

Appendix 3:

INTERNATIONAL COMMITTEE FOR ANIMAL RECORDING (ICAR) - Via Savoia 78, sc. A, int. 3, Rome (Italy)

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS For the period 1st January to 31st December, 2014

NOTES – Balance Sheet

- 1. Cash**
Includes cash on hand current bank account balances (cash, BNL and DBI).
- 2. Membership Fees Receivable**
In 2011 the Association changed its method of recording membership fees from cash accounting to the accrual method.
According to the ICAR rules, those members with two years of arrears have been frozen in 2014, while those full members with 2014 outstanding fee are not allowed to vote at the General Assembly in Krakow.
In this item the 2014 fees outstanding at 31/12/2014 were accrued for an amount of 32.017 €, while 5.668 € correspond to the outstanding fees for previous years (the composition is attached as annex 1).
- 3. Capital Assets**
Net book value of computers and furniture owned by the Association (cost less depreciation).
- 4. Investments**
The Association held long term investments with a December 31, 2014 market value of 245.198 €.
The 6-year investments yield 3.25% annually (paid quarterly) in 2012 (first year) but since January 2013 the interest is based on the Euribor + 0,50% with a maximum of 5%. The investments have a face value of 248.000 Euro due upon maturity (December 29, 2017).
The investments are recorded at the lower of market value or cost.
- 5. SERVICE-ICAR Srl Shares**
The amount of 10.400 Euro represents the share of capital in the business company “SERVICE-ICAR S.r.l.” owned by the Association. The amount is unchanged since the creation of SERVICE-ICAR Srl in 2001.
- 6. Prepayments**
In 2012 and 2013 the Association renewed for 10 years the protection of its marks and logos, ICAR and Interbull, in those countries where the registration was on deadline. The total amount paid was split over 10 years to cover the validity until 2022 and the annual payment amounts to 1.345 Euro.
In 2013 the Association started the same process to protect the name and logo of InterBeef, the total amount paid was also split over 10 years to cover the validity until 2023 and the annual payment amounts to 1.445,06 Euro.

7. Other debtors

This is the credit for social charges and taxes related to 2014 and to be compensated in 2015.

8. Accounts payable

These are payments due to customers paid in January 2015 for an amount of 9.198,09 € and to the Italian taxes and social charges for an amount of 4.807,91 €.

9. Prepaid membership fees and deferred income

This is the 2015 membership fees received in advance from Impuls (Czech Republic).

10. Severance Reserve Fund

The Association is required to collect and accumulate prescribed annual amounts as they relate to permanent employees in accordance with the legal requirements of Italy. Those amounts will be retained by ICAR and shall be dispersed to the employees when they will leave the organization.

NOTES: Statement of Financial Position (Income Statement) related to the 12 months budget

1. Membership Fees

This is the total amount already received for 2014 fees.

2. Membership Fees receivable 2014

This is the remaining amount due for arrears of 2014 by members.

Compare to the budget, the total income for membership fees in 2014 is higher than budgeted; this is due to new members which apply during 2014 and two members which were cancelled in 2013 (DESCO, Peru, and the Animal Breeding and Improvement of Animal Production of Iran) and paid their outstanding fees to re-enter as members.

3. Other contributions

These are the contributions paid by SLU/Interbull Center and EAAP. In addition, there is the contribution of 10.000 € paid by ICBF to support IT developments.

4. Investment Income

The 2014 investment income of 4.501 Euro is comprised of 1.796,76 Euro in interest and an increase in market value of 2.704,24 Euro versus prior year. The association holds a Euro bond with a maturity value of 248.000 Euro due December 29, 2017 and a current annual yield of Euribor + 0,50%.

NOTES: Statement of Financial Position (Expenses)

5. Travel and Meeting Expenses

Costs related to travel and accommodation from the Secretariat, Board and Executive Board, General Assembly, and SC/WG.

6. Bank Charges and Investment Expenses

Expenses charged by the bank BNL and DBI for current accounts and for the investment portfolio administration.

Taxes on investment: 407,39 Euro (in 2013 the amount was 351,79 Euro)

Investment expenses for portfolio: 481,52 Euro (in 2013 the amount was 409,03 Euro)

BNL and DBI current bank expenses: 1.150,06 Euro (in 2013 the amount was 1.343,56 Euro)

7. Bad debts

This is the total amount of outstanding fees due by the two members frozen in 2014 (see annex 1). According to the ICAR rules these members have been cancelled and their dues put in the financial statement as debt.

Addition Reference Information for the ICAR Board

MEETING EXPENSES

Secretariat expenses

		2014	2013
Travel	Euro	19.758,89	16.876,36
Accommodation	Euro	1.672,31	2.837,95
Meals	Euro	599,50	1.213,84
Total	Euro	22.030,70	20.928,15

Board and Executive Board expenses

		2014	2013
Travel	Euro	1.328,73	8.095,32
Accommodation	Euro	0	1.167,70
Meals	Euro	1.064,00	767,51
Various	Euro	0	440,30
Total	Euro	2.392,73	10.470,83

General Assembly

		2014	2013
Travel	Euro	5.433,70	2.852,85
Accommodation	Euro	6.543,50	7.137,71
Meals	Euro	940,25	721,16
Various	Euro	6.117,70	713,25
Total	Euro	19.035,15	11.424,97

Nb. ICAR paid 5.477,80 € to the conference centre for extra costs during the Berlin Session.

Sub-committees expenses

Animal identification		2014	2013
DSA	Euro		0
Travel	Euro		10,56
Accommodation	Euro		0
Meals	Euro		0
Various	Euro		0
Total	Euro	0	10,56

Milk analysis		2014	2013
DSA	Euro		0
Travel	Euro		5,20
Accommodation	Euro		0
Meals	Euro		0
Various	Euro		8.400,00
Total	Euro	0	8.405,20

Working groups expenses

Functional Traits		2014	2013
Support for Workshop	Euro	500,00	0
Total	Euro	500,00	0

Interbeef		2014	2013
Support for Workshop	Euro	1.500,00	0
Domain Internet	Euro		47,73
Total	Euro	1.500,00	47,73

Genetic Analysis		2014	2013
Contribution ISAG	Euro		2.500,00
Total	Euro		2.500,00

Animal Data Exchange		2014	2013
Space renting for meeting	Euro	1.042,01	0
Contribution for platform	Euro	5.600,00	0
Total	Euro	6.642,01	0

Nb. The budgeted technical support was higher than real requests received from Groups.

OFFICE COSTS

		2014	2013
Telephone	Euro	2.547,79	2.938,61
Office material, various and postage	Euro	2.475,12	4.211,49
Publications and web site	Euro	1.587,09	321,85
Total	Euro	6.610,00	7.471,95

HONORARIUM

		2014	2013
Milan Zjalic	Euro	17.690,00	13.520,00
ProofSmart	Euro	403,35	0
Brian Wickham	Euro	37.362,89	9.594,00
FVE selection CE	Euro	250,00	0
C. Mellis (IT support)	Euro	1.584,24	0
Inlex/FKelly (renew marks and logo)	Euro	2.790,06	2.790,06
Andromeda computer assistance	Euro	170,80	0
Other legal expenses	Euro	1.903,20	10.623,26
Italconsultants (accounts)	Euro	5.446,08	4.986,30
Total	Euro	67.600,62	41.513,62

Nb. The difference compare to the budget is mainly due to the extra work of Brian Wickham as ASG since June 2014 (plus 27.768,89 Euro) and 4.170 Euro more to Milan Zjalic who is paid according to time sheets.

Annex 1

Membership fees receivable for 2014

Name, country	2014	Notes	
Argentina	4.458,09	Paid Jan. 2015	
EASR, Bulgaria	3.013,75		
CIS, Egypt	1.238,75		
Animal Imp. Center, Iran	2.034,94		
AIA, Italy	7.597,52		
Ministry, Lebanon	788,75		
CONARGEN, Mexico	1.788,75		
DESCO, Peru	788,75		
ANABLE, Portugal	3.019,23	Paid Jan. 2015	
JSC Agropribro, Russia	788,75		
Holstein-UK	1.213,75	Paid Jan. 2015	
Hadid Sanat, Iran	788,75	Associate member	
SCR, Israel	788,75	Associate member	
TarazPolyHim, Kazakhstan	788,75	Associate member	
Wageningen UR, Netherland	328,65	Paid Jan. 2015	
Ass.Manuf.Livestock, Uzbekistan	788,75	Associate member	
TOTAL	30.214,68		30.214,68

Membership fee receivable for 2013

Argentina	4.189,24	Paid Jan. 2015
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Receivable for 2013 and 2014 and to be frozen in 2015

	2013	2014	Notes	
Peru RGZ	795,63	1013,75	Full member	
Genetic ID, Greece	683,13	788,75	Associate member	
TOTAL	1.478,76	1.802,50		3.281,26

To be cancelled in December 2014

	2012	2013		
AILA, Italy	577,50	683,13	Associate member-FROZEN in 2014	
KazPoliPlast	577,50	683,13	Associate member-FROZEN in 2014	
Ministry of Agriculture Greece	106,00			
TOTAL	1.261,00	1.366,26		2.627,26