



European Draughts Confederation

Founded in Tallinn on 13.08.1998 – Recognized in Trieste on 16.11.2021

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Explanatory Notes to the Financial Statements 2023 at December 31st, 2023

Dear Presidents,

The European Draughts Confederation's (EDC's) - Financial Statements at December 31st, 2023 consist of two accounting statements: the Balance Sheet (also called *Statement of Financial Position*) and the Profit and Loss Account (also called *Income Statement*) and they have been drawn up in units of euros.

The EDC's Financial Statements have been taken from the reporting of the EDC bank account, at Intesa-Sanpaolo bank account no. 55000/1000/00190151 registered to the European Draughts Confederation, active since September 2022.

With the attached documents and this Explanatory Notes to the Financial Statements, likely it is the third consecutive time that an EDC financial statement has been prepared in the standard IAS (*International Accounting Standards*) format.

The Balance Sheet highlights:

in the "Assets" (active part): fixed assets with durable goods that can be used in several financial years (as stamps, personal computers, furnishings, furniture, equipment, etc.); the accounts receivable with any credits to be collected in the future year and the current assets with the balances of cash and petty cash, cash equivalents of the bank account, etc.

in the "Liabilities" (passive part): the current liabilities with any debts to be paid in the future year, the long-term liabilities, any risks and reserve fund, the depreciation provision for durable goods that can be used in several financial years; the owners' or stockholders' equity highlights the difference between assets and liabilities and represents the "Net capital" of the Confederation.

Formation and evaluation criteria

FORMATION CRITERIA

The European Draughts Confederation used a system of accounting for operations by recording the income and expenses of the year.

EVALUATION CRITERIA

Fixed assets: They represent the durable tangible assets of the Confederation.

Current Assets: Cash and cash equivalents represent the annual balances of the Cash and the Bank Current Account.

Expenses and Revenue (Income): They are shown in the financial statements according to the criteria of the draughts events (project) held.

Content of balance sheet items

The analysis of the items shows:

In the balance sheet:

Equipment represents three rubber stamps with the official logo of European Draughts Confederation, two heritage of previous Board with a symbolic value of 2 (1 € for each, as assets owned by previous or past years) and one bought in 2022 for 28,00 €, for a sum of 30,00 €. The rubber stamps are currently custody by the Vice President, the Tournament Director of Youth (and Vice President Vicar) and the Tournament Director of Veteran.

Accounts Receivable from Entity represents the portion of registration fees for the European Blitz and Rapid championships pertaining to the EDC, due from the organizer (Hijken DTC) to the EDC and paid in 2024, second the agreement signed, and it is equal to 805,00 €.

Cash in Bank represents the balance at 31st December 2023 as per bank statement it is equal to 7.896,25 €.

Notes Payable represents the travel expenses, for the Main Referee of the European Youth Championships 2023, incurred by Magda Pawlowska and to be refunded; it is equal to €. 268,00 (as showed expenses claim note sent in February 2024).

Depreciation provision represents the value of the assets (30) to indicate / highlight that the assets have been included among the exits at the time of the purchase occurred in previous or past years.

Owners' equity (stockholders' equity) represents the Equity (net capital) of previous year, equivalent to 5.793,31 €.

Profit represents the sum between the 2023 income and expenses shown in the summary of the income statement equal to 2.729,94 €.

Equity (net capital) item determined by the difference between the asset value (total liabilities) 8.821,25 €. and both the liabilities of €. 268,00 and depreciation provision €. 30,00, that is equal to 8.523,25 €.

With regard to the operating surplus (profit 2023), we propose the provision among the items of Net capital as an active endowment divided by year: profits previous years, profits year 2023 (in this way represented in next Balance Sheet).

About the items in the Profit and Loss Account (income statement):

They have been shown by the events/project carried out by detecting for each of them the income and expenses in analytical form and highlighting a total revenue for 2023 equal to 16.245,00 €. and a total outflow of (minus) 13.515,06 €.

The annual activities of the EDC have benefited especially from revenues coming from the European Championships, to which EDC Annual fees of federations, introduced starting from 2023, were added. Also noteworthy is the extraordinary contribution of FMJD to support the EDC to bear the

heavy cost of lawyer from the TAS/CAS procedure of 2022, with about the 50% of total amount, that EDC divided, equally, between two years (2022, 2023). In particular:

- 23th European Youth Championships (Boys and girls), Classic, Blitz and Rapid held in Tallinn – Estonia, 31st July – 9th August, registered a project profit of €. 3.869,40. This amount comes out from €. 11.360 of participation fees collected both by EDC via bank-transfer and EDF in cash, with EDC that renounced to 700 € of NUDF's ones, as decided during the General Assembly 2023 to support Ukrainian people, of which € 5.680,00 forwarded to organizers, as in agreement, together with €. 842,60 for medals anticipated from EDF and reimbursed by EDC, and €. 268,00 for the travel costs of the MAIN Referee, as in agreement and EDC Guide Lines.
- 13th European Team Championships and 7th ETC of Women (Classic, Blitz, Rapids) held in Follonica - Italy, 12th-18th June, registered a project profit of €. 200,20. The result comes out from €. 565,00 of EDC part of participation fees (25% of €. 900 for ETC Classic and 50% of €. 680 for ETC Blitz and Rapids) collected by FID, less €. 220,80 for the Main Referee's travel cost and €. 144,20 for medals and diplomas, paid by FID and reimbursed by EDC, as in agreement EDC-FID and EDC Guide Lines.
- EC Veterans and Under 27, held Julinek - Poland, 18th – 26th March, registered a project profit of €. 414,59. The result comes out from €. 945,00 of inscription fees collected by Polish Draughts Federation (PWZ), less €. 360,00 for medals paid by PDF and reimbursed by EDC and €. 170,41 paid from EDC as reimbursement of travel costs of Main Referee, as in agreement EDC-FID and EDC Guide Lines.
- EC Blitz and Rapid, held in Hijken - The Netherlands, 28th -29th October with EDC part of fee of 25% of €. 3.220,00 that means €. 805,00, as in agreement, with no costs for EDC.
- EC Board meetings and various, with a loss project of 3.041,05. This result comes out mostly for the cost of Ordinary and Elective General Assembly 2023:
 - o GA stuffs/presents paid by EDC for folders (€. 173,97) and pennants (€. 323,30):
 - o GA stuffs/presents paid by EDF and reimbursed from EDC for bags, bottles e pens (€. 266,80), flag (€. 27,50), administrative costs (bages, papers, etc., for €. 60,00);
 - o GA evening catering for participants, paid by EDF and reimbursed from EDC only for the amount of €. 1.000,00 as in agreement;
 - o GA free hospitality for official representatives of Federations Ordinary Members and Board Members, for a total amount of €. 812,50, paid by EDF and reimbursed from EDC;
 - o GA and Executive Board members travel €. 386,98 for Vice President Vicar Johan Demasure also present in Tallinn as Tournament Director Youth. Other Board members haven't asked reimbursement because covered by their Federations of covered costs by themselves.
- Other incoming and expenses registered entries for €. 770,00 for EDC annual fees (of which €. 620,00 cashed in 2023 and €. 150,00 cashed in 2022) and FMJD extraordinary support to EDC for €. 2.500,00, with expenses for the second and last part of lawyer cost's for CAS/TAS procedure for €. 2.500,00, and cost for EDC proper bank account and taxes for €. 188,20.

The measures adopted by the Board allowed a set aside profit that summarized with previous profit it is – finally - sufficient for covering annual operative costs of EDC and to plan to get any goal not planned in the past (for instance a restyling/renew of EDC website).

In conclusion, the members of the European Draughts Confederation are invited to approve these financial statements.

Rome, 18.04.2024

The President of the EDC Board
Carlo A. Bordini