



THE GLOBAL STANDARD
FOR LIVESTOCK DATA

MANAGEMENT REPORT

International Committee for Animal Recording (ICAR)

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The Netherlands

For the period 1st January – 31st December 2024

Prepared on 5th March 2025

Table of contents

Introduction	2
Profit and Loss	4
Notes to Profit and Loss	5
Balance Sheet	7
Notes to Balance Sheet	8
Appendix 1. Breakdown services	9
Appendix 2. Outstanding membership fees 2024	10

Introduction

This report YTD End Year 2024 Report presents the figures for both income and expenses from membership and services for 2024 and for the comparison with YTD December 2023 and the YTD December 2024 budget.

Financial management statement 2024

ICAR had a significant financial loss in 2024. Poor management/decision making and lack of timely oversight resulted in reduced income and overspend in expenses.

Errors of underpricing in key services combined with an overrun in Administration (with large overspends in Legal and IT support) and excessive Staff costs meant for losses that were not sustainable.

This poor performance and lack of oversight, as well as the fact some key staff decided to leave ICAR over the summer, prompted the ICAR Board to step in and take action. In September 2024 the ICAR Board terminated the CE's contract.

In October, Martin Burke was appointed Interim CE on a short-term contract to correct and stabilise the operation.



In the last 5 months the following has been addressed:

- Restored correct pricing for services
- Right sizing of Staff numbers/requirements
- Eliminated duplication in Information Technology (IT) outsourcing
- Reduced unwarranted expensive legal consulting fees
- Budget 2025 to show profit, approved by ICAR Board in December 2024
- Cash flow stabilized
- Financial Committee scheduled quarterly audits throughout 2025

The ICAR Board are confident that the problems have now been addressed and with the Financial Committee we have put in place checks and balances throughout 2025 to ensure ICAR stays on track.

Also the process for recruitment and selectin of ICAR's full time General Manger is underway and the Board expects this to result in an offer and acceptance in Q2/2025.



Profit and Loss

Profit and loss in €					
	YTD 2024	Budget 2024	YTD 2023	YTD vs Budget	YTD 2024 vs YTD 2023
INCOME					
Membership fees	368,849	369,348	307,225	-499	61,624
Business / certification services	1,004,642	797,000	644,750	207,642	359,892
LOC	10,000	10,000	10,000	0	0
FAO Workshop Thailand	27,000	0	0	27,000	27,000
Ctb. Digi4Live	15,137	0	0	15,137	15,137
TOTAL INCOME	1,425,628	1,176,348	961,975	249,280	463,653
EXPENSES					
Special projects	34,319	30,000	51,579	4,319	-17,260
Contracted testing and certification services	644,334	414,994	406,521	229,340	237,813
Wages, taxes, social security and TFR to be paid	692,131	566,854	472,207	125,277	219,924
Office costs	24,857	38,000	23,890	-13,143	967
Travel	34,778	58,500	68,510	-23,722	-33,732
Administration (account, legal, audit, IT)	124,262	56,348	49,160	67,914	75,102
FAO Workshop Thailand	12,878	0	0	12,878	12,878
Digi4Live contribution to expenses (staff travel, office cost)	4,394	0	0	4,394	4,394
TOTAL EXPENSES	1,571,951	1,164,696	1,071,867	407,255	500,084
TOTAL OPERATING RESULTS PRIOR BANK CHARGES/PROFIT AND EXTRAORDINARY	-146,324	11,652	-109,892	-157,976	-36,431
Write-off doubtful payments	8,228	8,000	34,831		
Expenses lawyer Marie severance	7,782				
SMARTER adjustment	25,704				
Recruitment expenses (Kalika and Jonah)	23,800				
Bank charges/profit	1,790				
Other fines	267				
TOTAL RESULT	-213,895	3,652	-144,722	-157,976	-36,431



Notes to Profit and Loss

Income

Membership fees

The income represents the total invoiced to the Members as per the accrued system. The list of outstanding fees is shown in Appendix 2.

Business/Certification services

Total income from certification services in 2024 for which relevant cost has been paid.

LOC

The Local Organizing Committee (LOC) paid the agreed amount of EUR 10.000 for the organization of the annual Conference in Bled.

EU Project Digi4Live

ICAR is involved in the EU Digi4Life Project, where the EU regulations prohibit making a profit; thus, costs and revenues offset each other. ICAR has filed a claim for EUR 15.137, covering travel expenses related to Digi4Life, as well as staff and overhead costs. The travel expenses are itemized separately in the Profit & Loss overview. Staff and overhead costs are considered fixed, and the portion allocated to the EU project is calculated. In 2024, the breakdown is as follows:

Staff costs:	EUR 7.715
Travel costs:	EUR 4.394
Overhead costs:	EUR 3.027 (25% of direct cost)

Joint Workshop with FAO

ICAR signed a Letter of Agreement with FAO to co-organize a Workshop in Kon Kaen (Thailand) in November 2024. The income is the result of a grant from FAO for the amount of EUR 14.500 and sponsorship for EUR 12.500.

Expenses

Special projects

- Wiki
- PPE Project M3GE
- Feasibility review ISO 17065
- PT Bull semen

Contracted testing and certification services

Expenses paid to the laboratories for the certification tests done.



Employees and contracted services

The costs 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.

At 31/12/2024 ICAR had 3 employees located in Italy, and 1 employee (Chief Executive) located in Netherlands.

Office costs

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

Travel costs

The travel expenses incurred in the first ten months pertain to site visits to ICAR members, interactions with competent authorities, and attendance at the ICAR Conference in Bled, Slovenia, by staff members and the Chief Executive.

Administration

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

EU Digi4Life Project

The total direct cost for travel amounts to EUR 4.394.

Joint Workshop with FAO

Total amount paid by ICAR for travel and accommodation of staff attending the Workshop and invited speakers.

Extraordinary expenses

Among the extraordinary expenses in 2024 we have an adjustment for an amount of EURO 25.704 for the EU Project SMARTER. This adjustment is due to an error in 2022 and 2023 calculation and recording of the grant agreement and relevant cost for staff and office costs.

Reserve

Total Cash Position December 31st, 2024 = EUR 265.629

Total reserves: 3,6* months (policy target of 12 months)

Liquid reserves: 3,6 months equivalent (policy target of 12 months)

Based on ICAR Annual Operating Costs for 2024 of EUR 927.617.

**This is calculated by taking the total operating costs to run ICAR in 2024, excluding testing costs (€1.571.951 - €644.334), which equals €927.617. The reserve then represents the number of months we could continue operations with cash reserves of €265,629.*

Calculation:



- Reserve ratio: $\text{€}265.629 / \text{€}927.617 = 0.29$, or approximately 0.3.
- Equivalent months of operation: $12 \text{ months} \times 0.3 = 3.6 \text{ months}$

Balance Sheet

Closing Balance per YTD December 2024		Closing Balance per Year End 2023	
ASSETS		ASSETS	
Accounts receivable	81,097	Accounts receivable	149,283
Rabobank	255,491	Rabobank	262,844
BNL Italy	9,688	BNL - Italy	13,781
		EU Smart project	35,703
TOTAL ASSETS	346,276	TOTAL ASSETS	461,611
LIABILITIES		LIABILITIES	
Reserve	206,670	Reserve	352,385
Lost YTD December 2024	-213,895	Loss Year End 2023	-145,715
Accounts payable	197,841	Accounts payable	70,277
Deferred income	142,904	Deferred income	181,430
Reservations	34,863		
VAT	-22,108	VAT	3,234
TOTAL LIABILITIES	346,276	TOTAL LIABILITIES	461,611

Notes to Balance Sheet

Assets

Accounts receivable

Outstanding invoices regarding services and membership fees.

Rabobank & BNL Italy

Total in the bank accounts at Rabobank and BNL in Italy.

Liabilities

Capital Reserve

As of 31st December 2024, we have a reserve of EUR 206.670.

Operating profit

Total loss in 2024 is EUR 213.895.



Accounts Payable

Total amount due for invoices received in 2024 to be paid in the following months of 2025, salaries for staff and consultants and social charges.

Deferred income

Contracted services invoiced for which we do not have the relevant costs:

ID tests	income:	EUR 69.520	costs: EUR 39.212
MA tests	income:	EUR 19.580	costs: EUR 14.500
RD tests	income:	EUR 55.574	costs: EUR 41.084



Appendix 1. Breakdown Services – YTD December 2024

Income Breakdown by Activities

Year 2024 (All figures in Euro) - December 2024								
31 Dec. 2024	Labels	CoQ	ID	RSD	Milk PT	InterBeef	Acc. DNA Data Centres	Total
Income	37,685	45,460	550,473	130,718	99,755	119,431	20,350	1,003,872
Direct cost	11,997	21,351	340,099	83,735	62,722	119,430	5,000	644,334
Actual Gross Margin	25,688	24,109	210,374	46,983	37,033	1	15,350	359,538
% Gross Margin	68%	53%	38%	36%	37%	0%	75%	36%
Year 2023 (All figures in Euro) - December 2023								
31 Dec. 2023	Labels	CoQ	ID	RSD	Milk PT	InterBeef	Acc. DNA Data Centres	Total
Income	28,440	44,660	451,881	76,051	81,560	134,892	15,700	833,184
Direct Cost	6,858	11,188	275,043	53,421	53,268	134,892	0	534,670
Actual Gross Margin	21,582	33,472	176,838	22,630	28,292	0	15,700	298,514
% Gross Margin	76%	75%	39%	30%	35%	0%	100%	36%



Appendix 2. Outstanding membership fees 2024

Membership fees 2024			Outstanding	Year
National Food Chain Safety Office	Hungary	Full	2772	first
State Food and Veterinary Service of the Republic of Lithuania	Lithuania	Full	3890	first
Cattle Breeders' Association of Turkey	Turkey	Full	5116	first
Sistema Nacional Información Ganadera, Ministerio de Ganadería Agricultura y Pesca	Uruguay	Full	1066	first
Sistema Nacional de Identificación Individual de Ganado (SINIIGA)	Mexico	Full	1066	first
			13910	

End of the report.