

Interbull Centre Financial Report



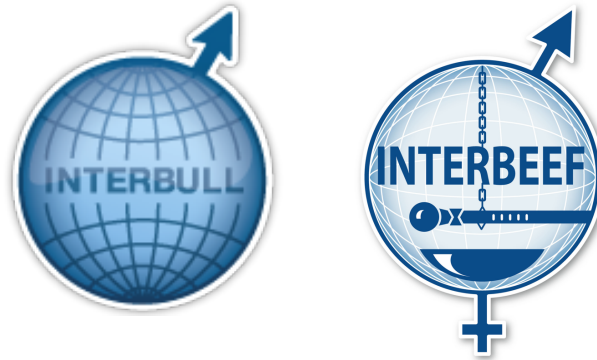
2023



INTERBULL CENTRE FINANCIAL REPORT 2023

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interGenomics

GENEX
International Genotype Exchange Platform



INTERBULL CENTRE FINANCIAL REPORT 2023

Introduction

The complete Interbull Centre Financial Report 2023 can be found in this document. A description of the activities that these are related to can be found in the “*Interbull Centre Activity Report 2023*”.

The Interbull Centre Financial Report 2023 includes final accounts for 2022 and 2023 and the budget for 2024:

- The accounts have been audited within the normal procedures for the Swedish University of Agricultural Sciences (SLU).
- The same layouts, tables and budget items have been used since 2020.

Financial Report Tables

The financial situation of the Interbull Centre is presented in the following Tables:

- Table I: Interbull (Dairy) Finances; Finances related to Dairy Services, GenoEx, other ICAR related activities (excluding Interbeef) and European Union Reference Centre (EURC).
- Table II: Interbeef Finances; Finances related to the Interbeef Service
- Table III: Interbull Centre - Overall Finances; A consolidation of Tables I and II.

Notes for all Tables

- Tables are reported in Euro (€).
- SLU bank account and Interbull Centre operate in Swedish Crowns (SEK), which may lead to exchange rate differences in reporting.
- Exchange rates used are provided with each table. The exchange rates used are based on the following:
 - 2022 (Actual) and 2023 (Budget): 10.6 SEK:€
 - 2023 (Actual) and 2024 (Budget): 11.2 SEK:€

Income

Service Fee Income:

- The methodologies for the calculation of **Interbull Service Fees** are detailed in chapter 10 of the Interbull Code of Practice: https://interbull.org/ib/cop_chap10.
- The **service fee models** (for Interbull, Interbeef and GenoEx-PSE) have not changed. A fee has been introduced, starting 2024, for participation in “Exchange of Genetic Traits”.
- In line with the Interbull policy, the Interbull Steering Committee reviews the service fee levels annually; the service fee level increase for services provided by the Interbull Centre was 3% in 2022 and 2023. **The service fee level for 2024 has not been changed in comparison to 2023.**
- **Invoices** for the delivery of all expected services in 2023 were sent in July and August 2023. In December 2023, supplementary invoices were issued for the delivery of services that were requested after May.

Grants:

- The **EURC Grant** is set, and paid, by the European Commission (EC) according to its rules, regulations and overall budget for all EURCs. The maximum EURC Grant for the Interbull Centre to perform its duties as the European Union Reference Centre for Zootechnics during 2023-2024 is €335 000. As per Grant Agreement, the exchange rate to be applied is the average exchange rate during a reporting/claim period.
- Until 31 December 2023, the Interbull Centre was situated within the Department of Animal Breeding and Genetics (“HGEN”) of the Swedish University of Agricultural Sciences (SLU). In line with university and department policies “SLU Grants” were provided to the Interbull Centre in recent years. Due to a reorganisation within the

Faculty, HGEN merged with two other departments to form, from 1 January 2024, the Department of Animal Biosciences (“HBIO”). For 2024, no **SLU Grant** is foreseen.

Other income includes:

- Currency exchange differences between invoicing and receipt of payments.

Costs

- “Salary and associated costs” are the biggest drivers of costs at the Interbull Centre.
- “Support Functions and Overheads” relates to costs incurred by Interbull Centre through internal SLU recharges, including overhead/indirect costs, but also Finance, HR Administration, and IT support staff.
- Both “Office Rent” and “Support Functions and Overhead” are calculated and charged as a percentage of “Salary and social costs” and vary from year to year.
- “Travel, conference, training” includes transport, accommodation, conference fees, training costs, travel allowance.
- “Bought services” includes consultancy and license fees.
- “Running/Other costs” relates to all other cost including office supplies, expenses for people not employed by SLU, etc.



Table I: Interbull (Dairy) Finances

Finances related to Dairy Services, GenoEx, other ICAR related activities (excluding Interbeef) and EURC (Values in €).

	2022 Actual	Budget	2023 Actual	Variance	2024 Budget
Income					
Service fees*	955 636	988 183	1 003 067	14 884	1 000 000
SLU grants	28 302	28 302	26 785	- 1 517	-
Grants (EU)	184 308	167 154	194 223 ^x	27 069	160 777
Other income ⁺	12 320	-	5 120	5 120	-
Total income	1 180 566	1 183 639	1 229 195	45 556	1 160 777
Costs					
Salaries incl social costs	603 725	627 010	543 753	- 83 257	657 106
Other staff costs	8 633	14 638	15 730	1 092	14 750
Office Rent	79 058	88 033	76 343	- 11 690	117 993
Overhead and support	261 884	268 925	233 215	- 35 710	260 286
Bought services (incl consultancy)	52 591	124 633	99 431	- 25 202	129 444
Travel	16 071	17 736	29 431	11 695	36 958
IT Hardware depreciation	41 088	35 906	42 220	6 314	46 024
Running costs	5 084	11 515	17 428	5 913	19 832
Total costs	1 068 133	1 188 396	1 057 551	- 130 845	1 282 393
Net results (income-costs)	112 432	- 4 757	171 644		- 121 616
Accumulated Balance	537 880	533 123	709 524		587 908
Exchange rate (SEK:€)	10.6	10.6	11.2		11.2

+ Other income: Exchange rate difference between invoice and payment received.

	2022 Actual	Budget	2023 Actual	Variance	2024 Budget
* Service Fees:					
Interbull Services	886 015	915 470	925 971	10 501	927 287
InterGenomics	60 595	62 413	66 149	3 736	62 413
GenoEx	9 025	10 300	10 947	647	10 300

^x The average exchange rate for 2023 (11.5 SEK:€) has been applied, as the EURC Grant is paid on the basis of the average exchange rate for the year.

Interbull (Dairy); Results 2023

Income:

Service Fee Income:

- Difference between budget and actual service fee and other income is mainly due to variations in exchange rates.

EU Reference Centre:

- The (maximum) value of the two-year EURC Grant for the period 2023-2024 is € 335 000. €194 223 of the grant has been allocated to 2023. The remainder of the grant (€ 160 777) has been included in 2024 budget.

Costs:

Salaries and associated costs

- The Interbull Centre salary and associated costs were lower than budget due to vacancies for a total duration of 7 months, and additional leave of current staff.

'Office Rent' and 'Support functions and Overhead'

- Costs for 'Office Rent' and 'Support functions and Overhead' were reduced as a result of the reduction in staff costs.

Travel, Conference and training:

- The three main events attended by Interbull Centre staff in 2023 were the ICAR Conference in Toledo, Spain, the Interbull Annual Meeting in Lyon, France, and the Interbull Strategic Planning meeting in Amsterdam, The Netherlands. Most meetings (with Interbull and ICAR Committees and Working Groups) are attended online.

IT Hardware depreciation

- Hardware depreciation costs for the Interbull Centre infrastructure were higher than budget, due to additional purchase of servers to be replaced.

Bought Services (incl. Consultancy)

The total costs for bought services were slightly under budget. Such services included:

- Evaluation software development.
- Auditor and certification fees (ISO9001).
- Strategic Planning.
- Human Resources and Training.
- Web services.
- Licence Fees.

Interbull (Dairy); Budget 2024

Income:

Service Fee Income:

- **Interbull Dairy Service Fee Income** for 2024 as compared to 2023 is a result of:
 - The Service Fee Level for 2024 is not increased in comparison to 2023 for any services.
 - A service fee for participation in “Genetic Traits Exchange” has been introduced, commencing 2024. However, no income through this, or any other new services or additional participation in current services have been included in the budget.

Grants:

- The 2023-2024 EURC Grant is €335 000. Remaining budget for 2024 is €160 777.

Other income:

- None foreseen.

Costs:

Salaries and associated costs:

- Salaries are included for activities for Interbull Centre. Interbull Centre staff also performs activities for HGEN and EU projects: These are only not included in the Interbull Centre Budget. None have been confirmed for 2024 yet.
- The 2024 budget includes 10 FTE staff working on Interbull Centre activities (including Interbull, Interbeef and GenoEx services and applied R&D, and EU Reference Centre activities. Staff will need to be recruited.
- Interbull activities are described in the “*Interbull Centre Annual Operating Plan 2024*” (AOP2024).

‘Office Rent’ and ‘Support functions and Overhead’:

- The following charges are in place, calculated as percentage of salary and social costs:
 - Expected rate for “Office rent” is 17.95% in 2024 (14.04% in 2023).
 - Expected rate for “Support Functions and Overhead” is 39.62% in 2024 (42.89 % in 2023).

Running costs include:

- Consumables, representation (hosting of visitors and meeting), and other running costs.

Travel, Conference and training:

- Both online and in-person attendance of meetings, and training is anticipated in 2024, including attendance at the Interbull Annual Meeting, which will be held in conjunction with the ICAR Conference in Bled, Slovenia in 2024.

IT Hardware depreciation:

- IT Hardware depreciation costs for the Interbull Centre are expected to be slightly higher than in 2023.

Bought Services (incl. Consultancy) include:

- Evaluation software development.
- SNPMace project
- Auditor and certification fees (ISO9001).
- Human Resources and Training.
- Marketing, Branding and Governance.
- Web services.
- Licence Fees.



Table II: Interbeef Finances

Finances related to the Interbeef Services (Values in €).

Income	2022		2023		2024
	Actual	Budget	Actual	Variance	Budget
Service fees	121 707	125 310	141 138	15 828	125 310
Other income ⁺	1 184	-	1 643	1 643	-
Total income	122 890	125 310	142 781	17 471	125 310
Costs					
Salaries incl social costs	60 921	76 214	74 374	- 1 840	72 500
Other staff costs	54	849	4 914	4 065	4 000
Office Rent	7 978	10 700	10 442	- 258	13 000
Overhead and support	26 426	32 688	31 899	- 789	28 725
Bought services (incl consultancy)	2 336	-	-	-	-
Travel	211	3 962	1 030	- 2 932	1 435
IT Hardware depreciation	2 503	2 990	352	- 2 638	3 250
Running/ Other costs	184	721	2 422	1 701	2 400
Total costs	100 612	128 124	125 434	- 2 690	125 310
Net results (income-costs)	22 279	- 2 814	17 347		0
Accumulated Balance	- 60 224	- 63 038	- 42 877		- 42 877
Exchange rate (SEK:€)	10.6	10.6	11.2		11.2

+ Other income: Exchange rate difference between invoice and payment received.

Interbeef; Results 2023

A net result of €17 347 has reduced the Interbeef deficit to €43K.

Income (Service Fee Income):

- The Interbeef Service Fee is paid to the Interbull Centre by ICAR for the International Beef Evaluations.
- The total Interbeef service fee income in 2023 was higher than budgeted, mainly thanks to the introduction of a new trait in the Interbeef evaluation services, and additional data contributions.

Costs:

- Cost have been slightly lower than budget.

Interbeef; Budget 2024

Service Fee Income:

- **Interbeef** Service Fee Income for 2024 as compared to 2023 is a result of:
 - No increase in the Service Fee Level in comparison to 2023 for the Interbeef services (nor for any other services).
 - Modest additional data and participation in current services.
 - Addition of Tyr (Norway), in official routine evaluation, but withdrawal by Switzerland and Slovenia.

Costs:

- Interbeef staff time and activities are scheduled in line with the service fee income, while also taking account of priorities and activities identified by the Interbeef WG; Interbeef activities are described in the "AOP 2024".
- Travel includes costs for attendance at the ICAR Annual Meeting and Interbeef WG meetings in Bled, Slovenia.

Table III: Interbull Centre – Overall Finances

Table III provides a consolidation of the information in Tables I and II, with the Interbull Centre Finances related to Dairy and Beef Services, GenoEx, EURC and other ICAR-related activities (**Values in €**).

	2022 Actual	Budget	2023 Actual	Variance	2024 Budget
Income					
Service fees	1 077 343	1 113 493	1 144 205	30 712	1 125 310
SLU grants	28 302	28 302	26 785	- 1 517	-
Grants (EU)	184 308	167 154	194 223 ^x	27 069	160 777
Other income ⁺	13 504	-	6 763	6 763	-
Total income	1 303 456	1 308 949	1 371 976	63 027	1 286 087
Costs					
Salaries incl social costs	664 645	703 224	618 127	- 85 097	729 606
Other staff costs	8 687	15 487	20 644	5 157	18 750
Office Rent	87 035	98 733	86 785	- 11 948	130 993
Overhead and support	288 310	301 613	265 114	- 36 499	289 011
Bought services (incl consultancy)	54 927	124 633	99 431	- 25 202	129 444
Travel	16 282	21 698	30 461	8 763	38 393
IT Hardware depreciation	43 591	38 896	42 572	3 676	49 274
Running/Other costs	5 268	12 236	19 850	7 614	22 232
Total costs	1 168 745	1 316 520	1 182 985	- 133 535	1 407 703
Net results (income-costs)	134 711	- 7 571	188 992		- 121 616
Accumulated Balance	477 657	470 086	666 649		545 033
Exchange rate (SEK:€)	10.6	10.6	11.2		11.2

⁺ Other income: Exchange rate difference between invoice and payment received.

^x The average exchange rate for 2023 (11.5 SEK:€) has been applied, as the EURC Grant is paid on the basis of the average exchange rate for the year.

All planned activities are described in the “Interbull Centre Annual Operating Plan 2024”.

Interbull (Dairy) includes:

- All Interbull Services (MACE, GMACE, InterGenomics, TMACE)
- European Union Reference Centre for Zootechnics
- Data Exchange services, including SNP exchange services through the GenoEx Platform, and “Genetic Traits Exchange”.
- Services for ICAR

Interbeef includes:

- Costs related to providing Interbeef evaluation services and coordination of research for the Interbeef WG.

Interbull Centre; Results 2023

- The net result for 2023 is € 189K, compared to a budgeted deficit of € 7.6K.
- Both income and costs are affected by the changes in exchange rates.
- The income from service fees is higher than budget.
- Lower costs were (in addition to exchange rate differences) due to two positions being vacant during 2023 for a total of 8 months, and unplanned extended leave of staff. Salary costs in combination with its directly associated costs - Premises, Overhead and support – were €133.5K lower than budget.

Interbull Centre; Budget 2024

- The Service Fee Level has not been increased for any of the Interbull Centre services.
- The Steering Committee commits reserves to strategic investments in new services and research, in line with the 2024-2027 Interbull Strategic Plan. In 2024 this investment results in a deficit of €120k, and further investments are foreseen in 2025 and later years.



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The Interbull Centre:

- *is the operational unit of the ICAR permanent sub-committee **Interbull**; and the ICAR Working Group **Interbeef**.*
- *holds the status of **European Union Reference Centre (EURC)** - Zootechnics;*
- *is **ISO 9001** certified.*