

Management Report

International Committee for Animal Recording ICAR
For the period 1st January – 30th September, 2019



THE GLOBAL STANDARD
FOR LIVESTOCK DATA

Prepared on
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Profit and Loss

January - September 2019

	As at September 30th			Versus Budget		Versus Prior Year	
	Actual 2019	Budget 2019	Actual 2018	Euro	%	Euro	%
REVENUES							
Member fees	215.445	242.155	228.474	(26.710)	(11)	(13.029)	(6)
Special projects	15.502	10.000	4.838	5.502	55	10.664	220
TOTAL REVENUES	230.947	252.155	233.312	(21.208)	(8)	(2.365)	(1)
EXPENSES							
Employee related expenses	143.876	150.000	145.816	(6.124)	(4)	(1.940)	(1)
Travel	15.930	30.000	27.801	(14.070)	(47)	(11.871)	(43)
Office (rental and supplies)	14.993	10.000	10.455	4.993	50	4.539	43
Administrative services (accounts, legal, bank, audit...)	35.897	15.000	17.221	20.897	139	18.676	108
Special project expenses	18.792	45.000	12.774	(26.208)	(58)	6.018	47
TOTAL OPERATING COSTS	229.488	250.000	214.065	(20.512)	(8)	15.422	7
OPERATING PROFIT/ (LOSS)	1.459	2.155	19.247	(696)		(17.788)	
Investment income (expense)	0	0	0	0	0	0	0
NET PROFIT (LOSS)	1.459	2.155	19.247	(696)		(17.788)	

Notes to Profit and Loss

As of September 30, 2019

REVENUES

1. Membership fees

Total amount received from membership fees in this period.

2. Special projects and other income

As per agreement, payment of 10.000 Euro received from Czech Moravian Breeders' Corp. for the organisation of the ICAR Annual Conference.

Payment of 5.502 Euro received as partial reimbursement of legal fees for the AR case as established by the Court.

EXPENSES

3. Contracted consultant costs

Expenses related to the management and administration including the Chief Executive and other consultants for an amount of 52.413 Euro, and contracted services paid to SERVICE-ICAR Srl for an amount of 91.463 Euro.

4. Travel

Total cost for travel, accommodation and meals of the office, Board, Groups 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.), including 28.340 Euro for extra legal fees.

7. Special projects expenses

These are the special projects budgeted in 2019:

1. Recording Devices Projects/Test Lab S/W upgrades (€14k).
2. CDN Parentage Discovery S/W (€6k).
3. Transfer of the seat (€30k).

In this period there is 3.806 Euro expenses are related to special project 1, and 14.985 Euro to special project 3.

Balance Sheet

As of September 30, 2019

			Year over Year (2019 vs. 2018)	
	Actual 30/09/2019	Actual 30/09/2018	Euro	%
ASSETS				
Cash	425.672	412.819	12.853	3
Member Fees receivable	18.500	9.350	9.150	98
Other receivables	0	1.079	(1.079)	(100)
Prepayments	31.632	36.149	(4.517)	(12)
TOTAL CURRENT ASSETS	475.804	459.397	16.407	4
Fixed assets	0	183	(183)	(100)
Financial assets	11.700	11.700	0	0
TOTAL NON-CURRENT ASSETS	11.700	11.883	(183)	(2)
TOTAL ASSETS	487.504	471.280	16.224	3
EQUITY AND LIABILITIES				
Retained earnings	411.642	364.572	47.070	13
Operating profit (loss)	1.459	19.247	(17.788)	(92)
MEMBER'S EQUITY	413.101	383.819	29.282	8
Accounts payable	2.587	11.299	(8.712)	(77)
Deferred income	71.816	76.162	(4.346)	(6)
LIABILITIES	74.403	87.461	(8.712)	(10)
TOTAL LIABILITIES & EQUITY	487.504	471.280	16.225	3

Notes to Balance Sheet

As of September 30, 2019

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 (detail in Appendix 2).

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). Nil in 2019.

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 QTR3 of 2019 business activities but to be paid in October 2019 (e.g. consultants and operational expenses).

7. Deferred income

Membership fees 2019 already paid but deferred to the next QTR.

Reserves

Cash Position September 30th, 2019 = €425.672

Total reserves: 15,5 months (policy target of 9 months)

Liquid reserves: 15,5 months equivalent (policy target of 9 months)

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

Appendix 1

Follow-up budget by QTRs

	Q1 Actuals March 2019	Q1 Budget March 2019	Diff. Vs. Budget Q1	Q2 Actuals June 2019	Q2 Budget June 2019	Diff. Vs. Budget Q2	Q3 Actuals Sept. 2019	Q3 Budget Sept. 2019	Diff. Vs. Budget Q3	Q4 Actuals Dec. 2019	Year-end Budget 2019	Diff. Vs. Budget 2019
REVENUES												
Member fees	57.982	75.000	(17.018)	153.000	161.440	(8.440)	215.445	242.155	(26.710)		322.875	
Special projects	0	0	0	0	0	0	15.502	10.000	5.502		10.000	
TOTAL REVENUES	57.982	75.000	(17.018)	153.000	161.440	(8.440)	230.947	252.155	(21.208)	0	332.875	
EXPENSES												
Employees and related expenses	50.143	50.000	143	93.734	100.000	(6.266)	143.876	150.000	(6.124)		200.000	
Travel	3.167	7.000	(3.833)	12.585	20.000	(7.415)	15.930	30.000	(14.070)		35.000	
Office costs	3.803	3.000	803	9.392	6.000	3.392	14.993	10.000	4.993		15.000	
Administrative services (accounting, legal, audit, bank...)	8.925	2.000	6.925	30.991	10.000	20.991	35.897	15.000	20.897		20.000	
Special project expenses	133	15.000	(14.867)	10.044	30.000	(19.956)	18.792	45.000	(26.208)		60.000	
TOTAL OPERATING COSTS	66.171	77.000	(10.829)	156.746	166.000	(9.254)	229.488	250.000	(20.512)	0	330.000	
OPERATING PROFIT / (LOSS)												
NET PROFIT / (LOSS)	(8.189)	(2.000)	(6.189)	(3.746)	(4.560)	814	1.459	2.155	(696)	0	2.875	

Appendix 2

Outstanding fees 2017 and 2018

	2017	2018
EMBRAPA, Brazil	1.650	1.650
Ministry Agric., Portugal	5.250	4.100
ACHA, Argentina		4.400
Res.Institute, Russia		1.450

TOTAL FEES RECEIVABLE for 2017 and 2018: 18.500 Euro

Outstanding fees 2019

ACHA, Argentina	4.400	
Shanghai Dairy, China	2.450	
AIA, Italy	10.000	
Res.Institute, Russia	1.450	
Biotechnical Fac., Slovenia	4.500	Paid in October
FEAGAS, Spain	10.050	Paid in October
Cattle Breeders, Turkey	6.000	
SNIG, Uruguay	1.000	
WFB Guernsey	1.500	
ISBS, Russia	1.000	Associate member

Note: The outstanding fees for 2017 and 2019 from EMBRAPA (Brazil) and the Research Institute (Russia) are considered as a risk.