-	4,389
Moldova	5,000	-
Monaco	5,000	5,022
Montenegro	5,000	4,631
Netherlands	-	5,110
North Macedonia	5,000	4,977
San Marino	5,000	4,675
Serbia	-	5,148
Wales	5,000	4,752
Europe Total	60,000	67,039

National Chess Federations – Oceania

	EUR	
	<u>2023</u>	<u>2022</u>
Fiji	5,000	-
Guam	5,024	-
Nauru	5,000	-
New Zealand	7,586	-
Solomon Islands	5,000	4,773
Tonga	5,000	-
Oceania Total	32,610	4,773

21.2 Support for Continental Associations

	EUR	
	<u>2023</u>	<u>2022</u>
Africa	94,336	94,588
Americas	93,777	117,580
Asia	123,240	100,894
Europe	87,500	105,726
Support for Continental Associations Total	398,853	418,788

22. Number of employees

FIDE had less than 50 employees in 2023 and in 2022.