

**Auditor's Report  
on the ECU Year 2014 Annual Report**

I have audited the financial statements of the year 2014.

First of all I would like to acknowledge the excellent and responsible work of the ECU bookkeeper Mr. Kurt Gretener.

The Annual Report 2014 is conducted according to accounting records and give true and fair view of the ECU's assets, liabilities, revenues, expenses, and financial position for the year then ended.

Conducting the analysis of the Annual Report 2014, I have to conclude that the operations of ECU in year 2014 have been satisfactory.

The funds available on Dec. 31, 2014 was 433 410,00 EUR, profit – 710,00 EUR.

The largest part, 77%, of expenses consists of administrative and marketing expenses.

After the elections the following steps have been taken to decrease the expenses.

- 1) The President stipend was waived from September 2014 and the expenses have been decreased by 35%
- 2) The disadvantageous contract with the company „Ite Arte Marketing Service” for marketing and PR services was terminated.
- 3) The Office in Belgrade, which was working with large expenses, has been closed.
- 4) The expenses for the ECU office and secretariat have been decreased.

I have to note that is also very positive for treasury and auditing that after the General Assembly in Tromso the payments (to and from ECU) in cash have been eliminated. The large amounts of cash were receiving in the past and kept out of the ECU bank account was not a recommended practice.

None deposit fee was received for the 2014 European Chess Championship, against the ECU tournament and financial regulations. All the deposit fees for the 2015 European Chess Championship 2015 were received by December 2014 and are included in the funds by Dec 31, 2014.

In my opinion, several payments to ECU officers and employees in the transitional period from Aug. 8th – Aug 25th, can be considered unreasonable.

Finally I have received the invoice attached (22/12 22.02 21012) which paid from ECU bank account. According the ECU statutes article 49 (b) such material should be audited annually. According the information I have received there is no Board decision for the purchase or distribution of such boards. The mentioned chessboards are not in the procession of ECU neither delivered by the new administration. I note also that Greek Chess Federation and/or Greek organizers never asked for such boards neither received ever. I ask ECU Board and GA to clarify this matter.

ECU auditor A.Ozolins

