MANAGEMENT REPORT

International Committee for Animal Recording (ICAR)
Arthur van Schendelstraat 650
3511 MJ Utrecht
The Netherlands

For the period 1st January – 31st March 2021

Prepared on 12th April 2021

THE GLOBAL STANDARD FOR LIVESTOCK DATA

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Introduction

This report Q1 - 2021 presents the figures for both income and expenses from membership and services for the first quarter of 2021 and for the comparison with Q1 – 2020 and for the Q1 forecast.

We have divided the budget into 4 quarters. This still needs to be adjusted in Visma.

Profit and Loss

Profit and loss in €	Financial year t/m period 03	Budget 2021 t/m period	Prior year t/m period 03	Versus Difference €	Versus Prior Difference €	Budget
INCOME						
Membership fees	200.500,	165.000,	0,	35.500,	200.500,	330.000,
Business / certification services	75.158,	99.795,	51.360,	-24.637,	23.798,	649.180,
Other operating income	0,	0,	7.635,	0,	-7.635,	25.000,
TOTAL INCOME	**275.658,**	**264.795,**	**58.995,**	**10.863,**	**216.663,**	**1.004.180,**
EXPENSES						
Special projects	9.004,	10.000,	2.316,	-996,	6.688,	40.000,
Contracted testing and certification services	29.603,	45.213,	34.291,	-15.610,	-4.688,	361.850,
Employees and contracted services	100.509,	116.250,	96.191,	-15.741,	4.318,	465.000,
Office costs	5.325,	8.750,	18.906,	-3.425,	-13.581,	35.000,
Travel	90,	0,	5.043,	90,	-4.953,	25.000,
Administration (accounts, legal, audit, IT)	11.357,	14.500,	34.806,	-3.143,	-23.449,	58.000,
Bank expenses	602,	300,	0,	302,	602,	1.200,
Other extraordinary expenses	7.565,	3.750,	24.100,	3.815,	-16.535,	15.000,
TOTAL EXPENSES	**164.055,**	**198.763,**	**215.653,**	**-34.708,**	**-51.598,**	**1.001.050,**
TOTAL RESULT QTR1	**111.603,**	**66.032,**	**-156.658,**	**45.571,**	**268.261,**	**3.130,**

Notes to Profit and Loss

Income

Membership fees

Total amount received in Q1 – 2021 regarding membership fees is € 200.500, this is above budget. At this moment about 60% of the total membership fees are received. NOTE: Prior year this was ‘0’ for Q1 as ICAR only sent out membership fees in May 2020 (Rabobank delay).

Business/Certification services

Total income from certification services in Q1 -2021 for which relevant cost has been paid.

Expenses

Special projects

ICAR has different projects. In Q1 -2021 the total costs were 9.004 Euro.

- Field Validation Certification logo and branding by Mark Partners (6000 Euro)
- ICAR Cow Enquiry screens (myICAR) by Mtech (3004 Euro)

Contracted testing and certification services

Expenses paid to the laboratories for the certification tests done.

Employees and contracted services

The costs in Q1 – 2021 for salaries and social charges for personnel employed by ICAR as well as for engaging external consultant personnel and services to support ICAR in its operations.
In Q1 – 2021 ICAR had 4 employees; 2 located in Italy and 2 in the Netherlands.

- Total costs and social charges direct personnel (59.145 Euro)
- Total study costs (698 Euro)
- Total external consultants (40.666 Euro)

Office costs

Cost to run the office in Utrecht including renting of the premises.

Travel costs

In Q1 - 2021 due to COVID-19 the cost for travel was none.

Administration

Cost for legal and notary advice, accounting and IT support (including licenses), and bank expenses.

Other extraordinary expenses

The costs in Q1 – 2021 were one-off costs.

- ICAR - Change of ownership's record and Deed of Assignment pursuant to the transfer of ICAR's head office by Inlex (5.565 Euro)
- Consultancy by Italconsults (2.000 Euro)

Balance Sheet

Column balance	Total
Assets	
Inventory	915,
Accounts receivable	212.723,
Rabobank	240.907,
BNL	9.500,
Total Assets	**464.045,**
Liabilities	
Reserve *	34.373,
Profit for Q1 - 2021	111.603,
Accounts payable	35.555,
Deffered Income	284.426,
VAT credit	-1.912,
Total Liabilities	**464.045,**

Notes to Balance Sheet

Assets

Fixed assets

Laptop bought in 2020 and now in depreciation.

Accounts receivable

Outstanding membership fees and invoices still open.

Cash

Total cash in hand and in the bank account at Rabobank and BNL in Italy.

Liabilities

Capital Reserve

In Q1 – 2021 we have a reserve of 34.373 Euro. *In Q2 – 2021, when ICAR in Italy will be closed the total reserve will be transferred to ICAR Netherlands (approx. 295.000 Euro).

Operating profit / (loss)

Total profit from Q1 – 2021 is 111.603 Euro.

Accounts Payable

Total amount due for invoices issued in Q1 - 2021 to be paid in Q1 - 2021, salaries for staff and consultants and social charges.

Deferred income

Contracted services invoiced but not finalized in Q1 - 2021 for which we do not have the relevant cost, and membership fees related to Q2.

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Appendix 1. Breakdown Services – QTR1/2021

Income Breakdown by Activities.

Year 2021 (All figures in Euro) - QTR1

31st March 2021	Labels	CoQ	ID	RSD	Milk PT	Milk Analysers	InterBeef	Acc. DNA Data Centres	Total
Income	10.100	15.475	47.935	0	148	0	0	1.500	**75.158**
Cost	2.872	893	24.725	0	1.113	0	0	0	**29.603**
Actual Gross Margin	7.228	14.582	23.210	0	-965	0	0	1.500	**44.055**
% Gross Margin	72%	94%	48%	0%	0%	0%	0%	100%	**59%**
Budgeted Gross Marg	26.000	17.330	165.000	28.000	25.000	6.000	10.000	10.000	**287.330**

Year 2020 (All figures in Euro) - QTR1

31st March 2020	Labels	CoQ	ID	RSD	Milk PT	Milk Analysers	InterBeef	Acc. DNA Data Centres	Total
Income	9.350	1.500	37.310	2.000	0	0	0	1.200	**51.360**
Cost	2.644	0	24.850	0	0	0	0	0	**27.494**
Actual Gross Margin	6.706	1.500	12.460	2.000	0	0	0	1.200	**22.666**
% Gross Margin	72%	100%	33%	100%	0%	0%	0%	100%	**44%**
Budgeted Gross Marg	25.000	20.000	155.000	18.000	35.000	23.021	14.514	10.000	**300.535**