

Report of Independent Auditors

To the President and Members of the
Fédération Internationale des Echecs

We have audited the accompanying financial statements of Fédération Internationale des Echecs (The 'Federation') - a non profit federation, consisting of a balance sheet as at December 31, 2007, annual income and expenses and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Accounting Standards applicable in Switzerland. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; 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 International Standards on Auditing. Those standards require that we comply with ethical requirements and 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 internal control relevant to the entity's preparation and fair presentation 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

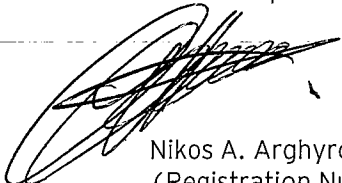
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

Opinion

In our opinion, the financial statements referred to above present fairly in all material respects, the financial position of the Federation as at December 31, 2007 and its activities for the year then ended, in conformity with accounting principles generally accepted in Switzerland.

As with other entities of similar size and structure with the Federation, the Treasurer is actively involved in measuring, executing and recording transactions in the accounting records. For these reasons we have relied on Treasurer's representations as to the completeness of the financial information included in these financial statements.

Athens September 16, 2008



Nikos A. Arghyrou - Partner
(Registration Number 15511)