



ICAR - EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

For the period 1st January to 30th September, 2016

NOTES – Balance Sheet

1. Cash

Includes cash on hand current bank account balances (cash, BNL and DBI).

2. Membership Fees Receivable

2014: According to the ICAR rules, those members with two years of arrears (since 2014) have been frozen in 2016 for a total amount of €16,318.06

	2014	2015
CIS, Egypt	1,238.75	1,569.38
Animal Imp. Center, Iran	2,034.94	2,242.47
Ministry, Lebanon	788.75	894.38
CONARGEN, Mexico	1,788.75	2,394.38
DESCO, Peru	788.75	894.38
JSC Agropribor, Russia	<u>788.75</u>	<u>894.38</u>
TOTAL	7,428.69	8,889.37

2015: The total amount for 2015 outstanding fees is €8,798.43

	2015
ACHA, Argentina	4,754.05
MAGAP, Ecuador	2,469.38
Holstein, Romania	<u>1,575.00</u>
TOTAL	8,798.43

The membership fees receivable for the year 2016 are not considered at this stage. See Forecast Notes.

3. Capital Assets

Net book value of computers and furniture owned by the Association (cost less depreciation).

4. Investments

The Association sold the investment with DBI in November 2015.



5. SERVICE-ICAR Srl Shares

The amount of €10,400 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 / other debtors

The Association has three logos/trademark registered (ICAR, Interbull and Interbeef).

The renewal is due every 10 years and the payment is depreciated over this period. The amount in depreciation is €17,803.77.

The amount of €2,297.60 € for other debtors corresponds to €1,300.00 as a deposit for the renting of the office plus €997.60 € for Italian tax office.

7. Accounts payable

This is the amount due for social charges and taxes related to September and payable in October 2016.

8. Prepaid membership fees

The amount of €478.12 was anticipated in 2016 by the Ministry of Agriculture of Uruguay as part of the membership fee for 2017.

9. Severance Reserve Fund

The Corporation 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 given back to the employees when they will leave the organization. At the moment there are two permanent part-time staff in ICAR.

NOTES: Profit & Loss (Income Statement) related to the 9 months budget and 12 months forecast

1. Membership Fees

This is the total amount already received for 2016 fees.

2. Other contributions / other projects

This is (i) contribution paid by SLU (€7,275.00) and (ii) the positive balance paid by FAO for the Symposium in Pretoria in 2015 (€1,231.53).

3. Travel and Meeting Expenses

Costs related to travel and accommodation from the Secretariat, Board, General Assembly, as well as the Secretariat for the general running of the association.

Secretariat expenses

		2016
Travel	€	12,649.73
Accommodation	€	3,104.79
Meals	€	373.85
Total	€	16,128.37

Board expenses

		2016
Travel	€	9,283.83
Accommodation	€	8,907.98
Total	€	18,191.81

General Assembly

		2016
Travel	€	9,906.74
Accommodation	€	412.11
Total	€	10,318.85

4. Office costs

		2016
Telephone	€	943.37
Office material, various and postage	€	1,507.94

Publications and web site	€	173.55
Rent office	€	7,137.00
Total	€	9,761.86

5. Salaries (staff and consultants)

		2016
Martin Burke	€	52,412.72
Brian Wickham	€	6,396.00
Charl Hunlun	€	12,290.00
Silvia Orlandini	€	17,001.92
Milan Zjalic	€	7,615.00
Proof Newsletter and translation	€	135.88
Cesare Mosconi	€	17,040.33
Elena Couto	€	16,547.74
Social charges permanent staff	€	9,354.23
Total	€	138,793.82

6. Professional services

		2016
Italconsultants Srl	€	868.64
Inlex yearly renewal cost	€	3,323.45
Notary Fabro validation signature	€	446.00
Renewal PEC (email legal account)	€	61.00
Total	€	4,699.09

7. Technical activities support and Brand Project

		2016
SCs / WGs	€	3,092.73
Mojo Strategy – Brand Project	€	22,090.98
Carl Melis – Brand Project	€	5,328.96
Total	€	30,512.67

8. Bank Charges and Investment Expenses

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



LATEST ESTIMATE Year End 2016 (Actuals + Forecast)

The forecast is based on actuals to Sep 30th 2016 **plus** latest Q4 estimate for each activity as follows;

Membership fees

These are the membership fees receivable for 2016. It is less than budgeted because we cancel the members with 2-years of arrears. Here below the outstanding fees by 30th September which will be accrued if not received by 31st December 2016:

	2016	Comment
ACHA, Argentina*	5,050	
MAGAP, Ecuador*	3,100	
AIA, Italy	9,800	
BKNZ, New Zealand	1,000	Paid in October
Holstein, Romania*	1,750	
Studbook, South Africa	2,050	Balance due
OEP, Tunisia	3,000	
GEA Farm, Germany	<u>1,000</u>	Paid in October
TOTAL	26,750	

* These three members are also in arrears for 2015 – so worst case scenario for Membership 'Bad Debts' for upcoming year 2017 (2015 +2016) would be ACHA + Ho Romania + Ecuador x 2yrs (= €18,698.43) but the secretariat will continue to work on those in next months.

Other contributions / other projects

The contribution from SLU remains the same but the positive difference is due to the balance paid by FAO for the Symposium in Pretoria in 2015.

Salaries

The forecast for staff and consultants salaries is based on the calculation provided by Italconsultants for the two part-times staff and technical consultants until December 2016.

Professional services

The forecast is based on the calculation for the honorarium to be paid for legal, accounting and insurance by December 2016.



Technical activities support and Brand project

The forecast is based on the calculation for the honorarium to be paid for consultants for the Brand Project by December 2016.

Bad debts 2016

The amount of €16,318.06 corresponds to outstanding fees accrued for the two years (2014 and 2015) to be cancelled at 31/12/2016 according to our Statutes; here below the detail:

	2014	2015
CIS, Egypt	1,238.75	1,569.38
Animal Imp. Center, Iran	2,034.94	2,242.47
Ministry, Lebanon	788.75	894.38
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