Management Report

International Committee for Animal Recording ICAR
For the period ended December 31, 2018

THE GLOBAL STANDARD FOR LIVESTOCK DATA

Prepared on
March 14, 2019

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Profit and Loss

January - December 2018

	As at 31st Dec. 2018			Versus Budget		Versus Prior Year	
	Actual 2018	Budget 2018	Actual 2017	Euro	%	Euro	%
REVENUES							
Member fees	324.175	326.325	325.575	(2.150)	(1)	(1.400)	(0)
Special projects and other income	9.170	0	0	9.170		9.170	
TOTAL REVENUES	**333.345**	**326.325**	**325.575**	**7.020**	**2**	**7.770**	**2**
EXPENSES							
Employee related expenses	200.729	200.000	186.290	729	0	14.439	8
Travel	33.815	40.000	33.530	(6.185)	(15)	285	1
Office (rental and supplies)	14.546	15.000	12.807	(454)	(3)	1.739	14
Administrative services (accounts, legal, bank, audit...)	51.388	35.000	57.013	16.388	47	(5.625)	(10)
Special project expenses	14.042	35.000	33.014	(20.958)	(60)	(18.972)	(57)
TOTAL OPERATING COSTS	**314.520**	**325.000**	**322.654**	**(10.480)**	**(3)**	**(8.134)**	**(3)**
OPERATING PROFIT/ (LOSS)	**18.825**	**1.325**	**2.921**	**17.500**	**1.321**	**15.904**	**544**
NET PROFIT (LOSS)	**18.825**	**1.325**	**2.921**	**17.500**	**1.321**	**15.904**	**544**

Notes to Profit and Loss

As of December 31, 2018

REVENUES

1. **Membership fees**
   Total amount invoiced to members for annual fees 2018.

2. **Special projects and other income**
   Various reimbursement from SLU:
   - 1.680 Euro for the joint dinner in Auckland.
   - 2.571 Euro to support EFFAB action.
   - 587 Euro partial reimbursement for joint meeting in London.

   LOC Auckland contribution for Annual Conference for an amount of 4.332 Euro.

EXPENSES

3. **Contracted consultant costs**
   Expenses related to management and administration including Chief Executive and other consultants for an amount of 84.909 Euro, and contracted services paid to SERVICE-ICAR Srl for an amount of 115.820 Euro.

4. **Travel**
   Total cost for travel, accommodation and meals of the office, Board, and General Assembly.

5. **Office**
   Total cost to run the office (postage, telephone, office material, printing, Web site, etc.) including rent.

6. **Administrative services**
   Cost for outsourcing services (accounting, legal, bank expenses, etc.). Compare to the budget there is one-time payment for the GDPR (EU data protection regulation) for an amount of 3.648 Euro and the invoices from EFFAB for an amount of 5.142 Euro partially reimbursed by SLU (see item 2).
   In 2018 the Association decided to move the accounting system to Quickbooks which represents an additional cost of 2.488 Euro.
   In 2018 there is also an additional legal fee for an amount of Euro 24.609.

7. **Special projects expenses**
   There are two special projects:
   - Guidelines and new Web page development with a total cost of 12.312 Euro.
   - Research for ICAR location with a total cost of 1.730 Euro.

   Two projects planned for 2018 have been deferred to 2019, namely, Recording Devices Projects/Test Lab S/W upgrades(€14K) and CDN Parentage Discovery S/W (€6k).

Balance Sheet

As of December 31, 2018

	Actual 2018	Actual 2017	Year over Year (2018 vs. 2017) Euro	%
ASSETS				
Cash	356.709	365.576	(8.867)	(2)
Member Fees receivable	28.650	9.350	19.300	206
Other receivables	0	2.862	(2.862)	(100)
Prepayments	31.632	36.149	(4.517)	(12)
TOTAL CURRENT ASSETS	**416.991**	**413.937**	**3.054**	**1**
Fixed assets	0	183	(183)	
Financial assets	11.700	11.700	0	0
TOTAL NON-CURRENT ASSETS	**11.700**	**11.883**	**(183)**	**(2)**
TOTAL ASSETS	**428.691**	**425.820**	**2.871**	**1**
EQUITY AND LIABILITIES				
Retained earnings	401.695	398.774	2.921	1
Operating profit (loss)	18.825	2.921	15.904	544
MEMBER'S EQUITY	**420.520**	**401.695**	**18.825**	**5**
Accounts payable	6.871	24.125	(17.254)	(72)
Deferred income	1.300	0	1.300	
LIABILITIES	**8.171**	**24.125**	**(15.954)**	**(66)**
TOTAL LIABILITIES & EQUITY	**428.691**	**425.820**	**2.871**	**1**

Notes to Balance Sheet

As of December 31, 2018

ASSETS

Current assets

1. **Cash**
   Includes cash on hand and current bank account balances.

2. **Member fees receivable**
   Includes members with maximum two years of arrears (2017 and 2018) in the current financial year and the outstanding fees for the current year (detail in Annex 1).

3. **Prepayments**
   The Association owns the ICAR, Interbull and InterBeef logos. The depreciation of the cost is over 10 years. This is the total amount remains.

Long term assets

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

5. **Financial assets**
   The amount of Euro 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.
   In addition, there is the deposit with ExecutiveOffice for an amount of Euro 1.300 for the rent of one room.

EQUITIES AND LIABILITIES

Current liabilities

6. **Accounts payable**
   Invoices related to 2018 business activities but to be paid in January 2019 (e.g. consultants and operational expenses).

7. **Deferred income**
   Fee payment for 2019 received in advance by Royal Jersey.

Reserves

Cash Position December 31st, 2018 = €356.709
Total reserves: 13.0 months (policy target of 6 months)
Liquid reserves: 13.0 months equivalent (policy target of 3 months)

Based on ICAR Annual Operating Costs as budgeted for 2019 of €330.000

Appendix 1

Outstanding fees 2017 and 2018

	2017	2018
EMBRAPA, Brazil	1.650,00	1.650,00
Ministry Agric., Portugal	5.250,00	4.100,00
TOTAL	**6.900,00**	**5.750,00**

Outstanding fees 2018

ACHA, Argentina	4.400,00
AIA, Italy	10.150,00
Res.Institute, Russia	1.450,00
	16.000,00

TOTAL FEES RECEIVABLE: 28.650 Euro

Note: The outstanding fees from EMBRAPA (Brazil) and the Research Institute (Russia) are considered as a risk.