

INTERNATIONAL UNION OF PURE
AND APPLIED PHYSICS (IUPAP),
GENEVA

REPORT OF THE AUDITORS ON THE REVIEW
OF THE FINANCIAL STATEMENTS
AS AT 31 DECEMBER 2022



MOORE

Report of the auditors on
the review of
International Union of Pure and
Applied Physics (IUPAP)
Geneva

In accordance with the mandate that you have given us, we have carried out a review of the financial statements (balance sheet, statement of income and expenses and notes) of International Union of Pure and Applied Physics (IUPAP) for the financial year ended on December 31, 2022.

These financial statements are the responsibility of the Management Committee. Our responsibility is to issue a report (limited review) on these financial statements based on our review. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.

We conducted our review in accordance with the Swiss Auditing Standard 910 Review (examen succinct). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data. It therefore provides less assurance than an audit. We have performed a limited review and not an audit, and accordingly we do not express an audit opinion.

Based on our limited review, nothing has come to our attention that causes us to believe that the financial statements do not comply with Swiss law and the association's articles of incorporation.

Geneva, 2 October 2023

MOORE STEPHENS REFIDAR SA


Frédéric Coquoz
Licensed Audit Expert
Auditor in charge

Alexandre Perrin
Licensed Audit Expert

Enclosure:

- Financial statements (balance sheet, statement of income and expenses and notes)

Balance sheet as at 31 December

| | 31.12.2022 CHF |
|--|--------------------------|
| <u>Assets</u> | |
| Postfinance Bank - Geneva (CHF) | 2 421 589 |
| IUPAP Singapore LTD (residual bank account) | 9 013 |
| Total Assets | <u>2 430 602</u> |
| <u>Liabilities</u> | |
| Other payables | 10 000 |
| Deferred Membership (2023) | 9 494 |
| Total Liabilities | <u>19 494</u> |
| <u>General funds</u> | |
| Association funds | 2 515 398 |
| Deficit of the year | -104 291 |
| Total General funds | <u>2 411 108</u> |
| Total Liabilities & General funds | <u>2 430 602</u> |

International Union of Pure and Applied Physics (IUPAP)

Geneva

Statement of Profit or Loss ended 31 December

| | 2022 |
|---|-----------------|
| Revenue | |
| Membership fees - IUPAP | 485 858 |
| Membership fees - IYBSSD | 206 955 |
| Total Revenue | 692 813 |
| Expenses | |
| Conferences & Travel Grants | 188 910 |
| Commissions | 6 303 |
| Council & Commission Meetings | 9 892 |
| IUPAP Early Career Scientist Prizes | 35 904 |
| Working groups | 20 992 |
| Subscriptions ISC | 24 267 |
| Trieste secretariat | 88 159 |
| General Assembly | 5 633 |
| Company costs | 14 730 |
| Banking & Accounting | 13 875 |
| Exchange rate losses | 5 045 |
| LAAAMP (IUPAP) | 5 142 |
| Centenary celebrations | 136 850 |
| Association costs (Geneva Headquarters) | 18 552 |
| IYBSSD Secretary-General | 75 529 |
| IYBSSD publicity and communications | 71 052 |
| IYBSSD support of activities | 21 740 |
| IYBSSD opening and Meeting Attendance | 54 529 |
| Total Expenses | 797 103 |
| Deficit of the year | -104 291 |

Notes to the Financial Statements
as per 31 December 2022

1. Accounting Principles

These financial statements have been prepared in accordance with the commercial accounts of the Swiss Code of Obligations, especially the article on business accounting and presentation of the accounts of the Code of Obligations (Art. 957-962).

With regards to explanation below, the financial statement 2022 include year 2022 operation of IUPAP Singapore in order to illustrate a global and unique view of the Association financials. In this respect, the Association funds on 31 December 2022 represent the 31.12.2022 assets of IUPAP Singapore LTD accordingly to the exchange rate given as of 31 December 2022 by Swiss Tax Administration (AFC).

2. Association Information

The IUPAP was established in 1922 in Brussels with 13 Member countries and the first General Assembly was held in 1923 in Paris. It currently has 60 territorial members today.

The International Union of Pure and Applied Physics (IUPAP) is the only international physics organization that is organized and run by the physics community itself. Its members are identified physics communities in countries or regions around the world.

At present, the income of IUPAP is primarily derived from the dues paid by its members, supplemented from time to time by grants to carry out specific projects. Currently, there is only one administrative support person, provided by Fondazione Internazionale Trieste per il Progresso e la Libertà Delle Scienze (FIT), so that most of the work is done by some 350 volunteer physicists. IUPAP is currently structured in 19 specialized commissions that promote the objectives of the Union in their respective areas of expertise, six affiliated commissions and thirteen working groups.

The "new IUPAP" was established, at its constitutive assembly, as a non-profit Association under Swiss law on 22 October 2021. However, the association's articles of incorporation were recognized by the "Registre du commerce du Canton de Genève" the 24 October 2022.

The Union, the "old IUPAP", was established in Singapore before decision of the General Assembly on 22 October 2021 to move the "new IUPAP" to Geneva, with an administrative office in Trieste, Italy.

The Executive Council has decided to establish the full 2022 accounts under the Swiss association for clarity purpose.

Internal organization

The Union is governed by its General Assembly which meets every year. In person assemblies take place triennially, the rest of the years the assembly meets online or in hybrid mode. The Executive Council is its top executive body, supervising the activities of its specialized International Commissions, Affiliated Commissions and of its Working Groups. The number of Working Groups is highly variable. They are created for a limited time period to address specific issues or problems and are dissolved once they have completed their tasks.

Notes to the Financial Statements
as per 31 December 2022

Members

According to the new Articles approved by the 30th General Assembly in October 2021, the IUPAP now has three types of members:

- "Territorial Members". They are entities representing communities of physicists engaged in independent scientific activity each within a definite territory and listed under a name that avoids any misunderstanding about the territory represented. The word "territory" does not imply any political position on the part of IUPAP, which seeks to assist physicists everywhere in carrying out its mission. These members have voting rights at the General Assemblies and pay membership dues. There are 18 categories of territorial members, depending on the number of due duties that they pay. The number of votes they have at the General Assembly, in turn, depends on the category.
- "Personal Members" Ex-Officio. They are only the Chairs of IUPAP Commissions or Affiliated Commissions. They have voting rights (one vote per person) but are exempted from paying membership dues.
- "Corporate Associate Members". They are commercial companies or international research organizations that have a special relationship with the field of physics or scientific research. These members do not have voting rights but can participate in the General Assembly through their official Delegates and they pay membership dues (a number of due units that is negotiated with the Executive Council). They are entitled to make nominations for any position depending on the number of due units that they pay.

Purpose

To assist in the worldwide development of physics, to foster international cooperation in physics, and to help in the application of physics toward solving problems of concern to humanity.

IUPAP is deeply engaged in promoting the study of physics and related fields, in the understanding that many human endeavors, whether involving the environment, climate change, energy, materials, communications, urban and rural development, or human health, will benefit directly or indirectly from advances in the various disciplines of physics. To this end, IUPAP strongly endorses the engagement of students with evidence-based tools for the teaching of physics. It strongly promotes physics-based innovation, entrepreneurship and commercialization for their positive impacts on society.

Number of Employees

As mentioned above, the association has less than 10 employees (full-time equivalent).

Notes to the Financial Statements
as per 31 December 2022

3. Tax Exemption

The Association received confirmation from the Geneva tax administration that it is exempted from federal and cantonal income taxes as well as from cantonal equity tax on 12 September 2022 for a 5 years period starting 2021.

4. Pension Fund

No amount due to the pension fund for 2022.

5. Important Elements After the Closing

None

6. Commitment

The agreement with FIT, Trieste, providing administrative support, signed in 2021, has been extended to 2026 in 2023. Therefore, on 31 December 2022, the Association has an outstanding non-cancelable commitment for 40 000 Eur/year until 2026 included (total EUR 160'000 as of 31.12.2022).