



ICCF Congress 2022

Independent Auditor's Report on the Financial Year 2020

Crickhowell, Wales

July 2022

This report is addressed to and made solely for the benefit of the Member Federations ("MF") of the International Correspondence Chess Federation ("ICCF"). The audit work has been undertaken in accordance with Article 33 of the current ICCF Statutes, so that I can report to the MF those matters I am required to state in an audit report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the ICCF and the MF as a body, for the audit work, this report or the opinions formed.

Qualified Opinion

I have audited the financial statements of the ICCF, comprising the balance sheet as at 31 December 2020, the income and expenditure account and cash flow statement for the year ended on that date, and the notes attached to the financial statements.

In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of my report, the accompanying financial statements give a true and fair view of the financial position of the ICCF as at 31 December 2020 and of its financial results for the year 1 January to 31 December 2020, and have been properly prepared in accordance with generally accepted international accounting standards.

Basis for Qualified Opinion

For several months during 2020 and 2021, the ICCF had no acting Financer Director. During that period, certain accounting records were not maintained, particularly in respect of vouchers issued as prizes for ICCF events. In 2022, based on the best information available, these records were re-created by ICCF officers. It has not been possible for me to determine whether certain vouchers were issued in 2020 or in 2021. I cannot therefore express an opinion on the accuracy of the liabilities as at 31 December 2020, although I think it probable that any misstatement will not be material to the profit for the year, or the net assets of the ICCF.

It should be noted that in all other respects the ICCF has maintained or re-created accurate accounting records for 2020.

The audit has been conducted in accordance with international standards on auditing. My responsibilities under these standards are further described in the Responsibilities of the Auditor section of this report. I believe that the audit evidence collected is sufficient and appropriate to provide a basis for my qualified opinion.

Responsibilities of ICCF Executive Board

The ICCF Executive Board, in particular the ICCF Finance Director, is responsible for the preparation of financial statements that give a true and fair view in accordance with international accounting regulations, and for such internal control as the ICCF Executive Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the Auditor

My responsibility as auditor is to audit and express an opinion on the financial statements in accordance with applicable law and international auditing standards, which also require me to comply with accepted ethical standards for auditors.

I have identified matters over which I have some concern but do not in my opinion affect the true and fair view of the financial statements. I have communicated these concerns in a letter addressed to the President and Executive Board of the ICCF.

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the organisation's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the finance director; and
- the overall presentation of the financial statements.

In addition, I read all the financial and non-financial information in the finance director's report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit.

If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report. I consider the appropriateness of the ICCF Executive Board's use of the going concern basis of accounting and, based on audit evidence obtained, seek to conclude whether any material uncertainty exists related to events or conditions that may cast significant doubt on the ICCF's ability to continue as a going concern.

Paul Scott, Honorary Auditor
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July 2022

Appendices: Financial statements of the ICCF as at 31 December 2020, comprising balance sheet, income and expenditure, cash flow statement and related notes.