

**INTERNATIONAL UNION OF
CRYSTALLOGRAPHY**

Report and Financial Statements

Year ended 31 December 2011

INTERNATIONAL UNION OF CRYSTALLOGRAPHY

REPORT AND FINANCIAL STATEMENTS 2011

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INTERNATIONAL UNION OF CRYSTALLOGRAPHY

EXECUTIVE COMMITTEE MEMBERS

31 December 2011

President:	Professor G R Desiraju
Vice-President:	Professor C Lecomte
General Secretary and Treasurer:	Professor L Van Meervelt
Immediate Past President:	Professor S Larsen
Ordinary Members:	Professor E Boldyreva Professor M L Hackert Professor H A Dabkowska Professor W Depmeier Professor J M Guss Professor J M Perez - Mato
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 accounts, the Executive Committee is required to:

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


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


The Executive Committee is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Union and to ensure that the accounts comply with the Constitution of the Union. They are also responsible for safeguarding the assets of the Union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


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

- so far as the member is aware, there is no relevant audit information of which the Union's auditor is unaware; and
- 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
General Secretary and Treasurer


Professor G R Desiraju
President


M H Dacombe
Executive Secretary

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 2011 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 12. 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. 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. 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 2011 and of its surplus of income over expenditure for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Deloitte LLP

Deloitte LLP
Chartered Accountants
Manchester, United Kingdom

12 June 2012

INTERNATIONAL UNION OF CRYSTALLOGRAPHY

INCOME AND EXPENDITURE ACCOUNT Year ended 31 December 2011

	Note	2011	Swiss Francs 2011	2010	2010
Income					
Membership subscriptions			165,106		153,000
Sales					
Journals, back numbers and single issues		3,574,108		4,125,605	
Books		124,251		277,625	
Open Access Grant		4,883		4,883	
Investment income			3,703,242		4,408,113
Income from investments	7	73,673		88,162	
Bank interest		1,123		971	
Other income			74,796		89,133
Royalties and copyright fees		6,721		13,719	
Advertising income		171,103		189,731	
STAR/CIF income		15,087		13,113	
			192,911		216,563
TOTAL INCOME			4,136,055		4,866,809
Expenditure					
Journals					
Publication costs		527,215		612,887	
Editorial expenses		276,231		333,134	
Technical editing		1,265,121		1,371,567	
Subscription administration		104,225		108,200	
			2,172,792		2,425,788
Books					
Publication costs		37,183		54,802	
Editorial expenses		33,211		68,842	
Technical editing		76,863		79,378	
			147,257		203,022
Newsletter					
Publication costs		86,614		113,779	
Editorial expenses		92,359		113,157	
			178,973		226,936
President's Fund and other Grants and Young Scientist Support			123,179		137,421
General Assembly and Congress costs			153,105		30,058
Carried forward			2,775,306		3,023,225

INTERNATIONAL UNION OF CRYSTALLOGRAPHY

INCOME AND EXPENDITURE ACCOUNT (continued) Year ended 31 December 2011

	2011	Swiss Francs 2011	2010	2010
Brought forward		2,775,306		3,023,225
Committee meetings and expenses		92,922		125,750
Publications and journals development				
General	483,178		538,906	
Editor meetings	7,699		-	
STAR/CIF	-		8,667	
Promotion	182,705		165,831	
	<u> </u>	673,582	<u> </u>	713,404
Subscriptions paid		14,219		11,400
Visiting professorship programme		12,542		5,048
Administration expenses:				
General Secretary and Treasurer:				
Honorarium to Treasurer	9,614		9,544	
Audit and accountancy charges	56,575		59,186	
Legal and professional fees	7,975		16,450	
Travelling expenses	14,864		5,279	
Bank charges	5,759		2,569	
	<u> </u>	94,787	<u> </u>	93,028
Executive Secretary's office:				
Salaries and expenses	289,389		305,507	
Travel expenses of IUCr representatives	5,979		16,922	
Commission (income)/expenses	1,226		(8,908)	
Sponsorship of meetings	7,612		4,479	
IUCr/FIZ agreement	(15,457)		(18,862)	
Bad debts	7,498		(3,170)	
	<u> </u>	296,247	<u> </u>	295,968
Depreciation		36,496		41,481
TOTAL EXPENDITURE		<u>3,996,101</u>		<u>4,309,304</u>
Surplus of income over expenditure (before realised exchange fluctuations) carried forward		139,954		557,505

INTERNATIONAL UNION OF CRYSTALLOGRAPHY

INCOME AND EXPENDITURE ACCOUNT (continued) Year ended 31 December 2011

	Note	2011	Swiss Francs 2011	2010	2010
Surplus of income over expenditure (before realised exchange fluctuations) brought forward			139,954		557,505
Realised fluctuation in rates of exchange Exchange movement on trading activities			(71,566)		(161,625)
Surplus of income over expenditure (after realised exchange losses)			68,388		395,880
Movement in market value of investments in year	5		(53,250)		198,698
			15,138		594,578
Unrealised fluctuation in rates of exchange Exchange movement on trading activities		42,868		(68,593)	
Investment activities	5	(14,608)		(246,259)	
			28,260		(314,852)
Total recognised gains relating to the year			43,398		279,726
Opening fund accounts at 1 January			4,658,722		4,378,996
Closing fund accounts at 31 December			4,702,120		4,658,722

All the income and expenditure related to continuing activities.

Historic cost results would only differ from above by the profit on sale of investments - see note 5.

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 2011

		Swiss Francs	
	Note	2011	2010
FIXED ASSETS			
Tangible fixed assets	4	43,861	52,746
Investments at market value	5	2,390,156	2,458,959
		<u>2,434,017</u>	<u>2,511,705</u>
CURRENT ASSETS			
Stock		135,659	93,829
Cash at bank and in hand			
Current accounts	54,833	46,360	
Deposit and savings accounts	2,060,003	1,327,174	
Cash with Union officials	15,695	9,347	
		<u>2,130,531</u>	<u>1,382,881</u>
Debtors, accrued income and payments in advance		513,951	1,070,171
Subscriptions due from Adhering Bodies		13,162	5,500
		<u>2,793,303</u>	<u>2,552,381</u>
Total current assets			
CREDITORS: amounts falling due within one year	6	(525,200)	(405,364)
		<u>2,268,103</u>	<u>2,147,017</u>
NET CURRENT ASSETS			
TOTAL ASSETS BEING TOTAL FUNDS		<u>4,702,120</u>	<u>4,658,722</u>

The financial statements were approved by the Executive Committee on 8 May 2012.

President

Professor G R Desiraju

Gautam R Desiraju

General Secretary and Treasurer

Professor L Van Meervelt

L Van Meervelt

Executive Secretary

M H Dacombe

M. Dacombe

INTERNATIONAL UNION OF CRYSTALLOGRAPHY

CASH FLOW STATEMENT Year ended 31 December 2011

		Swiss Francs	
	Note	2011	2010
Net cash inflow from operating activities (see below)		699,517	330,746
Returns on investments			
Interest received		1,123	971
Investment income (net of notional dividends)	7	<u>73,673</u>	<u>88,162</u>
Net cash inflow from returns on investments		74,796	89,133
Investing activities			
Purchase of fixed assets	4	(27,611)	(48,347)
Purchase of investments	5	(30,866)	(45,174)
Receipts from sale of investments	5	<u>31,814</u>	<u>47,893</u>
Net cash outflow from investing activities		<u>(26,663)</u>	<u>(45,628)</u>
Increase in cash	11	<u><u>747,650</u></u>	<u><u>374,251</u></u>

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

		Swiss Francs	
	Note	2011	2010
Surplus of income over expenditure		68,388	395,880
Interest received		(1,123)	(971)
Investment income	7	(73,673)	(88,162)
Depreciation charges	4	36,496	41,481
(Increase)/decrease in stock		(41,830)	25,291
Decrease in debtors		591,423	24,577
Increase/ (decrease) in creditors		<u>119,836</u>	<u>(67,350)</u>
Net cash inflow from operating activities		<u><u>699,517</u></u>	<u><u>330,746</u></u>

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2011

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 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.

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.

INTERNATIONAL UNION OF CRYSTALLOGRAPHY

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2011

1. ACCOUNTING POLICIES (continued)

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.

Provision for dilapidation costs

A provision for property dilapidations is made where there is a liability of uncertain timing or amount. The amount included in the financial statements represents management's best estimate of the rectification costs payable upon lease expiry.

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.

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:

	2011	2010
Euro		
Pounds Sterling	0.820	0.800
US Dollars	0.686	0.681
	1.053	1.052

The net assets of the Union at 1 January 2011 (Sw Fr 4,658,722) would have had the value of US \$4,900,975 or £3,172,590 if expressed in those currencies.

At 31 December 2011 the net assets (Sw Fr 4,702,120) would have had the value of US \$4,951,332 or £3,225,654 respectively, being an increase of US \$50,357 or an increase of £53,064 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.

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2011

4. TANGIBLE FIXED ASSETS

	Leasehold property improvements Sw Fr	Computer and office equipment Sw Fr	Total Sw Fr
Cost			
As at 1 January 2011	102,987	799,230	902,217
Additions	-	27,611	27,611
As at 31 December 2011	102,987	826,841	929,828
Accumulated depreciation			
As at 1 January 2011	102,987	746,484	849,471
Charge for the year	-	36,496	36,496
As at 31 December 2011	102,987	782,980	885,967
Net book value			
As at 31 December 2011	-	43,861	43,861
As at 31 December 2010	-	52,746	52,746

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2011

5. INVESTMENTS

	Holding at Market value 01/01/11	Additions during the year	Swiss Francs Disposals/ redemption during the year	Fluctuations in rates of exchange	Increase/ (decrease) in market value	Holding at market value 31/12/11	Holding at revalued cost 31/12/11	Holding at revalued cost 31/12/10
Held by Merrill Lynch								
<u>GNM P169332 – 2016 (US\$)</u>								
501 Units	448	-	-	(3)	(238)	207	183	385
Global Allocation Portfolio								
Class O (US\$) 2,740 Units	109,311	-	-	(690)	(4,686)	103,935	26,918	27,089
<u>MLBS SP PF EU EQ (US) B</u>								
3,292 Units	130,863	-	-	(826)	(9,675)	120,362	95,028	95,632
Sector SPDR Energy								
2,075 units	134,679	-	-	(850)	1,726	135,555	45,688	45,978
<u>ML Asian Dragon</u>								
2,600 units	73,857	-	-	(466)	(19,681)	53,710	29,435	29,622
Janus US Venture Fund								
4,800 Units	46,943	-	-	(41)	(136)	46,766	47,012	47,310
<u>Consults Portfolios</u>								
850-07U80 formerly ICA-07M52	151,806	30,866	(31,814)	(307)	(11,702)	138,850	217,224	218,901
Carried forward	647,907	30,866	(31,814)	(3,183)	(44,392)	599,385	461,488	464,917

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2011

5. INVESTMENTS (continued)

	Holding at Market value 01/01/11	Additions during the year	Swiss Francs Disposals/ Redemption During the Year	Fluctuations in rates of exchange	Increase/ (decrease) in market value	Holding at market value 31/12/11	Holding at revalued cost 31/12/11	Holding at revalued cost 31/12/10
Brought forward	647,907	30,866	(31,814)	(3,183)	(44,392)	599,385	461,488	464,917
<u>Permal Emerging Markets</u> 37 units	120,835	-	-	(762)	(4,590)	115,483	96,494	97,107
<u>Permal Investment</u> 23 units	102,036	-	-	(643)	(4,268)	97,125	94,403	95,003
Held by Kleinwort Benson Global Funds Limited <u>Sterling Bond and Equity Fund</u> 237,318 Participating shares	1,588,184	-	-	(10,020)	-	1,578,163	1,478,397	1,487,784
	2,458,959	30,866	(31,814)	(14,608)	(53,250)	2,390,156	2,130,782	2,144,811

INTERNATIONAL UNION OF CRYSTALLOGRAPHY

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2011

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Swiss Francs	
	2011	2010
Creditors and accruals	480,514	355,936
Payroll creditor including tax and social security	44,686	49,428
	<u>525,200</u>	<u>405,364</u>

Included within accruals is a provision of SwFr 71,774 in relation to property dilapidations.

7. INVESTMENT INCOME

	Swiss Francs	
	2011	2010
GNM P169332 – 2016	222	96
Sector SPDR Energy	1,649	1,871
Close Finsbury International Ltd Sterling Bond and Equity Fund	66,473	77,716
Consults Portfolios 850-07U80	5,329	8,479
	<u>73,673</u>	<u>88,162</u>

8. INFORMATION REGARDING EMPLOYEES

	2011 No.	2010 No.
Average number of persons employed during the year	<u>23</u>	<u>23</u>

	Pounds Sterling	
	2011	2010
Staff costs incurred during the year in respect of these employees were:		
Wages and salaries	930,630	932,322
Social security costs	104,943	102,012
Other pension costs	275,812	270,530
Total staff costs	<u>1,311,385</u>	<u>1,304,864</u>

	Swiss Francs	
	2011	2010
Total staff costs	<u>1,858,727</u>	<u>2,112,980</u>

INTERNATIONAL UNION OF CRYSTALLOGRAPHY

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2011

9. OPERATING LEASE COMMITMENTS

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

	Swiss Francs			
	Land & buildings 2011	Other 2011	Land & buildings 2010	Other 2010
Leases which expire:				
Within one year	-	-	-	752
Within one to two years	43,740	-	-	-
Within two to five years	-	-	44,040	-
	<u>43,740</u>	<u>-</u>	<u>44,040</u>	<u>752</u>

10. SPONSORSHIP & OTHER FINANCIAL COMMITMENTS

At 31 December 2011 the Union had authorised, but not contracted for, sponsorship grants of Sw Fr 86,468 (2010 - Sw Fr 55,634).

In 1997, an agreement was made between the Union and the providers of the newsletter that a cap of US\$ 50,000 per annum was to apply to funding. Any difference between the funds provided and this cap is eligible to be drawn down to meet future cost increases, provide staff rewards or to cover uncertainty concerning advertising income. As at 31 December 2011, the potential liability amounted to US\$ 77,000 (2010 - US\$ 92,000).

11. ANALYSIS OF CHANGES IN CASH DURING THE YEAR

	Swiss Francs 2011	Swiss Francs 2010
Increase in cash during the financial year	747,650	374,251
Balance at 1 January	<u>1,382,881</u>	<u>1,008,630</u>
Balance at 31 December	<u>2,130,531</u>	<u>1,382,881</u>

12. ANALYSIS OF BALANCES OF CASH AS SHOWN IN THE BALANCE SHEET

	Swiss Francs		
	2010	Change	2011
Cash at bank and in hand	<u>1,382,881</u>	<u>747,650</u>	<u>2,130,531</u>