

**INTERNATIONAL UNION OF  
CRYSTALLOGRAPHY**

Report and Financial Statements

Year ended 31 December 2016

# **INTERNATIONAL UNION OF CRYSTALLOGRAPHY**

## **REPORT AND FINANCIAL STATEMENTS 2016**

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# INTERNATIONAL UNION OF CRYSTALLOGRAPHY

## EXECUTIVE COMMITTEE MEMBERS

President:	Professor M L Hackert
Vice-President:	Professor A M Glazer
General Secretary and Treasurer:	Professor L Van Meervelt
Immediate Past President:	Professor G R Desiraju
Ordinary Members:	Dr H A Dabkowska Professor W Depmeir Professor S Garcia-Granda Professor J M Guss Professor R Kuzel Professor M Takata
Executive Secretary:	Mr M H Dacombe

## STATEMENT OF THE EXECUTIVE COMMITTEE'S RESPONSIBILITIES

The Statutes and By-laws of the Union require the Treasurer to exhibit a general statement of the pecuniary affairs of the Union with detailed accounts of the income and expenditure. In preparing these financial statements, the Executive Committee is required to:

- i) select suitable accounting policies and then apply them consistently;
- ii) make judgements and estimates that are reasonable and prudent;
- iii) state whether applicable accounting standards have been followed; and
- iiii) prepare the financial statements on the going concern basis unless it is inappropriate to presume the Union will continue in business.

These financial statements are to be audited by a professional auditor appointed by the Executive Committee.

The

Each of the persons who is a member of the Executive Committee at the date of approval of this report confirms that:

- i) so far as the member is aware, there is no relevant audit information of which the Union's auditor is unaware; and
- ii) the member has taken all the steps that they ought to have taken as a member in order to make themselves aware of any relevant audit information and to establish that the Union's auditor is aware of that information.

By Order of the Executive Committee

Professor L Van Meervelt

Professor M L Hackert

M H Dacombe

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE INTERNATIONAL UNION OF CRYSTALLOGRAPHY**

We have audited the non-statutory financial statements of the International Union of Crystallography for the year ended 31 December 2016 which comprise the income and expenditure account, the statement of total recognised gains and losses, the balance sheet, the cash flow statement and the related notes 1 to 13. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely for the exclusive use of the Union's members, as a body, in accordance with Section 11.1 of the Statutes of the Union for the purpose of showing the results of management's stewardship of the resources entrusted to it. Our report is not to be used for any other purpose, recited or referred to in any document, copied or made available (in whole or in part) to any other person without prior written express consent. We accept no duty, responsibility or liability to any other party in connection with the report or this engagement

### **Respective responsibilities of the Executive Committee and auditor**

As explained more fully in the Statement of the Executive Committee's Responsibilities, the Executive Committee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

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 Union's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Union's members; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual 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 us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view, of the state of the Union's affairs as at 31 December 2016 and of its defn of income over expenditure for the year then ended; and
- have been properly prepared in accordance with the accounting policies stated in note 1 to the financial statements

PM+M Solutions for Business LLP  
Chartered Accountants  
Blackburn, United Kingdom

# INTERNATIONAL UNION OF CRYSTALLOGRAPHY

## INCOME AND EXPENDITURE ACCOUNT

Year ended 31 December 2016

	Note	2016	Swiss Francs 2016	2015	2015
<b>Income</b>					
Membership subscriptions			160,407		170,463
Sales					
Journals, back numbers and single issues		2,733,262		3,093,214	
Books		<u>114,144</u>		<u>102,717</u>	
			2,847,406		3,195,931
Investment income					
Income from investments	7	21,041		13,667	
Bank interest		504		483	
Loss on disposal	8	<u>(21,643)</u>		<u>(1,745)</u>	
			(98)		12,405
Other income					
Royalties and copyright fees		27,632		11,349	
Advertising income		85,371		95,853	
STAR/CIF income		<u>36,535</u>		<u>-</u>	
			149,538		107,202
TOTAL INCOME			<u><b>3,157,253</b></u>		<u><b>3,486,001</b></u>
<b>Expenditure</b>					
Journals					
Publication costs		371,493		381,466	
Editorial expenses		203,699		191,906	
Technical editing		1,134,961		1,354,281	
Subscription administration		<u>120,326</u>		<u>118,134</u>	
			1,830,479		2,045,787
Books					
Publication costs		21,602		52,472	
Editorial expenses		33,166		26,048	
Technical editing		<u>63,556</u>		<u>67,407</u>	
			118,324		145,927
Newsletter					
Publication costs		25,258		2,343	
Editorial expenses		<u>94,867</u>		<u>94,867</u>	
			120,125		97,210
International Year of Crystallography/Outreach			75,823		115,091
President's Fund and other Grants and Young Scientist Support			207,605		200,523
General Assembly costs			32,652		19,196
Carried forward			<u>2,385,008</u>		<u>2,623,734</u>

# INTERNATIONAL UNION OF CRYSTALLOGRAPHY

## INCOME AND EXPENDITURE ACCOUNT (continued)

Year ended 31 December 2016

	Note	2016	Swiss Francs 2016	2015	2015
Brought forward			2,385,008		2,623,734
Committee meetings and expenses			76,486		60,877
Publications and journals development					
General		367,199		483,196	
IUCrJ development		128,835		178,468	
Business development		110,959		153,734	
Editors Meeting		11,955		14,901	
STAR/CIF		-		2,404	
Promotion costs		<u>117,022</u>		<u>167,922</u>	
			735,970		1,000,625
Subscriptions paid			5,117		4,787
Visiting professorship programme			16,134		9,891
Administration expenses					
General Secretary and Treasurer:					
Honorarium to Treasurer		7,081		5,946	
Audit and accountancy charges		37,538		46,440	
Legal and professional fees		20,102		1,487	
Travelling expenses		9,222		6,495	
Bank charges		<u>2,667</u>		<u>12,923</u>	
			76,610		73,291
Executive Secretary's office					
Salaries and expenses		254,261		299,601	
Travel expenses of IUCr representatives		6,978		10,417	
Sponsorship of meetings		3,029		4,052	
IUCr/FIZ agreement		(14,930)		(13,797)	
Bad debts		-		(484)	
Commission expenses		<u>-</u>		<u>(195)</u>	
			249,338		299,594
Depreciation			29,848		36,442
Total expenditure			<u>3,574,511</u>		<u>4,109,241</u>
Deficit of income over expenditure (before realised exchange fluctuations) carried forward			(417,258)		(623,240)

# INTERNATIONAL UNION OF CRYSTALLOGRAPHY

## INCOME AND EXPENDITURE ACCOUNT (continued)

Year ended 31 December 2016

			Swiss Francs		
	Note	#	2016	2015	2015
Deficit of income over expenditure (before realised exchange fluctuations) brought forward			(417,258)		(623,240)
Realised fluctuation in rates of exchange					
Exchange movement on trading activities			<u>2,845</u>		<u>2,846</u>
Deficit of income over expenditure (after realised exchange losses)			(414,413)		(620,394)
Movement in market value of investments in the year	5		<u>6,435</u> (407,978)		<u>(86,731)</u> (707,125)
Unrealised fluctuation in rates of exchange					
Exchange movement on trading activities		##		12,482	
Investment activities	5	##	<u>(132,725)</u>	<u>(17,692)</u>	<u>(5,210)</u>
<b>Total recognised losses relating to the year</b>			(540,703)		(712,335)
<b>Opening fund accounts at 1 January</b>			3,587,207		4,299,542
<b>Closing fund accounts at 31 December</b>			<u><u>3,046,504</u></u>		<u><u>3,587,207</u></u>

All the income and expenditure related to continuing activities.

Historical cost results would only differ from above by the profit or loss on the sale of investments - see note 8.

Separate Statements of Total Recognised Gains and Losses and Reconciliation of Movements in the Fund Account are not given as the information is incorporated above.

## INTERNATIONAL UNION OF CRYSTALLOGRAPHY

## Balance Sheet

**As at 31 December 2016**

		Swiss Francs	
	Note	2016	2015
<b>Fixed Assets</b>			
Tangible fixed assets	4	13,299	3,650
Investments at market value	5	2,571,596	3,139,842
		<u>2,584,895</u>	<u>3,143,492</u>
<b>Current Assets</b>			
Stock		79,102	62,222
Cash at bank and in hand			
Current accounts		48,541	66,028
Deposit and savings accounts		767,701	954,202
Cash with union officials		<u>14,564</u>	<u>21,727</u>
		830,806	1,041,957
Debtors, accrued income and payments in advance		245,521	344,750
Subscriptions due from Adhering bodies		57,862	32,953
Total current assets		<u>1,213,291</u>	<u>1,481,882</u>
<b>CREDITORS: amounts falling due within one year</b>	6	(751,682)	(1,038,167)
<b>NET CURRENT ASSETS</b>		<u>461,609</u>	<u>443,715</u>
<b>TOTAL ASSETS BEING TOTAL FUNDS</b>		<u>3,046,504</u>	<u>3,587,207</u>

The financial statements were approved by the Executive committee on   2017

President Professor M L Hackert

General Secretary and Treasurer Professor L Van Meervelt

**Executive Secretary**



# INTERNATIONAL UNION OF CRYSTALLOGRAPHY

## CASH FLOW STATEMENT

Year ended 31 December 2016

			Swiss Francs		
	Note	2016	2016	2015	2015
Net cash outflow from operating activities (see below)			(713,412)		(572,577)
Returns on investments					
Interest received		504		483	
Investment income					
	7	<u>21,041</u>		<u>13,667</u>	
			21,545		14,150
Net cash inflow from returns on investments					
Investing activities					
Purchase of fixed assets	4	(6,267)		(14,174)	
Purchase of investments	5	(21,041)		(433,637)	
Receipts from sale of investments		<u>508,024</u>		<u>632,508</u>	
			<u>480,716</u>		<u>184,697</u>
Decrease in cash	13		<u>(211,151)</u>		<u>(373,730)</u>

Reconciliation of surplus of income over expenditure to net cash inflow from operating activities

		Swiss Francs	
	Note	2016	2015
Deficit of income over expenditure		(414,413)	(620,394)
Interest received		(504)	(483)
Investment income	7	(21,041)	(13,667)
Depreciation charges and adjustment	4	(3,382)	36,442
(Increase)/decrease in stock		(16,880)	68,926
Decrease/(increase) in debtors		7,650	(84,136)
(decrease)/increase in creditors		(286,485)	38,990
Loss on disposal of investments		<u>21,643</u>	<u>1,745</u>
Net cash outflow from operating activities		<u>(713,412)</u>	<u>(572,577)</u>

# INTERNATIONAL UNION OF CRYSTALLOGRAPHY

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2016

### 1. ACCOUNTING POLICIES

The principal accounting policies adopted are summarised below. They have all been applied consistently throughout the year and preceding year.

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, with the exception of investments which are stated at market value, and in accordance with applicable law and United Kingdom accounting standards.

#### **Going concern**

The Union has considerable financial resources in terms of investments held and cash deposits. As a consequence, the members of the Executive Committee believe that the Union is well placed to manage its business risks successfully despite the current uncertain economic outlook and the impact this has on the market valuation of the investments.

After making enquiries, the members have a reasonable expectation that the Union has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### **Rates of exchange**

UNESCO rates of exchange as issued by the ICSU Secretariat are used in the preparation of the financial statements.

Transactions denominated in foreign currencies are translated into Swiss Francs at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated at the rates ruling at that date.

Profits and losses arising on trading transactions from the fluctuations in rates of exchange during the year are divided between the fund accounts with credit balances in direct proportion to those balances at the closing balance sheet date. All profits and losses arising from exchange rate fluctuations are taken through the income and expenditure account.

#### **Publication costs**

Publication, editorial and administrative expenses of publications are charged in the appropriate income and expenditure account on an accruals basis.

#### **Stocks**

Stocks of International Tables are included at the lower of cost and net realisable value. Stocks of all other publications, including back issues of journals, are not valued for accounts purposes as sales are uncertain.

#### **Expenditure on premises**

Expenditure on maintenance of leasehold premises is charged against the appropriate income and expenditure accounts in the year on an accruals basis.

# INTERNATIONAL UNION OF CRYSTALLOGRAPHY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 December 2016

### 1. ACCOUNTING POLICIES (continued)

#### Depreciation

- (i) Office equipment is depreciated on the straight line basis at a rate of 20% per annum.
- (ii) Computer equipment is depreciated on a straight line basis at a rate of 33 1/3% per annum.
- (iii) Leasehold property improvements are depreciated over the term of the lease.

#### Investment income

Notional dividend income re-invested in accumulation investment funds is treated as income when declared and added to the accumulated cost of investments.

#### Investments

Investments are stated at market value. Changes in market value are taken through the income and expenditure account.

#### Income recognition

Income is recognised on publications when the risks and rewards of ownership are transferred to the buyer. Subscription income is recognised over the period to which the subscription relates. Investment and other income is recognised on an accruals basis.

#### Lease costs

Operating lease costs are charged to the income and expenditure account on a straight line basis over the term of the lease. Where reduced rents are payable on property in the earlier years of the lease, the total cost for the period to the first rent review date are spread on a straight line basis, and the appropriate creditor balance is maintained.

#### Pension costs

The Union operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from those of the Union. The amount charged to income and expenditure in the year in respect of pensions represents employer's contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown in either accruals or prepayments in the balance sheet.

#### Sponsorship

The IUCr sponsors symposia and workshops on topics relevant to crystallography. IUCr sponsorship can only be given to meetings that are international in character and open to participants from all countries. National meetings are only supported if held in developing countries. Sponsorship payments are accounted for once the Union has made an unconditional commitment to pay the grant and this is communicated to the beneficiary or the grant has been paid, whichever is earlier. Where sponsorship is conditional and compliance is within the control of the Union, sponsorship is not recognised until the conditions are met. Where sponsorship is conditional and outside the control of the Union, the grant is recognised and accounted for in the same way as an unconditional grant.

# INTERNATIONAL UNION OF CRYSTALLOGRAPHY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 December 2016

### 2. Rates of Exchange

The assets of the Union are recorded in the financial statements in Swiss Francs but are held in currencies which are considered to be appropriate to the Union's requirements. Transactions in currencies other than Swiss Francs are converted into Swiss Francs at the rate of exchange ruling on the date of the transaction.

The rates of exchange operative at the balance sheet date compared with the Swiss Franc were as follows:

	2016	2015
Euro	0.942	0.917
Pound Sterling	0.797	0.648
US Dollars	1.014	1.009

The net assets of the Union at 1 January 2016 (Sw Fr 3,587,207) would have had the value US \$3,346,837 or £2,324,510 if expressed in those currencies.

At 31 December 2016 the net assets (Sw Fr 3,046,504) would have had the value of US \$3,089,155 or £2,428,064 respectively, being a decrease of US \$257,682 or an increase of £103,554 from the previous year.

### 3. TAXATION

As an association incorporated in Switzerland, the Union is exempt from Swiss Federal and Geneva Cantonal tax. Under current circumstances the Union is not considered to be liable to tax in territories other than Switzerland as a result of domestic exemptions in those other territories and/or specific exemptions arising under the Double Taxation Treaties between those other territories and Switzerland.

### 4. TANGIBLE FIXED ASSETS

	Leasehold Property improvements Sw Fr	Computer and office equipment Sw Fr	Total Sw Fr
<b>Cost</b>			
As at 1 January 2016	102,987	489,976	592,963
Additions	-	6,267	6,267
As at 31 December 2016	<u>102,987</u>	<u>496,243</u>	<u>599,230</u>
<b>Accumulated depreciation</b>			
As at 1 January 2016	102,987	486,326	589,313
Charge for the year	-	29,848	29,848
Disposals	-	(33,230)	(33,230)
As at 31 December 2016	<u>102,987</u>	<u>482,944</u>	<u>585,931</u>
<b>Net book value</b>			
As at 31 December 2016	<u>-</u>	<u>13,299</u>	<u>13,299</u>
As at 31 December 2015	<u>-</u>	<u>3,650</u>	<u>-</u>

## NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 December 2016

## 5. INVESTMENTS

	Holding at market value 01/01/2016 Sw Fr	Additions during the year Sw Fr	Disposals/ redemption during the year Sw Fr	Fluctuations in rates of exchange Sw Fr	Increase/ (decrease) in market value Sw Fr	Holding at market value 31/12/2016 Sw Fr	Holding at revalued cost 31/12/2016 Sw Fr	Holding at revalued cost 31/12/2015 Sw Fr
<b>Held by SWM Synergy</b>								
BDP Equity Income Fund 254,974 units	412,240	16,619	-	(78,783)	20,042	370,118	370,118	412,240
Camber International Equity 12,996 units	313,139	4,422	(72,492)	(59,844)	5,184	190,409	190,409	313,139
<b>Held by Merrill Lynch</b>								
Permal Emerging Markets 37 units	152,984	-	(145,820)	(406)	(6,758)	-	-	101,191
Permal Investment 23 units	125,081	-	(114,898)	(320)	(9,863)	-	-	98,999
<b>Held by Genworth</b>	353,849	-	(35,706)	12,140	(893)	329,390	307,500	297,300
<b>Held by Aviva</b>	<u>351,734</u>	<u>-</u>	<u>(35,332)</u>	<u>12,068</u>	<u>(427)</u>	<u>328,043</u>	<u>307,500</u>	<u>297,300</u>
<b>Carried forward</b>	<u>1,709,027</u>	<u>21,041</u>	<u>(404,248)</u>	<u>(115,145)</u>	<u>7,285</u>	<u>1,217,960</u>	<u>1,175,527</u>	<u>1,520,169</u>

## NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 December 2016

## 5. INVESTMENTS (continued)

	Holding at market value 01/01/2016 Sw Fr	Additions during the year Sw Fr	Disposals/ redemption during the year Sw Fr	Fluctuations in rates of exchange Sw Fr	Increase/ (decrease) in market value Sw Fr	Holding at market value 31/12/2016 Sw Fr	Holding at revalued cost 31/12/2016 Sw Fr	Holding at revalued cost 31/12/2015 Sw Fr
Brought forward	1,709,027	21,041	(404,248)	(115,145)	7,285	1,217,960	1,175,527	1,520,169
Held by Athene choice	287,624	-	-	9,868	-	297,492	307,500	297,300
Held by ING (now voya)	292,671	-	(30,419)	10,041	(22,859)	249,434	307,500	297,300
Held by Jackson	575,964	-	(65,000)	19,761	14,071	544,796	666,250	644,150
Held by Transamerica	274,556	-	(30,000)	9,420	7,938	261,914	307,500	297,300
	<u>3,139,842</u>	<u>21,041</u>	<u>(529,667)</u>	<u>(66,055)</u>	<u>6,435</u>	<u>2,571,596</u>	<u>2,764,277</u>	<u>3,056,219</u>

# INTERNATIONAL UNION OF CRYSTALLOGRAPHY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 December 2016

### 6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Swiss Francs	
	2016	2015
Creditors, accruals and deferred income	706,840	978,850
Tax and social security	44,842	59,317
	<u>751,682</u>	<u>1,038,167</u>

### 7. INVESTMENT INCOME

	Swiss Francs	
	2016	2015
BDP Equity Income Fund	16,619	-
Camber International Equity fund	4,422	-
Global x FRS	-	365
Aberdeen Asia Pacific	-	883
Sandridge Mississippian	-	3,303
Chimera Investment Trust	-	949
Ishares	-	160
Apple	-	50
Federal Capital	-	2
Franklin Income Fund	-	4,099
Martin Midstream	-	747
New Residential	-	1,573
Sandridge Mississippian Partnership distribution	-	1,415
SHRS Aberdeen	-	121
	<u>21,041</u>	<u>13,667</u>

### 8. LOSS ON DISPOSAL OF INVESTMENTS

	Swiss Francs	
	2016	2015
Proceeds	508,024	632,508
Book Value	(529,667)	- 634,253
	<u>(21,643)</u>	<u>- 1,745</u>

# INTERNATIONAL UNION OF CRYSTALLOGRAPHY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 December 2016

### 9. INFORMATION REGARDING EMPLOYEES

	2016 No.	2015 No.
Average number of persons employed during the year	<u>26</u>	<u>26</u>
	<b>Pounds Sterling</b>	
	<b>2016</b>	<b>2015</b>
Staff costs incurred during the year in respect of these employees were:		
Wages and salaries	1,135,436	1,151,589
Social security costs	129,077	130,915
Other pension costs	366,559	358,779
Total staff costs	<u>1,631,072</u>	<u>1,641,283</u>
	<b>Swiss Francs</b>	
	<b>2016</b>	<b>2015</b>
Total staff costs	<u>2,197,463</u>	<u>2,425,266</u>

### 10. OPERATING LEASE COMMITMENTS

At 31 December, annual commitments under non-cancellable operating leases are as follows:

	<b>Swiss Francs</b>			
	<b>Land &amp; Buildings 2016</b>	<b>Other 2016</b>	<b>Land &amp; Buildings 2015</b>	<b>Other 2015</b>
Leases which are:				
Within one year	29,932	-	38,138	-
Within two to five years	27,188	-	63,438	-
More than 5 years	-	-	-	-

### 11. SPONSORSHIP & OTHER FINANCIAL COMMITMENTS

As at 31 December 2016, the Union had authorised, but not contracted for, sponsorship grants of Sw Fr 71,853 (2015: Sw Fr 90,280).



# INTERNATIONAL UNION OF CRYSTALLOGRAPHY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 December 2016

### 12. ANALYSIS OF CHANGES IN CASH DURING THE YEAR

	Swiss Francs 2016	Swiss Francs 2015
Decrease in cash during the financial year	(211,151)	(373,730)
Balance at 1 January	1,041,957	1,415,687
Balance at 31 December	<u>830,806</u>	<u>1,041,957</u>

### 13. ANALYSIS OF BALANCES OF CASH AS SHOWN IN THE BALANCE SHEET

	2015	Swiss Francs Change	2016
Cash at the bank and in hand	<u>1,041,957</u>	(211,151)	<u>830,806</u>