



## **SUMMARY OF THE RELATIONSHIP BETWEEN ICAR AND SERVICE-ICAR SRL & RESPONSIBILITIES OF BOARD MEMBERS**

The business company SERVICE-ICAR Srl (S.I.) was created in September 2001 and is totally owned by ICAR (Association), and the capital of shares amounts to €10,400. An internal agreement is in place to regulate the relationships between the Association and the Company.

### **Key tenets of the arrangement between ICAR and S.I.**

The President of ICAR is President of S.I.

The Vice-Presidents, Secretary and Treasurer of ICAR are the Board of S.I.

As ICAR is the 100% Shareholder in S.I., the ICAR Board is the General Assembly of S.I.

Any new or proposed S.I. Services/Activities are first agreed by the ICAR Board. (S.I. will take care of an activity only when it becomes “business” and invoices must be issued).

As per ICAR Board decision, since January 2017 all the staff and consultants is paid by S.I., only the CE is paid 50% by ICAR and 50% by S.I. ICAR will contribute to the personnel cost with a monthly payment.

The commercial agreements will be between S.I. and third parties but any certificate is issued by ICAR.

### **Financial Reporting Responsibilities**

#### **ICAR Board:**

- with the support of the Chief Executive (CE), the **ICAR Financial statements for the previous year** are prepared in April for approval by the Board initially and then by ICAR's General Assembly;
- with the support of the CE, prepare and approve the **ICAR Budget for the following year** in April based on the information from previous year financial statements. The budget for the following year is also shared (for information only) to the Members at the ICAR General Assembly;
- will check the follow-up actual vs. budget quarterly reports as prepared by the CE;



- will have monthly conference calls and meet face to face during the Annual Conference and at least one more time during the year;
- will represent ICAR at the General Assembly of S.I.

#### SERVICE-ICAR Srl

The Board:

- a S.I. Board member should have an Italian tax code issued by the Italian Consulate in each country;
- with the support of the Chief Executive (CE), the **S.I. Financial statements for the previous year** are prepared by 31<sup>st</sup> March for approval by the Board and the S.I. General Assembly one month later. (In case the GA for S.I. is the ICAR Board);
- with the support of the CE, the **S.I. Budget for the following year** is prepared in October based on the information from the current year to date plus previous year financial statements for Approval by the S.I. **and ICAR** Boards in November;
- will ask the ICAR Board endorsement of the budget;
- will check the follow-up actual vs. budget quarterly as prepared by the CE;
- will have bi-monthly conference calls and meet face to face during the Annual Conference and at least one more time during the year.

#### Audit

The financial statements of both ICAR and S.I. are checked by the ICAR Inspectors at the beginning of March and by the Financial Sub Committee (FSC) before submitted to the Board. If an external audit is requested it will take place after the approval of the financial statements by the Board.

A consolidated financial statement of both ICAR and S.I. will be prepared by the FSC with the support of the CE for Board approval and presentation for information only to the ICAR Members at the General Assembly.

This information is by way of summary, please refer to ICAR's Statutes, By-Laws and/or Standard Operating Procedures (SOPs) for further details/specifics.

ICAR Secretariat

19<sup>th</sup> September 2017