BIPM Finance update

Martyn Sené,
Chair, CIPM Finance Sub-Committee

Oct 2017
Meeting of NMI Directors
& MS Representatives
Background

• Member states fund BIPM via Dotation as a critical component of the global measurement system benefiting trade, manufacture, economic development, science & innovation, healthcare, safety, environment, security.

• BIPM programmes are distinctive and aimed at delivering coordination, development, services and support - activities best undertaken by the BIPM, as the international HQ of the measurement system.

• Need to ensure financial management of the organisation is prudent and effective, extracting the greatest value for money from Members contributions. CIPM (supported by FSC) are responsible for this.
2016 Financial Statement

• Accounts completed within scheduled time (actually record time)
  - BIPM team with external support (In Extenso)

• Accounts audited and signed off on 31\textsuperscript{st} May, 2017
  - without qualification (but with note on Pension & Provident Fund)
  - BIPM “Rapport Financier 2016” published in June 2017

• Finance sub-committee met on 12\textsuperscript{th} June, 2017
  - Reviewed 2016 financial statements
  - Initial discussion of long-term financial planning (BIPM Strategy item)
  - Update on Pension & Provident fund (Luc Erard)

• CIPM reviewed at meeting on 16\textsuperscript{th} October, 2017
2016 Financial Statement - main points

- **Income**: in line with forecast €13,694k
  - Contributions: €12,178k
  - Subscriptions: €955k
  - Other: €561k

- **Staff costs**: €6,091k (2015: €6,256k)
  - limited pay awards in 2016,
  - selected “contracting out” of site reception and security services.
  - note also measures to limit the long-term pension liability – next item.

- **CAPEX**: in budget €1,601k
  (future increase in next few years due to software /website renewal projects)
2016 Financial Statement - main points

Overall operating expenditure (excluding capital) is well-controlled

Note an expected increase in 2017 for fees for access to external radiation facility
2016 Financial Statement - main points

Overall financial performance measure - EBITDA excluding healthcare provision and capitalisation of staff costs - shows steady improvement

Summary of financial performance

EBITDA
• measures “operations” – it does not include capital spend or capital depreciation.

Cash/cash equivalent at end of 2016: €15,975k (2015: €13,604k)
Summary

• CIPM commended Martin and his team on prudent financial control and performance

• CIPM approved the Financial Statements and agreed that the “Director be granted Quietus”

• Operational and capital expenditure have been carefully controlled enabling the organisation to deliver its activities with a flat-cash dotation for 4/5 years whilst maintaining required reserves and cash balance.

• Financial management of the organisation has been prudent and effective, reflecting the need to extract the greatest value for money from Members contributions.