

**THE INTERNATIONAL UNION OF BIOCHEMISTRY
AND MOLECULAR BIOLOGY**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

**SB&P LLP
Chartered Accountants and
Registered Auditors
Oriol House
2-8 Oriol Road
Bootle
LIVERPOOL
United Kingdom
L20 7EP**

THE INTERNATIONAL UNION OF BIOCHEMISTRY AND MOLECULAR BIOLOGY

FINANCIAL STATEMENTS

For the year ended 31 December 2016

Registered Office: 1017 DW Amsterdam
Keizersgracht 695 - 697
Netherlands

Executive Committee:
Officers: J Guinovart President
A Wang President-elect
M Walsh General Secretary
F Bonomi Treasurer

Other members: A Petsco
A Surolia
E Gonos
J Macaulay

Auditors: SB & P LLP
Oriel House
2-8 Oriel Road
Bootle
Liverpool
United Kingdom
L20 7EP

THE INTERNATIONAL UNION OF BIOCHEMISTRY AND MOLECULAR BIOLOGY

FINANCIAL STATEMENTS

For the year ended 31 December 2016

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THE INTERNATIONAL UNION OF BIOCHEMISTRY AND MOLECULAR BIOLOGY

REPORT OF THE TREASURER

For the year ended 31 December 2016

The Treasurer presents his report to the Executive Committee together with the financial statements for the year ended 31 December 2016. The accounts have been prepared in accordance with the requirements of the governing document.

Status

The International Union of Biochemistry and Molecular Biology is constituted under the laws of The Netherlands and registered with the Chamber of Commerce and Industries in Amsterdam (40532058).

The Treasurer's responsibilities for the financial statements

The Treasurer acknowledges his responsibility to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Union's financial activities during the year and of its financial position at the end of the year. In preparing those financial statements, the Treasurer should follow best practice and:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Union will continue in operation.

The Treasurer is responsible for keeping proper accounting records for the Union which disclose with reasonable accuracy the financial position of the Union and which enable him to ascertain that the financial statements comply with Accounting Standards. The Treasurer is also responsible for safeguarding the financial assets of the Union and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

.....
F Bonomi

Date:

INDEPENDENT AUDITORS' REPORT TO THE EXECUTIVE COMMITTEE OF THE INTERNATIONAL UNION OF BIOCHEMISTRY AND MOLECULAR BIOLOGY

We have audited the financial statements of The International Union of Biochemistry and Molecular Biology for the year ended 31 December 2016 which comprise the Principal Accounting Policies, Statement of Comprehensive Income, Statement of Financial Position and related notes on pages 8 to 14. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the Executive Committee of the Union. Our audit work has been undertaken so that we might state to the Executive Committee those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Union and the Union's Executive Committee as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the treasurer and auditors

As described on page 1, the Treasurer 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 the financial statements in accordance with relevant legal and regulatory requirements and International Standards of Auditing. These standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standard 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 treasurer; and the overall presentation of the financial statements. We read all the financial and non-financial information in the report of the treasurer 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:

- show a true and fair view of the financial transactions of the Union during the year ended 31 December 2016, and of the amounts and disposition at that date of its assets and liabilities, and of its surplus for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the governing document.

Wendy McNulty FCA (Senior Statutory Auditor)
for and on behalf of SB&P LLP, statutory auditors

Oriel House
2 Oriel Road
Bootle
Liverpool
United Kingdom
L20 7EP

Date:

THE INTERNATIONAL UNION OF BIOCHEMISTRY AND MOLECULAR BIOLOGY

PRINCIPAL ACCOUNTING POLICIES

For the year ended 31 December 2016

Basis of preparation

The International Union of Biochemistry and Molecular Biology ("the Union"), is a not-for-profit organisation and maintains its records and prepares its financial statements in United States dollars.

The financial statements have been prepared in accordance with applicable Accounting Standards and under the historical cost convention, with the exception of foreign currency translation and investments, as detailed below.

The principal accounting policies of the Union have remained unchanged from the previous year and are set out below.

Fund accounting

The financial statements of the Union are maintained in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purposes, as determined by the Executive Committee.

The assets, liabilities and fund balances of the Union are reported in two funds as follows:

- a) Operating fund, which generally includes unrestricted resources and represents expendable funds that are available for support of Union operations.
- b) Consolidated endowment funds, which consist of: the Severo Ochoa, Chester Beatty, Hayaishi and Slater Lecture Funds, which represent resources restricted for honorarium and other support to special lecturers at the Congress; the Lars Ernster Travel Fund, which represents resources restricted for support of travel expenses for selected persons attending various conferences; the Wood/Whelan IUBMB Research Fellowships Fund, which represents resources restricted for support of biochemists carrying out experiments in other laboratories; the Special Initiatives Fund, which represents resources available for initiative actions falling outside the normal routine; the Sigma-Aldrich Corporation Fund, which represents resources restricted for travel scholarships for young investigators to attend IUBMB conferences; the Edward John Wood Funds, which supports activities in the field of molecular biology; and the Brian Clark Fund, which is used to support lectures in an Advanced School in South Africa to take place every second year.

Funds may be transferred from the operating fund to further supplement the endowment funds with approval of the Executive Committee.

Translation

Assets and liabilities in foreign currencies are translated into US dollars at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into US dollars at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the surplus/(deficit) of revenue over expenditure result for the year.

Subscriptions - Adhering bodies

Subscriptions are recognised as revenue in the period to which they apply.

Functional allocation of expenses

The costs of providing various programme activities have been summarised on a functional basis in the statement of comprehensive income. Accordingly, certain costs have been allocated among those Union's programme activities which benefited.

THE INTERNATIONAL UNION OF BIOCHEMISTRY AND MOLECULAR BIOLOGY

PRINCIPAL ACCOUNTING POLICIES

For the year ended 31 December 2016

Publication activities

The Union accounts on an accruals basis in respect of its publication activities.

Taxation

The status of the Union exempts it from the payment of taxes in the Netherlands.

Investments

Investments are stated at open market value.

THE INTERNATIONAL UNION OF BIOCHEMISTRY AND MOLECULAR BIOLOGY

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2016

		2016	2016	2016	2015
		Operating	Consolidated	Total	Total
	Note	Fund	Endowment	All Funds	All Funds
		\$	Funds	\$	\$
			\$		\$
Revenues					
Subscriptions - Adhering bodies	2	188,000	-	188,000	191,000
Publication activities - net	1	884,660	-	884,660	690,836
Exceptional signing bonus		-	-	-	1,250,000
Sigma fund income		-	12,333	12,333	12,638
Interest on bank accounts		9,941	-	9,941	8,839
Investment income		15,327	6,841	22,168	15,676
Profit/(loss) on disposal of investments at market value		8,769	-	8,769	(33,490)
Change in market value of investments		(811)	-	(811)	(45,991)
		<u>1,105,886</u>	<u>19,174</u>	<u>1,125,060</u>	<u>2,089,508</u>
Direct Expenditure					
YSF / YSP		-	50,000	50,000	40,000
Symposia and interest groups		33,194	-	33,194	113,195
Education workshops		20,442	-	20,442	18,316
Wood-Whelan fellowships		-	63,760	63,760	44,443
Prolab award		25,000	-	25,000	25,000
Nomenclature Committee		3,579	-	3,579	1,457
Associated organisations					
- FAOBMB		15,000	-	15,000	17,781
- PABMB		15,000	-	15,000	25,000
- FASBMB		7,500	-	7,500	-
- FEBS		14,225	-	14,225	12,939
Congresses and conferences	3	118,279	-	118,279	82,143
Advanced Schools		-	52,904	52,904	81,774
Jubilee lectures		2,000	-	2,000	-
Mid career awards		4,430	-	4,430	-
		<u>258,649</u>	<u>166,664</u>	<u>425,313</u>	<u>462,048</u>
Surplus/(deficit) of revenue over expenditure carried forward		847,237	(147,490)	699,747	1,627,460

THE INTERNATIONAL UNION OF BIOCHEMISTRY AND MOLECULAR BIOLOGY

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2016

	2016	2016	2016	2015
	Operating	Consolidated Endowment	Total	Total
	Fund	Funds	All Funds	All Funds
Note	\$	\$	\$	\$
Surplus/(deficit) of revenue over expenditure brought forward	847,237	(147,490)	699,747	1,627,460
Other Expenditure				
Executive Committee meetings	32,046	-	32,046	22,921
President's office	10,106	-	10,106	1,981
President elect's office	-	-	-	-
General Secretary's office	-	-	-	6,000
Treasurer's office	4,843	-	4,843	5,426
Publicity and representation	1,105	-	1,105	1,264
Other administrative costs	4 33,088	-	33,088	33,055
Provision for unpaid subscriptions	14,500	-	14,500	(9,000)
	<u>95,688</u>	<u>-</u>	<u>95,688</u>	<u>61,647</u>
(Profit)/loss on exchange	66,155	-	66,155	95,672
Surplus/(deficit) of revenue over expenditure	685,394	(147,490)	537,904	1,470,141
Fund balances at beginning of year	3,596,400	568,925	4,165,325	2,695,184
Transfer between funds	(113,760)	113,760	-	-
Fund balances at end of year	<u>4,168,034</u>	<u>535,195</u>	<u>4,703,229</u>	<u>4,165,325</u>

The accompanying accounting policies and notes form an integral part of these financial statements.

THE INTERNATIONAL UNION OF BIOCHEMISTRY AND MOLECULAR BIOLOGY

STATEMENT OF FINANCIAL POSITION

As at 31 December 2016

	Note	2016 \$	2016 \$	2015 \$	2015 \$
Current assets					
Cash at bank	5	2,603,500		2,609,781	
Investments	6	1,784,295		1,306,531	
Debtors - subscriptions receivable (net of provisions)	2	70,000		71,700	
Prepayments and accrued income		264,949		203,520	
		<u>4,722,744</u>		<u>4,191,532</u>	
Current liabilities					
Accruals and deferred income		<u>19,515</u>		<u>26,207</u>	
		<u>19,515</u>		<u>26,207</u>	
Net current assets			4,703,229		4,165,325
			<u>4,703,229</u>		<u>4,165,325</u>
Funds					
Operating fund			4,168,034		3,596,400
IUBMB endowment funds	7		535,195		568,925
			<u>4,703,229</u>		<u>4,165,325</u>

These financial statements were approved by the executive committee on

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J Guinovart (President)

THE INTERNATIONAL UNION OF BIOCHEMISTRY AND MOLECULAR BIOLOGY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

1 PUBLICATION ACTIVITIES - NET

	2016	2016	2016	2015	2015	2015
	Gross		Net	Gross		Net
	receipts	Expenditure	receipts	receipts	Expenditure	receipts
	\$	\$	\$	\$	\$	\$
IUBMB Life (Wiley)	233,810	62,000	171,810	262,398	47,000	215,398
Trends in Biochemical sciences (Elsevier Science)	309,463	4,056	305,407	287,356	4,000	283,356
Biotechnology & Applied Biochemistry (Wiley)	181,131	20,000	161,131	74,215	20,000	54,215
BioFactors (Wiley)	126,182	13,971	112,211	54,442	13,824	40,618
BAMBEd (Wiley)	165,853	40,000	125,853	129,762	39,329	90,433
Molecular Aspects of Medicine	8,145	-	8,145	6,816	-	6,816
Books	103	-	103	-	-	-
	<u>1,024,687</u>	<u>140,027</u>	<u>884,660</u>	<u>814,989</u>	<u>124,153</u>	<u>690,836</u>

THE INTERNATIONAL UNION OF BIOCHEMISTRY AND MOLECULAR BIOLOGY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

2 SUBSCRIPTIONS - ADHERING BODIES

	2015	2015	2013	2016	2016	2016	2016
	Debtors	Prepaid	Provision Utilised	Subs due	Amount paid	Debtors	Prepaid
	\$	\$	\$	\$	\$	\$	\$
Argentina	6,000	-	-	1,500	-	7,500	-
Australia	2,200	-	-	5,000	(5,000)	2,200	-
Austria	9,000	-	-	-	(9,000)	-	-
Belgium	5,000	-	-	5,000	(5,000)	5,000	-
Brazil	-	10,000	-	5,000	-	-	5,000
Bulgaria	1,000	-	-	1,000	-	2,000	-
Canada	-	-	-	8,000	(8,000)	-	-
Chile	2,000	-	-	1,000	(3,000)	-	-
China	-	-	-	8,000	(8,000)	-	-
China (Taipei)	-	1,500	-	3,000	(3,000)	-	1,500
Croatia	1,000	-	-	1,000	(1,000)	1,000	-
Cyprus	1,000	-	-	-	(1,000)	-	-
Czech Republic	-	-	-	2,000	(2,000)	-	-
Denmark	6,000	-	-	3,000	(3,000)	6,000	-
Egypt	3,000	-	-	1,000	-	4,000	-
Finland	-	-	-	2,000	(2,000)	-	-
France	8,000	-	-	8,000	(7,200)	8,800	-
Germany	-	-	-	16,000	(16,000)	-	-
Greece	1,500	-	-	1,000	(500)	2,000	-
Hungary	1,000	-	-	1,000	(1,000)	1,000	-
India	-	-	-	3,000	(3,000)	-	-
Iran	1,000	-	-	1,000	-	2,000	-
Ireland	-	-	-	3,000	(3,000)	-	-
Israel	3,000	-	-	3,000	(3,000)	3,000	-
Italy	-	6,000	-	6,000	(6,000)	-	6,000
Japan	-	-	-	16,000	(16,000)	-	-
South Korea	-	-	-	1,000	(1,000)	-	-
Malaysia	-	-	-	1,000	(1,000)	-	-
Mexico	2,000	-	-	1,000	(2,000)	1,000	-
Morocco	1,000	-	-	1,000	-	2,000	-
New Zealand	-	-	-	1,000	(1,000)	-	-
Nigeria	6,000	-	-	2,000	-	8,000	-
Norway	-	-	-	3,000	-	3,000	-
Pakistan	-	-	-	1,000	-	1,000	-
C/fwd	59,700	17,500	-	115,500	(110,700)	59,500	12,500

THE INTERNATIONAL UNION OF BIOCHEMISTRY AND MOLECULAR BIOLOGY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

2 SUBSCRIPTIONS - ADHERING BODIES (CONTINUED)

	2015	2015	2015	2016	2016	2016	2016
	Debtors	Prepaid	Provision Utilised	Subs due	Amount paid	Debtors	Prepaid
	\$	\$	\$	\$	\$	\$	\$
B/fwd	59,700	17,500	-	115,500	(110,700)	59,500	12,500
Poland	-	-	-	1,000	(1,000)	-	-
Portugal	-	3,500	-	1,500	(1,500)	-	3,500
Russia	-	-	-	12,000	(12,000)	-	-
Slovak Republic	3,000	-	-	1,000	-	4,000	-
Slovenia	1,000	-	-	1,000	(1,000)	1,000	-
South Africa	2,000	-	-	2,000	(2,000)	2,000	-
Spain	-	-	-	6,000	-	6,000	-
Sweden	24,000	-	-	8,000	(8,000)	24,000	-
Switzerland	4,000	-	-	4,000	(8,000)	-	-
Thailand	5,000	-	-	-	(5,000)	-	-
Turkey	-	1,000	-	2,000	(1,000)	-	-
Ukraine	-	-	-	1,000	(1,000)	-	-
United Kingdom	-	-	-	9,000	(9,000)	-	-
USA	-	-	-	24,000	(24,000)	-	-
	<u>98,700</u>	<u>22,000</u>	<u>-</u>	<u>188,000</u>	<u>(184,200)</u>	<u>96,500</u>	<u>16,000</u>
Provision for doubtful debts	<u>27,000</u>		<u>-</u>			<u>26,500</u>	

THE INTERNATIONAL UNION OF BIOCHEMISTRY AND MOLECULAR BIOLOGY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

3 CONGRESS AND CONFERENCES

	2016	2015
	\$	\$
Vancouver 2016	118,279	-
Brazil Congress 2015	-	82,143
	<u>118,279</u>	<u>82,143</u>

4 OTHER ADMINISTRATIVE COSTS

	2016	2015
	\$	\$
Archives	733	806
Meeting liaison	2,668	4,415
Website maintenance	779	3,039
Investment management fees	20,405	17,510
Audit fees	4,868	4,597
Legal fees	836	657
Bank charges	2,799	2,031
	<u>33,088</u>	<u>33,055</u>

THE INTERNATIONAL UNION OF BIOCHEMISTRY AND MOLECULAR BIOLOGY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

5 CASH AT BANK

	2016	2015
	\$	\$
Current accounts		
Bank ABN Amro MeesPierson - Vermogens Spaarrekening	113,021	115,298
Bank ABN Amro MeesPierson - Euro Accounts	1,129,347	884,622
Bank ABN Amro MeesPierson - US Currency Account	1,042,493	1,308,231
Bank ABN Amro MeesPierson - Portfolio Management Account	300,208	241,965
Bank Bordier - Portfolio Management Account	18,431	59,665
	<u>2,603,500</u>	<u>2,609,781</u>

6 INVESTMENTS

	2016	2015
	\$	\$
Bordier Investment portfolio (at open market value)	690,381	649,354
ABN Amro - Securities & Equities (at open market value)	1,093,914	657,177
	<u>1,784,295</u>	<u>1,306,531</u>

The investments above consist of all the Consolidated Endowment Funds and part of the Operating Fund. Investment income, change in market value and investment management expenses arising from the investments have been apportioned between the Operating Fund and Consolidated Endowment Funds. Income and expenditure was apportioned to the individual funds according to their respective balances at the date the transaction occurred.

The historic cost of the Bordier & Cie investment portfolio at 31st December 2016 was \$654,771 (2015: \$616,368).

The historic cost of the ABN Amro securities at 31st December 2016 was \$1,178,700 (2015: \$772,586).

THE INTERNATIONAL UNION OF BIOCHEMISTRY AND MOLECULAR BIOLOGY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

7 IUBMB ENDOWMENT FUNDS

	At 01 January 2016 \$	Investment Movement \$	Income and donations received \$	Payments and refunds \$	Transfer from Operating Fund \$	At 31 December 2016 \$
Severo Ochoa Lecture Fund	21,569	259	-	-	-	21,828
Chester Beatty Lecture Fund	20,007	241	-	-	-	20,248
Osamu Hayaishi Lecture Fund	19,057	229	-	-	-	19,286
E.C. Slater Lecture Fund	26,534	319	-	-	-	26,853
Wood/Whelan Research Fellowship Fund	-	-	-	(63,760)	63,760	-
Special Initiatives Fund	371,581	4,468	-	(52,904)	-	323,145
Lars Ernster Travel Fund	-	-	-	(50,000)	50,000	-
Sigma-Aldrich Corporation Fund	100,273	1,206	12,333	-	-	113,812
Brian Clark Fund	2,894	35	-	-	-	2,929
Edward John Wood Fund	7,010	84	-	-	-	7,094
	<u>568,925</u>	<u>6,841</u>	<u>12,333</u>	<u>(166,664)</u>	<u>113,760</u>	<u>535,195</u>

Severo Ochoa Lecture Fund

Established in 1978 with a gift of \$20,000 from Hoffmann-La Roche for the purpose of endowing a Plenary Lecture at each International Congress of Biochemistry and named after Severo Ochoa, Nobel Laureat, former President of IUB.

Chester Beatty Lecture Fund

Established in 1979 with a gift of £10,000 and 10 gold coins (value \$1,580) by Mr Alfred Chester Beatty, philanthropist, for the purpose of endowing a Plenary Lecture at each International Congress of Biochemistry. All of the gold coins have previously been awarded to members for their services in the field.

Osamu Hayaishi Lecture Fund

Established in 1981 with a gift of ¥5,000,000 by Suntory Limited for the purpose of endowing a Plenary Lecture at each International Congress of Biochemistry and named after Osamu Hayaishi, former President of IUB.

E.C. Slater Lecture Fund

Established in 1985 with a gift by Elsevier Publishing Company for the purpose of endowing a Plenary Lecture at each International Congress of Biochemistry and named after E.C. Slater in recognition of his services to IUBMB.

Wood/Whelan Research Fellowship Fund

Established about 1983 by funds provided by an appeal among the world's biochemists for the purpose of granting short-term fellowships to young biochemists to carry out research and training in a laboratory other than their own. This was named after Harland Wood, former General Secretary and President of IUB, and William Whelan, former General Secretary of IUB. Additions to the funds were made by the American Society for Biochemistry and Molecular Biology (\$10,000 in 1997, \$20,000 in 1998, and \$18,000 in 2001 from Prof. Whelan). In 2005 an anonymous donation of \$14,325 was added to this fund.

THE INTERNATIONAL UNION OF BIOCHEMISTRY AND MOLECULAR BIOLOGY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

7 IUBMB ENDOWMENT FUNDS (CONTINUED)

Special Initiatives Fund

Established in 1999 by a gift in 1998 of \$100,000 from Professor Kunio Yagi, to which was added the sum of \$43,717, accumulated from the profits of the first IUBMB Conference and further anonymous donations, to be used for special initiatives outside the normal activities of IUBMB. \$200,000 and \$280,000 were transferred to this fund from the operating fund during 2007 and 2008 respectively.

Lars Ernster Travel Fund

Established in 2000 by an anonymous gift of \$100,000 for the purpose of financing the attendance of young biochemists at the International Congress of Biochemistry and Molecular Biology in memory of Lars Ernster.

Sigma-Aldrich Corporation Fund

Established in 2004 following an agreement between Sigma-Aldrich Corporation and IUBMB to give Sigma-Aldrich Corporation the right to produce, distribute and sell metabolic maps, for which IUBMB is owner of the copyright. Part of the income will be used for travel scholarships for young investigators to attend IUBMB conferences. \$80,000 was transferred to this fund from the operating fund during 2007.

Brian Clark Fund

Established in 2005 by a donation of \$25,000 from Brian Clark. The Executive Committee has decided to use this money to endow lectures in an Advanced School in South Africa to take place every second year.

Edward John Wood Fund

Established in 2009 to honour the memory of Edward John Wood, who served IUB and IUBMB prominently in the field of education of biochemistry and molecular biology. The income of the Fund will be used to support activities in the latter area.