Financial Report

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**Meeting of Council and Commission Chairs
Singapore 20180503**

How the finances work

The financial affairs of the International Union of Pure and Applied Physics (IUPAP) have to be managed by an incorporated body. For that reason we established a Singaporean Company, the International Union of Pure and Applied Physics Singapore Ltd (IUPAP-SG) to open bank accounts, accept payments and pay bills. The Company is required to file annual financial statements

IUPAP works on a three year program, from one General Assembly to the next. As we have just had a General Assembly you are provided with a document comparing the budgeted and actual income and expenditure for the years 2015 to 2017, and a separate document for the years 2018-2020.

three documents before you:
  1.IUPAP-SG Financial Statements for year ended 31 December 2017 (accrual accounts)
  2.IUPAP 2015-2017 budget-cash
  3.IUPAP 2018-2020 budget-cash

we do not allow funds to be carried forward from the end of one period into the next, but dues which are paid late are carried back into the triennium in which they were billed. IUPAP regards its bank balance at the end of the triennium, plus late paid dues, as its **reserves,**

IUPAP plans to live on its income in each three year period during that period.

IUPAP-SG Financial Statements for year ended 31 December 2017

- from the Income and Expenditure statement, a billed income of 566,574 EUR, but the balance sheet shows that 129,433 EUR was still owed to us on 31 December 2017, and had not been written off.
- we are not a charitable company, Section 11(1) of the income tax act allows us to bay no tax on the dues we receive from our members.
- Our bank balance at the end of this period was 1,437,399 EUR, an increase of 105,562 EUR from the 31 December 2016 balance of 1,331,837 EUR, a healthy result for the year.

- We have already received 28,481.00 EUR late 2017 dues and we expect to receive at least 29,800 EUR in addition to that.

- 25,000 USD in our bank account was locked up by the donor, and we could use only the income for prizes for young authors for semiconductor physics. In 2017 we obtained the permission of the donor to use the capital sum for that purpose. Council agreed to put **25,000 EUR** at the disposal of C8, the Commission on Semiconductors. That is not part of our reserves.
- **our reserves now stand at 1,470,680, a little less than 3 times the expected annual income.**

IUPAP 2015-2017 budget and actuals.

- over the three year period, we received about 124 K EUR more than we had budgeted for. The budgeted income is not what we bill but what we expect to collect.

- we underspent our budgeted expenses by about 179 K EUR. A surplus of about 300 K EUR, to be retained in our reserves.

- The underspending on the Council and Commission Chairs meeting (37 K EUR) was largely due to the generous support provided by our Brazilian hosts of that meeting and the associated General Assembly.

- The underspending of a total of 96 K EUR by Commissions and Working Groups was a surprise. We provide very little support to the Commissions and Working Groups — 4090 EUR over the 3 years for Commissions and 2500 EUR per year for working groups — yet even that is not spent.

- Careful control of our expenses, and persistent work in collecting our income, by Maitri, together with unexpected underspending and generous support for our General Assembly, have let to the favourable financial out come for 2015-2017.

IUPAP 2018-2020 Budget

- we have revised our estimate of the income to reflect recent history,
- we have increased conference support,
- kept the allocations for Commissions unchanged,
- increased that for working groups to allow for the two extra working groups,
- and allowed 5000 EUR pa for new initiatives. The recommendation is to spend the new initiative allowance for this year and next in support of the International Year of the Periodic Table.

- **Remember the Allowance for Commission is 4090 EUR in total for the triennium**