

Status Report to the 2020 ISU Congress on the Four Year Plan 2018/19-2021/22

Committee/Commission: **ISU Council/Treasurer/ISU Accounting
Department/ISU Internal Controller**

Project/Function/Area of Activity: **Finance and Accounting**

The ISU Council, the ISU Treasurer, ISU Director General, ISU Accounting Department and ISU Internal Controller (new full time Internal Controller appointed in January 2020) have performed activities according to plan and have achieved the results and benefits forecast in the 2018/19-2021/22 Four Year Plan. Since the 2018 Congress, the following areas required and will require specific attention:

The Internal Control System has been further developed and improved thanks to the detailed analysis by the ISU Internal Controller in cooperation with the external ISU Auditors (BDO Lausanne). Particular attention has been given to the data protection aspect, especially since the introduction of the General Data Protection Regulation (GDPR) in Europe in 2018.

BDO confirmed formally that an appropriate Internal Control System is indeed in place and continuously updated.

The general monitoring and control of ISU Development Projects is carried out by the Development Program Director who reviews project applications to establish the necessity and effectiveness of proposed expenditures and then thoroughly reviews financial reports after the completion of projects. Targeted or random audits on specific projects remain an option.

BDO Ltd, one of the leading audit firms in Switzerland and part of an extended international organization networks, has performed thorough audits of the 2018, 2019, 2020 and 2021 ISU accounts, to its full satisfaction. For the detailed figures, please refer to the Report of the statutory auditor (BDO) on the financial statements for the years 2018, 2019, 2020 and 2021.

In line with the Budget approved by ISU Members in 2021, the financial investment strategy consists of a low-risk approach through investments in “investment grade” bonds and fiduciary deposits issued by highly rated entities with the applicable minimum ratings being Standard and Poors (S&P) BBB+/Baa1 and Moody’s BBB- / Baa3. The bonds or fiduciary deposits are managed through mandates with the three banks (Credit Suisse, Banque Cantonale Vaudoise and partly UBS). Investments are made mainly in the currencies of the ISU’s operations, namely the US Dollar, the Euro and the Swiss Franc.

For more information please refer to the audited Financial Statements 2018, 2019, 2020 and 2021 as well as the 2022-2024 ISU Budget and the ISU Treasurer’s Report to be presented during the 2022 ISU Congress.

May 2022