

Management Report

International Committee for Animal Recording (ICAR) and
SERVICE-ICAR SRL
Budgets 2019



THE GLOBAL STANDARD
FOR LIVESTOCK DATA

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Table of contents

ICAR Budget 2019.....	3
ICAR Actuals / Budget 2018 vs ICAR Budget 2019.....	4
Quarterly Reporting Template ICAR 2019.....	5
SERVICE ICAR Budget 2019.....	6
SERVICE ICAR Budget 2018 vs SERVICE ICAR Budget 2019.....	8
Quarterly Reporting Template SERVICE ICAR 2019.....	9

ICAR Budget 2019

REVENUES	
Membership fees	322.875
Special projects	10.000
TOTAL REVENUES	332.875
EXPENSES	
Contracted Consultant costs	200.000
Travel	35.000
Office costs	15.000
Administrative services (accounts, legal, audit, bank)	30.000
Special projects expenses	50.000
TOTAL OPERATING COSTS	330.000
Investment income / (expenses)	0
NET PROFIT / (LOSS)	2.875

REVENUES**1. Member fees**

Total amount to be invoiced to members for annual fees 2019.

2. Special Projects

Special projects income is referred to the contribution from LOC2019 for the organization of the annual conference.

EXPENSES**3. Contracted Consultant Costs**

Expenses related to QPlus Ltd CE services and for other contracted technical consultants support from SERVICE-ICAR.

4. Travel

Total cost for travel, accommodation and meals of the office, Board, and General Assembly. (covers 20.000 Euro for Board meetings, 10.000 Euro for office, and 5.000 Euro for Groups.

5. Office

Total cost to run the ICAR office (postage, telephone, office material, printing, Web site, etc.) This includes office rental in Rome for 10.500 Euro (for the rent of two rooms at Executive Service).

6. Administrative services

Cost for outsourcing services (accounting, legal, bank expenses, etc.)

As well our normal administrative services budget we have budgeted extra 15k to reflect expected extra spend on legal fees related to the AR case

7. Special projects expenses

There are three ICAR special projects earmarked for 2019:

- Recording Devices Test Lab S/W upgrade and Sensor evaluations – at a cost of 20.000 Euro.
- DNA Accreditation Software Development for Parentage Discovery - at a cost of 6.000 Euro.
- Future ICAR II relocation of the seat – budgeted a cost of 24.000 Euro.

8. Investment income / (expense)

The Association has no investment portfolio at the moment.

ICAR Actuals / Budget 2018 vs 2019

	<u>Budget 2018</u>	<u>Actual 2018</u>	<u>Budget 2019</u>
REVENUES			
Membership fees	326.325	326.396	322.875
Special projects	0	9.170	10.000
TOTAL REVENUES	326.325	335.566	332.875
EXPENSES			
Contracted Consultant costs	200.000	200.729	200.000
Travel	40.000	33.815	35.000
Office costs	15.000	14.193	15.000
Administrative services (accounts, legal, audit, bank)	10.000	24.269	30.000
Depreciation	0	183	0
Special projects expenses	35.000	14.042	50.000
TOTAL OPERATING COSTS	300.000	287.231	330.000
Other extraordinary income / (expenses)	-25.000	29.509	0
Investment income / (expenses)	0	0	0
NET PROFIT / (LOSS)	1.325	18.826	2.875

Quarterly Reporting Template - ICAR Budget 2019 (follow-up by Quarter)

	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		75.000			260.000			300.000			322.875	
Special projects		0			0			10.000			10.000	
TOTAL REVENUES	0	75.000		0	260.000		0	310.000		0	332.875	
EXPENSES												
Contracted consultant costs		50.000			100.000			150.000			200.000	
Travel		7.000			20.000			30.000			35.000	
Office costs		3.000			6.000			10.000			15.000	
Administrative services (accounting, legal, audit, bank...)		5.000			20.000			25.000			30.000	
Special project expenses		15.000			30.000			45.000			50.000	
TOTAL OPERATING COSTS	0	80.000		0	176.000		0	260.000		0	330.000	
OPERATING PROFIT / (LOSS)												
NET PROFIT / (LOSS)	0	(5.000)		0	84.000		0	50.000		0	2.875	

SERVICE-ICAR Budget 2019

REVENUES	
Labels	40.000
CoQ	40.000
Identification	325.000
Recording Devices	40.000
DNA Accreditation	10.000
Milk PT	45.000
InterBeef	115.000
Other services	0
<i>Sales income</i>	615.000
Contracted personnel service income	100.000
Special projects	8.110
TOTAL REVENUES	723.110
EXPENSES	
Employees and related expenses	290.000
Travel	10.000
Office (rental and suppliers)	35.000
Administrative services (legal, account, audit, insurance, IT, bank...)	45.000
<i>Office Expenses</i>	380.000
Labels	10.000
CoQ	10.000
Identification	185.000
Recording Devices	28.000
DNA Accreditation	0
Milk PT	25.000
InterBeef	100.000
Other services	0
<i>Contract services</i>	358.000
Depreciation	1.200
Special project expenses	0
TOTAL OPERATING COSTS	739.200
Investment income / (expense)	0
Taxes	-2.000
NET INCOME (LOSS)	-18.090

REVENUES**1. Services income**

- 1.1. Labels – sales of the ‘Certified’ labels on Recording Devices, (based on 80.000 labels at €0,50 each).
- 1.2. CoQ – Certificate of Quality audit fees based on ICAR’s 2019 schedule of Site Visit and Consultative Reviews.
- 1.3. Identification – income forecasted from ID Device testing based on lower rate of 2018.
- 1.4. Recording Devices - income forecasted from Recording Device testing based on input of RSD chair and committee.
- 1.5. DNA Accreditation – income based on 2018 activities for DNA Centres and Parentage Testing.

- 1.6. Milk Proficiency Testing – based on same as 2018 rates of lab participation.
- 1.7. Interbeef – fees income based on 2018 participation and Interbull fees remaining stable.
2. **Contracted Personnel service income**
Total amount paid by ICAR for the technical and administrative services/support.
3. **Special projects**
Special project income is referred to the SMARTER EU Project. The project started on 1/11/2018 for a duration of 48 months with a total grant of 175.850 Euro. The total amount for overhead is 32.440 Euro, in 2019 it has been considered as ¼ without any forecast for expenses = €8.110. The items will be adjusted during the year.

EXPENSES

4. **Employees and related expenses**
Personnel cost including social charges (health, retirement, benefits, private insurance, etc.).
5. **Travel**
Cost for travel of office and Board.
6. **Office**
Total cost to run the office including renting for an amount of 22.080 Euro.
7. **Administrative services**
Total cost for outsourcing services (hosting server and IT support, accounting, legal, audit, office and officers' insurance) including bank expenses.
8. **Contract services**
Cost of sales, to our suppliers for services (laboratories, auditors CoQ, printing labels, etc.) – listed per activity to match services income in item 1. Above.
9. **Depreciation**
10. Depreciation for 12 months for computers and furniture owned by the company.
11. **Special projects expenses**
No costs for special projects.
12. **Investment income / (expense)**
Nil.
13. **Taxes** - Taxes due by the company.

SERVICE-ICAR Budget 2018 vs 2019

	Budget 2018	Budget 2019
REVENUES		
Labels	40.000	40.000
CoQ	28.260	40.000
Identification	440.000	325.000
Recording Devices	60.000	40.000
DNA Accreditation	4.500	10.000
Milk PT	47.000	45.000
MIR	24.000	0
InterBeef	115.000	115.000
Other services	0	0
<i>Sales income</i>	758.760	615.000
Contracted personnel service income	95.000	100.000
Special projects	0	8.110
TOTAL REVENUES	853.760	723.110
EXPENSES		
Employees and related expenses	315.000	290.000
Travel	10.000	10.000
Office (rental and suppliers)	36.000	35.000
Administrative services (legal, account, audit, insurance, IT, bank...)	59.200	45.000
Labels	9.600	10.000
CoQ	8.150	10.000
Identification	228.000	185.000
Recording Devices	48.000	28.000
DNA Accreditation	0	0
Milk PT	28.000	25.000
MIR	4.500	0
InterBeef	100.000	100.000
Other services	0	0
<i>Sub total Contract services</i>	426.250	358.000
Depreciation	1.700	1.200
Special project expenses	8.000	0
TOTAL OPERATING COSTS	856,150	739.200
Investment income / (expense)	0	0
Taxes	-2.000	-2.000
NET INCOME (LOSS)	-4.390	-18.090

SERVICE-ICAR Budget 2019 follow-up by Quarter

	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 Sep. 2019	Q3 Budget Sep. 2019	Diff. Vs. budget Q3	Q4 Actuals Dec. 2019 (Year end)	Q4 Budget 2019 (Year end)	Diff. Vs. budget Q4 (Year end)
REVENUES												
Labels		12.000			24.000			30.000			40.000	
CoQ		30.000			35.000			40.000			40.000	
Identification		70.000			135.000			220.000			325.000	
Recording Devices		0			20.000			30.000			40.000	
Data Interpretation Centres-GenoEx PSE		2.500			5.000			7.500			10.000	
Milk PT		25.000			25.000			25.000			45.000	
InterBeef		0			0			115.000			115.000	
<i>Sales income</i>		139.500			244.000			467.500			615.000	
Technical-management support to ICAR		25.000			50.000			75.000			100.000	
Special projects		0			0			0			8.110	
TOTAL REVENUES		164.500			294.000			542.500			723.110	
EXPENSES												
Employee related expenses		75.000			150.000			225.000			290.000	
Travel		2.500			7.000			8.500			10.000	
Office (rental and suppliers)		8.750			17.500			25.000			35.000	
Administrative services		10.000			20.000			40.000			45.000	
Labels		2.500			5.000			7.500			10.000	
CoQ		7.500			8.500			10.000			10.000	
Identification		10.000			85.000			135.000			185.000	
Recording Devices		0			14.000			21.000			28.000	
Milk PT		0			12.500			14.000			25.000	
InterBeef		0			0			100.000			100.000	
<i>Contract services</i>		20.000			125.000			287.500			348.000	
Depreciation		300			600			900			1.200	
Special project expenses		0			0			0			0	
TOTAL OPERATING COSTS		116.550			320.100			586.900			739.200	
Operating profit / (loss)												
Taxes		-500			-1.000			-1.500			-2.000	
NET INCOME (LOSS)		47.450		0	-27.100			-45.900			-18.090	