



International Co-operative Alliance (ICA)

ICA General Assembly
Meeting Documentation



"INNOVATION IN CO-OPERATIVE BUSINESS"

14-19 October 2007

ICA General Assembly Meeting Documentation

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The ICA General Assembly is hosted by the Singapore National Co-operative Federation (SNCF)

15 August 2007



Convention Centre Access

The Raffles City Convention Centre forms part of Raffles City complex which comprises sister hotels – Raffles The Plaza and the Swissôtel The Stamford. It also includes the Raffles City Shopping Centre and Raffles City Tower.

The majority of selected ICA GA Singapore hotels are located within walking distance.

A MRT (metro) station, "City Hall" also services the RCC.

RAFFLES CITY CONVENTION CENTRE ICA General Assembly

Registration

Delegates are encouraged to pick up their badges and other meeting information as early as possible. The ICA Registration Desk will be located in the foyer of the Raffles City Convention Centre RCC (level 4) and will be open at the following times:

- 15 October - 14:00 - 18:00
- 16 October - 08:45 - 18:00
- 17 October - 08:45 - 18:00
- 18 October - 07:30 - 18:00
- 19 October - 08:45 - 15:00

Note that delegates are required to wear their badges to participate in the General Assembly sessions, the welcome reception, lunch buffets provided to GA delegates on the 18th and 19th and the farewell dinner.

Other Information for Participants

- An information and tour desk for participants of the General Assembly will be located in the foyer of the Raffles City Convention Centre RCC (Level 4) as of 14 October.
- The ICA General Assembly Secretariat Office will also be located in the RCC Executive Conference Centre. It will be staffed as of 14 October. Both ICA staff and host organisation staff will be available.
- ICA Communications will be set up in the Blundell Room at the RCC.
- Computers with internet access will be available for use by ICA delegates in the Buttersworth room at the RCC from 14 to 19 October.



www.icasingapore.coop

Meeting documentation, tour and tourist information on Singapore, and hotel information is available from the official ICA General Assembly 2007 website.



ICA General Assembly 2005 (Cartagena)

Draft Minutes



Opening

The ICA President, Mr. Ivano Barberini wished all a warm welcome to the General Assembly 2005 and called the General Assembly to order.

Before turning to the business at hand, the President asked the Assembly to stand and observe a minute of silence in recognition of the following co-operators who had passed away: Sven Åke Böök, Padmashri Paul Pothan, Jacques Moreau, Lino Visani, John Gallacher, Heinz Fahrenkrog, and Bernard Rhodes.

The ICA President announced that this Assembly was well attended with a total of 216 representatives, with 16% or 35 representatives being women; 1062 observers, with 24% of women or 252; 44 guests; 30 press and 37 personal interpreters.

Adoption of the Agenda

The President reminded the Assembly that the draft Agenda had been circulated to members as part of the *Review of International Co-operation*, Volume 98, No 2/2005.

There being no proposed changes, the General Assembly approved the agenda by acclamation.

Minutes of the General Assembly 2003, Oslo

The draft minutes were approved as presented by acclamation.

Report of the ICA President

The President reported on his activities over the last year.

Members accepted the report.

Report of the Director-General

The Director-General reported on the activities of the ICA based on the Annual Reports of 2003 and 2004. He reported that 2004 had been a year of

consolidation for the ICA. Many of the changes recommended by the Task Force were not only in force internationally but had now been translated into regional Rules.

2004 also saw significant collaboration through the Committee for the Promotion and Advancement of Co-operatives (COPAC) with development partners, particularly those in Canada, Sweden, Norway and the USA. This had led to greater co-ordination and awareness of the international co-operative development work carried out by ICA.

The DG said that the ICA's experience in reacting to the tsunami disaster helped in this process, however sadly. He said that he would remember his visit to the stricken areas for the rest of his life but this continues to demonstrate the power of co-operatives working together.

The Director-General further reported on the Poverty Campaign and how it had expanded the ICA's historic link to peace and reconciliation by demonstrating how impossible it is to uncouple peace from justice and the alleviation of poverty. Close work was in hand with the International Labour Organisation (ILO) in this connection.

In reporting on Dot coop, the Director-General mentioned that www.directory.coop was the largest co-operative directory in the world searchable by country, domain name and organisation name. There was a new technical partner in the shape of Oxford Swindon & Gloucester Co-operative Domains Ltd (OSGCD) which is a subsidiary of Oxford Swindon & Gloucester Co-operative Society in the United Kingdom and is committed to serving the co-operative community.

Reporting on the regions, the Director-General said that despite modest resources, the amount of work undertaken was quite astonishing. The ICA focus was now to improve systems and structures in order to raise the profiles of regions and their work and secure greater support from governments and international organisations.



ICA delegates in Cartagena

Cartagena Draft Minutes *(continued)*

In Africa ICA recognised that it must work with the United Nations and others in tackling the resurgence of HIV/AIDS

and look beyond that to better times. Successful events and training programmes on agriculture, gender and human resource development were carried out as well as an excellent African Regional Conference in Cape Verde. The DG ended his report saying that ICA would continue to unite, represent and serve its member organisations.

Members accepted the report.

Report of the Independent Auditor

The Auditor from Ernst & Young, Mr Mark Hawkins commented upon the financial statements for the years 2003 and 2004. The consolidated statements for the two years present fairly, in all material respects, the financial position of the International Co-operative Alliance as of 31 December 2004 and the results of its operations and its cash flows for the year then ended in accordance with International Accounting Standards.

Members accepted the report.

Report of the Audit & Control Committee

The Chairperson of the Audit & Control Committee, Mr. Roy Berg Pedersen, commented upon the way the Audit & Control Committee had worked. He said that the financial affairs had improved since the General Assembly in Norway and it was good that ICA had been able to start rebuilding its reserves. He thanked the membership, the new leadership at ICA Head office and the staff. For a good future, he said, we needed to have a much better discipline; the membership fees must be paid, be paid on time and be paid in accordance with the formula. For ICA, the base for a sound economy is the membership fee. He went on to say that financial stability is especially

important today when the co-operative movement can and must play an important role in all kinds of societies, not least the developing ones.

Finally, Mr. Pedersen, on behalf of the Audit & Control Committee, submitted the recommendation to the General Assembly to approve the audited accounts for the years 2003 and 2004.

The General Assembly approved the ICA annual accounts for the years 2003 and 2004 and the report of the Audit & Control Committee.

Report and Recommendations of the Governance Working Group

The President said that the Oslo General Assembly 2003 had approved a Task Force Report reviewing ICA. That Report recommended the setting up of a Governance Working Group to examine the whole area of governance especially a description of competencies and responsibilities. The Chairperson of the Group, Gun-Britt Mårtensson, delivered the interim report.

Motions

Two motions were received by the General Assembly from the ICA Board. The first regarding regionalisation and support for the integration process in Europe was moved by Pauline Green, Co-operative UK and seconded by Felice Scalvini, Confcooperative of Italy.

The second motion was on the CICOPA World Declaration. This motion had been approved by the Board but had been slightly amended from the text in the General Assembly Review. This motion was moved by the President and Janusz Paszkowski of the National Auditing Union of Workers' Co-operatives (NAUWC) of Poland seconded it.

Both motions were approved.

Cartagena Draft Minutes *(continued)*



Cartagena de Indias, Colombia

Election of President, Board and Audit & Control Committee Candidates

Yehudah Paz, as Chairperson of the Elections Committee, was called upon to chair the session during which the candidates for Board and Audit & Control Committee would briefly present themselves. Mr. Paz first invited Ivano Barberini, nominated by Legacoop, AGCI, Confcooperative all of Italy, Co-operatives UK, and the National Co-operative Union of India and sole candidate for the ICA presidency to briefly present himself.

Mr. Barberini was re-elected by acclamation.

Mr. Paz reminded the Assembly that elections for Vice President would take place next year at the respective Regional Assemblies, to be endorsed by the General Assembly in 2007. He reminded the Assembly that the current Vice Presidents were: Pauline Green, Europe, Mu Li, Asia Pacific, Stanley Muchiri, Africa and Carlos Palacino, Americas.

Mr. Paz asked the candidates for the Audit & Control Committee to present themselves: Esther Gicheru, Co-operative Bank, Kenya; Philip Holmes, Co-operatives UK, United Kingdom; Shugo Ogura, JCCU, Japan; Roy Berg Pedersen, Norwegian Federation of Co-operative Housing Associations (NBBL), Norway; Rene Sittner, Konsumverbank EG, Germany.

The Chair asked the Assembly to vote by a show of voting cards.

The five candidates for the Audit & Control Committee were elected.

The Chair then asked candidates to the Board to introduce themselves as follows:

- Chabi Mouhamadou Arikama, Fececam, Benin
- Rahaiah Baهران, ANGKASA, Malaysia
- Abdolrahman Cheraghali, CORC, Iran
- Dae-Kun Chung, NACF, Korea
- Alban D'Amours, CCC, Canada

- Jean-Claude Detilleux, GNC, France
- Steinar Dvergsdal, Norsk Landbruks-samvirke, Norway
- Valentin Ermakov, Centrosojuz, Russia
- Paul Hazen, NCBA, USA
- Ramón Imperial Zuñiga, Caja Popular Mexicana, Mexico
- Gun-Britt Mårtensson, HSB Riksförbundet, Sweden
- Isami Miyata, JA Zenchu, Japan
- Joseph Mukasa, UCA, Uganda
- Lourdes Ortellado Sienra, Cooperativa Universitaria, Paraguay
- Janusz Paszkowski, NAUWC, Poland
- Felice Scalvini, Confcooperative, Italy
- Seah Kian Peng, SNCF, Singapore
- Sawai Singh Sisodia, NCU, India
- Elisabeth Aba Smith, Ghana (Esther Gicheru spoke on her behalf)
- Americo Utumi, OCB, Brazil

Mr. Paz then explained the voting procedure; each member organisation had received the number of ballot papers based on the voting entitlement of each member organisation calculated according to the ICA Rules. The Elections Committee decided that the Board members would be elected by secret ballot. Members were reminded that ICA is a global organisation that represents co-operatives of all sectors in all regions of the world. These co-operatives are led by and represent both women and men. In choosing candidates to the Board the Assembly was asked to keep in mind not only regional and sectoral balance, but also gender balance. Members were reminded that they should vote for no more than 15 candidates and that any ballots exceeding this number of votes would be declared invalid. Mr. Paz said he would supervise the counting of the votes which would be carried out by Maria-Elena Chávez Hertig, Guy Malacrida, Marie-Claude Baan and Patricia Vaucher of the ICA Secretariat.



Cartagena Draft Minutes *(continued)*

The President said that the results of the Elections would be announced at the beginning of the afternoon session. The President thanked Mr. Paz for his work as Chair of the Elections Committee

The newly elected Chairperson of the ICA Gender Equality Committee, Stefania Marcone, made an intervention on behalf of the Committee.

Retiring Board Members

The President asked those Board members who were not seeking re-election to approach the podium and be recognised for their work and commitment over the years. They were Stefania Marcone, Esther Gicheru, Elba Echevarria Diaz, Jo Bibby Scullion, David Miller, Yehudah Paz, Ousseynou Dieng (absent) and Glen Tully. Certificates and a small local gift were presented.

Report of Elections

The President asked Yehudah Paz as Chair of the Elections Committee to announce the election results. Mr. Paz reported that 370 votes were distributed and that 357 votes were cast with 1 invalid vote. He then declared that the following candidates were elected for a four-year term as members of the ICA Board:

- | | |
|-------------------------|-----------------------------|
| 1. Gun-Britt Mårtensson | 9. Lourdes Ortellado Sierra |
| 2. Rahaiah Baهران | 10. Americo Utumi |
| 3. Alban D'Amours | 11. Jean-Claude Detilleux |
| 4. Paul Hazen | 12. Isami Miyata |
| 5. Felice Scalvini | 13. Ramón Imperial Zuñiga |
| 6. Seah Kian Peng | 14. Janusz Paszkowski |
| 7. Steinar Dvergsdal | 15. Dae-Kun Chung |
| 8. Elisabeth Aba Smith | |

The President congratulated the elected candidates and noted that he was looking forward to working with the new Board.

Rochdale Pioneers Award

The President presented the candidates for the Rochdale Pioneers Award. He reported that 9 people/organisations had been nominated. They were:

- | | | |
|-------------------------------------|---|--------------------------------------|
| • André Chomel, France | • Raija Itkonen, Finland | • Yehudah Paz, Israel |
| • Hans Dahlberg, Sweden | • Ian MacPherson, Canada | • Shan Thuraisingham, Malaysia |
| • Edmundo Floreal Gorini, Argentina | • Mondragon Co-operative Corporation, Spain | • Eguia Florencio Villasenor, Mexico |

The President informed the Assembly that the Board and the Elections' Committee had a very difficult task in choosing from such an impressive list. However, the award was presented to:

- | | | |
|-----------------|---------------|------------------|
| • Hans Dahlberg | • Yehudah Paz | • Ian MacPherson |
|-----------------|---------------|------------------|

The three successful candidates addressed the Assembly.

Cartagena Draft Minutes *(continued)*

Invitation to the next General Assembly

The President invited Seah Kian Peng from Singapore National Co-operative Federation (SNCF) to invite the Assembly to hold its next meeting in Singapore in 2007.

The Assembly approved by acclamation.

Closing of the Statutory Business

The President, on behalf of the Assembly, expressed great appreciation to the hosts, Confecoop, Salud-Coop EPS and the entire Colombian Co-operative Movement for their tremendous efforts. He said that the efficient arrangements had enabled a very successful meeting. He thanked Carlos Palacino in particular, his organising committee and the Colombian movement for all their hard work.

The President also thanked ICA staff for their hard work. Appreciation went also to the interpreters who had facilitated the discussions and assisted during the meeting.

Finally, the President expressed his gratitude to the ICA members who had come to Colombia in such large numbers. He said that it was only through their continued support that ICA can carry out its role – and it is thanks to them that ICA exists. He hoped that they felt that the meeting had been worthwhile and he said he counted on them all in implementing the decisions taken together. He further noted that the future of co-operation was in the Assembly's hands and asked them to join together to make the co-operative difference to members, communities, nations and regions of the world.

Other Business

The newly elected Board members were asked to stay on in the hall for a brief meeting.

Following the closing of statutory business, the Assembly was addressed by Alvaro Uribe, President of Colombia.



Seah Kian Peng host of the 2007 General Assembly with Carlos Palacino host of the General Assembly, Cartagena

Proposed Amendments ?

Members wishing to make amendments to the Minutes should send their proposed changes in writing to the ICA Director-General, Iain Macdonald before 15 September 2007.

Email: macdonald@ica.coop or
Fax +41 22 798 4122

The President of Colombia addressing the ICA General Assembly





International
Co-operative
Alliance
Annual Report

Audited Financial Statements

The following is a reprint of the 2005 ICA Audited Financial Statement as it appears in the ICA Annual Report 2005 previously distributed to ICA member organisations. The audited statements for 2006 are found in the Annual Report 2006 distributed with ICA General Assembly documentation.

INDEPENDENT AUDITORS' REPORT TOGETHER WITH
Financial Statements
Year ended December 31, 2005
INTERNATIONAL CO-OPERATIVE ALLIANCE

To the Members of

INTERNATIONAL CO-OPERATIVE ALLIANCE, Geneva, Switzerland

Geneva, April 28, 2006

Independent auditors' report

We have audited the accompanying balance sheet of International Co-operative Alliance as of December 31, 2005, and the related statements of income and expenses, cash flows and changes in funds and reserves for the year then ended (pages 4 to 15). These financial statements are the responsibility of the management of the International Co-operative Alliance. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements present fairly, in all material respects, the financial position of International Co-operative Alliance as of December 31, 2005 and the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Ernst & Young Ltd



ICA Balance Sheet, December 31, 2005

	Notes	31/12/2005	31/12/2004
		CHF	CHF
<u>Assets</u>			
<i>Current assets</i>			
Cash and cash equivalents	3	3'374'941	2'705'025
Accounts receivable and advances	4	122'155	255'556
Prepayments		32'654	37'323
<i>Total current assets</i>		3'529'750	2'997'904
<i>Non current assets</i>			
Property, plant and equipment, net	5	63'937	71'324
Intangible assets, net	6	17'726	450
Deposits and guarantees	7	43'077	34'315
<i>Total non current assets</i>		124'740	106'089
<i>Total assets</i>		3'654'490	3'103'993
		=====	=====
<u>Liabilities, Funds and Reserves</u>			
<i>Liabilities</i>			
Membership organisation creditors		302'282	278'005
Accounts payable		348'856	204'566
Accruals and deferrals		433'866	241'366
Deferred development support	2b	626'386	804'805
Deferred membership fees		56'420	49'019
<i>Total liabilities</i>		1'767'811	1'577'762
<i>Funds and reserves</i>			
Accumulated surplus		253'573	304'279
Global reserve	10	1'200'000	800'000
Special fund	9	350'800	140'000
Cumulative exchange difference		(67'325)	(67'342)
Net surplus for the year after allocation		149'631	349'294
<i>Total funds and reserves</i>		1'886'679	1'526'231
<i>Total liabilities, funds and reserves</i>		3'654'490	3'103'993
		=====	=====

See accompanying notes.

Statement of Income and Expenses

	Notes	2005	2004
		CHF	CHF
<u>Income</u>			
Subscriptions		2'963'889	2'801'210
Meeting revenues		696'927	334'034
Administrative contributions		195'030	205'080
Expense cover		139'793	88'507
Financial income		7'124	6'854
Special financial contributions	8	39'858	5'000
Other income		178'806	292'727
Total Income		4'221'427	3'733'412
<u>Expenses</u>			
Personnel expenses		(2'209'351)	(2'069'929)
Travel expenses		(319'712)	(303'985)
Premises & general office expenses		(377'400)	(319'710)
IT & telecom		(234'169)	(214'508)
External services		(365'522)	(254'495)
Meeting expenses		(257'235)	(270'844)
Financial expenses		(13'197)	(9'363)
Depreciation & amortization		(45'282)	(57'747)
Currency losses		(15'103)	(2'808)
Other expenses		(24'000)	(55'850)
Total Expenses		(3'860'972)	(3'559'239)
Surplus from operations		360'455	174'173
Development activity			
Development funds		1'682'495	1'382'920
Projects support		(1'682'519)	(1'382'799)
Result from development activity	-	24	121
Net surplus for the year, before allocation		360'431	174'294
Allocation to (utilisation from) special fund	9	(210'800)	175'000
Net surplus for the year, after allocation		149'631	349'294

See accompanying notes.

Statement of Changes in Funds and Reserves, December 31, 2005

	Accumulated surplus	Global Reserve	Special Fund	Cumulative exchange difference	Net surplus for the year after allocation	Total Funds and Reserves
Balances at January 1, 2004	489'230	-	315'000	(72'514)	615'049	1'346'765
Reversal previous year net surplus	615'049	-	-	-	(615'049)	-
Allocation to global reserve	(800'000)	800'000	-	-	-	-
Net surplus for the year	-	-	-	-	174'294	174'294
Cumulative exchange difference	-	-	-	5'172	-	5'172
Use of special fund	-	-	(175'000)	-	175'000	-
Balances at December 31, 2004	304'279	800'000	140'000	(67'342)	349'294	1'526'231
Balances at January 1, 2005	304'279	800'000	140'000	(67'342)	349'294	1'526'231
Reversal previous year net surplus	349'294	-	-	-	(349'294)	-
Allocation to global reserve	(400'000)	400'000	-	-	-	-
Net surplus for the year	-	-	-	-	360'431	360'431
Cumulative exchange difference	-	-	-	17	-	17
Allocation to special fund	-	-	210'800	-	(210'800)	-
Balances at December 31, 2005	253'573	1'200'000	350'800	(67'325)	149'631	1'886'679

See accompanying notes.

Statement of Cash Flows, December 31, 2005

	2005	2004
	CHF	CHF
Cash flows from operating activities		
Net surplus for the year	360'431	174'294
Depreciation and amortization	45'282	57'747
Unrealized foreign exchange loss	6'350	5'171
	<hr/>	<hr/>
<i>Operating surplus before working capital changes</i>	<i>412'063</i>	<i>237'212</i>
Decrease/(Increase) in accounts receivable and advances	133'401	(193'986)
(Increase)/decrease in prepaid expenses	4'669	55'342
Increase in deposits and guarantees	(8'762)	(7'288)
Increase in membership organisation creditors	24'277	6'913
Increase in accounts payable	144'290	85'360
Increase in accruals and deferrals	192'500	(44'382)
(Decrease)/increase in deferred development support	(178'419)	85'187
Increase/(decrease) in deferred membership fees	7'401	(20'090)
	<hr/>	<hr/>
<i>Net cash generated from operating activities</i>	<i>731'421</i>	<i>204'267</i>
Cash flows from investing activities		
Additions of property, plant and equipment	(38'354)	(68'457)
Additions of intangible assets	(23'150)	-
	<hr/>	<hr/>
<i>Net cash used in investing activities</i>	<i>(61'504)</i>	<i>(68'457)</i>
	<hr/>	<hr/>
Net increase in cash and cash equivalents	669'916	135'810
Cash and cash equivalents at beginning of year	2'705'025	2'569'215
	<hr/>	<hr/>
Cash and cash equivalents at end of year	3'374'941	2'705'025
	=====	=====
Supplemental information		
Interest paid	1'952	2'543
Interest received	7'124	6'854

See accompanying notes.



Notes on the Financial Statements

Note 1 - Status and objectives

The International Co-operative Alliance ("the ICA") is an independent, non-governmental organisation, which unites, represents and serves co-operatives worldwide. In 1946, the ICA was one of the first non-governmental organisations to be accorded United Nations Consultative Status. Today it holds general category Consultative Status with the UN Economic and Social Council (ECOSOC).

The ICA is composed of one Head Office and four Regional Offices ("branches"):

Head Office	Route des Morillons 15 1218 Grand-Saconnex, Switzerland
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Regional Offices:

Europe	Brussels, Belgium
Asia and the Pacific	New Delhi, India
Africa	Nairobi, Kenya
The Americas	San José, Costa Rica

The ICA is organised as an association, corporate body regulated by Articles 60-79 of the Swiss Civil Code. As of December 31, 2005, the ICA employed 27 staff (2004: 27 staff), from which 8 staff (2004: 8 staff) are employed by the Head Office. The ICA has the following objectives:

- (a) to promote the world co-operative movement, based upon mutual self-help and democracy;
- (b) to promote and protect co-operative values and principles;
- (c) to facilitate the development of economic and other mutually beneficial relations between its member organisations;
- (d) to promote sustainable human development and to further the economic and social progress of people, thereby contributing to international peace and security;
- (e) to promote equality between men and women in all decision-making and activities within the co-operative movement.

The President of the ICA and the Director General authorized these financial statements for issuance on April 28, 2006

Notes on the Financial Statements *(continued)*

Note 2 - Summary of significant accounting policies

The accounting policies have been consistently applied by the ICA.

a. Accounting convention

These financial statements have been prepared under the historical cost convention in Swiss Francs, except for elements that would be required to be presented at fair value according to IFRS. The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and effective as of January 1, 2005 and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB.

b. Fund and reserve accounting

To ensure observance of limitations and restrictions placed on the use of resources available to the ICA, the accounts of the ICA are maintained in accordance with the principles of fund accounting. This is the procedure by which funds received for various purposes are deferred for accounting and reporting purposes as deferred development support and charged to the income and expenses development accounts over the life of the underlying project.

c. Foreign currency translation

The accounting records of ICA are maintained in Swiss Francs (CHF). All transactions in foreign currencies are translated into Swiss Francs at the rate prevailing at the date of the transaction. Monetary assets and liabilities in other currencies remaining at the balance sheet date are translated at the appropriate year end rate. Any differences arising on the year-end translation are recognised in the statement of revenues and expenses.

The assets and liabilities of Regional Offices are translated at the rate of exchange ruling at the balance sheet date. The statement of revenues and expenses of Regional Offices are translated at weighted average exchange rates for the year. The exchange differences arising on the year-end translation are taken directly to funds and reserves.

d. Revenue recognition

In common with many non-profit making organisations, the ICA follows the cash receipts method for the recognition of members' subscriptions and supplementary revenues. Financial income is recorded on an accrual basis. Other income including revenues from publications and services are recorded as publications are delivered and when services are provided. All expenses are accounted for on an accrual basis.

Receipts of funds donated for specific purposes are not reported as revenues until the resources are expensed for the purpose specified. Until then, they are reported as deferred development support.



Notes on the Financial Statements *(continued)*

e. Property, plant and equipment

Property, plant and equipment acquired by the ICA are capitalised at cost and depreciated according to the straight-line method over the estimated useful life of the asset as follows:

Office equipment and furniture	3 to 4 years
Motor vehicles	3 years

Property, plant and equipment acquired using donors' funds to support specific projects are fully depreciated during the year of acquisition. The depreciation charge is included as part of the development projects support.

f. Intangible assets

Intangible assets are stated at cost and amortized using the straight-line method over the estimated period during which benefits are expected to be received as follows:

Computer systems	3 to 4 years
------------------	--------------

The carrying amounts are reassessed at each balance sheet date and if necessary are written down to their estimated recoverable values.

g. Pension plans

Certain officers and employees of the ICA are covered by several separate contributory pension plans or their equivalent in the Regional Offices. The contributions are calculated according to the respective pension plan regulations and local laws. The ICA's pension contributions in the year ended December 31, 2005 amounted to CHF 164'560 (2004 CHF 170'904), and are expensed as such contributions become due.

h. Income tax

In Switzerland, the ICA has the status of an association organised as a corporate body regulated by the Swiss Civil Code in Articles 60-79 and, as such, is not subject to Swiss income tax.

Under the terms of an agreement between the ICA and the Governments of Kenya and Burkina Faso, the East, Central & Southern Africa regional office and the regional office for West Africa are exempt from tax. Due to its non-profit making activities in India and Costa Rica, the ICA is not subject to local taxation in those countries.

i. Contributed facilities and services

Facilities and services that are provided by members or third parties which can be accurately valued are recorded as revenue, whereas those that cannot be accurately valued are not included in the financial statements.

Notes on the Financial Statements *(continued)*

j. Lease

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognised as an expense in the statement of income and expenses on a straight-line basis over the lease term.

Note 3 - Cash and cash equivalents

Cash and cash equivalents consists of cash in hand, bank current accounts and short-term deposits. The ICA considers cash and all liquid investments with an initial maturity of three months or less to be cash equivalents

	31/12/2005	31/12/2004
	CHF	CHF
Cash in hand and current accounts	3'330'081	2'666'425
Short-term deposits	44'860	38'600
	<u>3'374'941</u>	<u>2'705'025</u>
	=====	=====

Note 4 – Accounts receivable and advances

	31/12/2005	31/12/2004
	CHF	CHF
Accounts receivable	10'033	2'636
Staff advances	11'872	5'431
Other receivables and advances	100'249	247'489
	<u>122'155</u>	<u>255'556</u>
	=====	=====



Notes on the Financial Statements *(continued)*

Note 5 – Property, plant and equipment, net

	Motor vehicles	Office equipment & furniture	Total
	CHF	CHF	CHF
Cost			
Balance at December 31, 2003	39'537	778'762	818'299
Additions	-	68'457	68'457
Transfer	-	(43'904)	(43'904)
Balance at December 31, 2004	39'537	803'315	842'852
Additions	-	38'354	38'354
Transfer	26'594	(26'594)	-
Translation adjustment	(6'935)	(7'499)	(14'434)
Disposals	(1'685)	(240'046)	(241'731)
Balance at December 31, 2005	57'511	567'531	625'042
	=====	=====	=====
Depreciation			
Balance at December 31, 2003	39'537	750'937	790'474
Charge for the year	-	24'957	24'957
Transfer	-	(43'903)	(43'903)
Balance at December 31, 2004	39'537	731'991	771'528
Charge for the year		39'048	39'048
Transfer	26'594	(26'594)	-
Translation adjustment	(6'935)	(7'499)	(14'434)
Disposals	(1'685)	(233'352)	(235'036)
Balance at December 31, 2005	57'511	503'594	561'105
	=====	=====	=====
Net book value			
At December 31, 2005	-	63'937	63'937
	=====	=====	=====
At December 31, 2004	-	71'324	71'324
	=====	=====	=====

Notes on the Financial Statements *(continued)*

Note 6 – Intangible assets, net

	Computer systems
	CHF
Cost	
Balance at December 31, 2003	106'008
Balance at December 31, 2004	106'008
Disposal	(14'207)
Additions	23'150
Translation adjustment	5'179
Balance at December 31, 2005	120'129
	=====
Amortization	
Balance at December 31, 2003	72'769
Charge for the year	32'789
Balance at December 31, 2004	105'558
Disposal	(14'207)
Charge for the year	5'874
Translation adjustment	5'179
Balance at December 31, 2005	102'403
	=====
Net book value	
At December 31, 2005	17'726
	=====
At December 31, 2004	450
	=====



Notes on the Financial Statements *(continued)*

Note 7 - Deposits and guarantees

Deposits and guarantees represent rental deposits made in relation to premises lease engagements, courier services and certain employees' accommodation.

Note 8 - Special financial contributions

During the year 2005 certain members of the ICA made special contributions totalling CHF 39'858 (2004: CHF 5'000) in order to improve the ICA' financial situation. These special contributions are not refundable and have not been allocated for a specific purpose. These special contributions have been classified as "special financial contributions" in the statement of income and expenses.

Note 9 – Allocation to special fund

Given the biennial nature of ICA organisation, a special fund was created to account for events which have a two-year lifespan. This allocation has been approved by the Board on March 6, 2006.

Note 10 – Global reserve

ICA global board allocates yearly a specific portion of the reported surpluses to better monitor the progress started in 2002 of re-building ICA reserves. The intended objective is to reach a total of CHF 1'600'000 and CHF 1'200'000 were already set aside at the end of 2005.

Note 11 - Commitments

At December 31, 2005, the ICA is committed with respect to rental agreements for an amount of CHF 73'176 (6 months) and CHF 2'790 (3 months) lease copier machine.

Note 12 - Financial instruments

Financial assets of the ICA include cash and cash equivalents and accounts receivable. Financial liabilities include membership organisation creditors and accounts payable. The ICA minimizes the risk of loss of capital by placing short maturity funds with reputable international banks.

Notes on the Financial Statements *(continued)*

a) Credit risk

The ICA's maximum exposure to credit risk in relation to cash and cash equivalents and accounts receivable is the carrying amount of those assets as indicated in the balance sheet. The ICA places its available cash with several financial institutions to mitigate the risk of material loss in this regard from any financial institution. The major part of the cash is allocated between two Swiss banks. As a result of these measures, management does not believe significant credit risk exists in relation to its cash and receivables at December 31, 2005.

b) Fair value

The carrying amounts in the balance sheet for cash and cash equivalents, deposits, accounts receivable, membership organization and accounts payable approximate to their fair values due to the short-term maturities of these instruments.

c) Foreign exchange risk

The ICA operates in several countries and, as a result, is exposed to the fluctuations in foreign currency exchange rates. The foreign currency risk is primarily limited to the financial assets and liabilities in foreign currencies of the Regional Offices and is closely monitored by the management. The ICA does not hedge its exposure to foreign currency fluctuations

Funds and Reserves per region, December 31, 2005

	Asia and the Pacific	Africa	The Americas	Europe	Head Office Balance of Activity	TOTAL ICA GLOBAL	Global Reserve	Special Fund	Total Funds & Reserves
Balances at January 1, 2004	(203'221)	(177'363)	(631'777)	331'666	1'712'460	1'031'765	-	315'000	1'346'765
Special financial contributions	-	-	-	-	5'000	5'000	-	-	5'000
Ordinary (deficit) / surplus for year	(73'459)	(179'998)	(125'178)	(314'494)	862'423	169'294	-	-	169'294
Subscriptions redistribution	130'706	206'412	145'800	311'326	(794'244)	-	-	-	-
Cumulative exchange difference	20'583	(10'408)	(5'003)	-	(800'000)	5'172	800'000	(175'000)	5'172
Allocation to global reserve	-	-	-	-	175'000	(800'000)	-	-	-
Allocation to special fund	-	-	-	-	-	175'000	-	-	-
Balances at December 31, 2004	(125'391)	(161'357)	(616'158)	328'498	1'160'639	586'231	800'000	140'000	1'526'231
Balances at January 1, 2005	(125'391)	(161'357)	(616'158)	328'498	1'160'639	586'233	800'000	140'000	1'526'231
Special financial contributions	(122'721)	(238'999)	(155'363)	34'858	5'000	39'858	-	-	39'858
Ordinary (deficit) / surplus for year	142'031	192'974	172'109	(391'925)	1'229'580	320'573	-	-	320'573
Subscriptions redistribution	(30'320)	17'544	12'793	367'912	(875'026)	-	-	-	-
Cumulative exchange difference	-	-	-	-	-	17	-	-	17
Allocation to global reserve	-	-	-	(10'800)	(400'000)	(400'000)	400'000	210'800	-
Allocation to (use from) special fund	-	-	-	-	(200'000)	(210'800)	-	-	-
Balances at December 31, 2005	(136'400)	(189'838)	(586'619)	328'543	920'194	335'880	1'200'000	350'800	1'886'679

See accompanying notes.



Elections

The ICA Election Committee has approved the following procedure for the distribution of votes at the General Assembly in Singapore.

Distribution of Voting Cards and Ballot Papers

Representatives of member organisations will be asked to pick up their votes on the 19 October. These will be available as of 12:45 from the ICA Registration Desk following the close of the morning session until the election commences. Once the election commences no further votes will be distributed.

Each representative will receive the number of ballot papers and voting cards based on the voting entitlement of each member organisation calculated according to the ICA Rules, Policies, Procedures and Standing Orders (excerpt below).

For ballot votes, representatives will be asked to deposit their ballot papers in urns located in the front of the General Assembly hall.

The President may also decide voting by a show of voting cards, or by acclamation.

Excerpt from the ICA Rules, Policies, Procedures and Standing Orders

III. Representation at General Assembly

1. The basis for calculating the number of representatives to the General Assembly shall be 5,500 Swiss francs of subscriptions, giving a Member the right to appoint one representative with a vote.
2. Each Member or a group of Members from one country shall be entitled to one additional voting representative for each complete 5,500 Swiss francs of their total subscription, after the first 5,500 Swiss francs of subscription, with a maximum of 25 representatives per country, excluding the President of ICA, as laid down in Article 14 of the Rules.
3. In countries where there is more than one Member, the number of representatives and votes shall be divided in proportion to their financial contribution to ICA. Any cases of dispute shall be decided by the Board, subject to appeal to the General Assembly.
4. Member organisations shall have the right to entrust all their votes to one or more representatives from the same country, provided that no representative shall hold more than ten votes.



Elections *(continued)*



Ratification of the ICA Vice-Presidents

The ICA Vice-Presidents elected by their respective regional assemblies require ratification by the ICA General Assembly in Singapore. These are:

- Africa: Stanley Muchiri
- Asia-Pacific: Li Chunsheng
- Americas: Carlos Palacino
- Europe: Pauline Green

ICA Board Candidate

- Surinder Kumar Jakar, Indian Farmers of Fertiliser Co-operative Organisation (IFFCO), India

A graduate from Punjab University, Mr. Surinder Kumar Jakhar comes from a farming background. His interest in co-operatives is a legacy from his father, Dr. Balram Jakhar former Minister of Agriculture and Speaker of the Parliament of India. His experience in agriculture— orientation in socio-economic conditions of a vast country like India— inspired him to work for the upliftment of rural poor through co-operatives, particularly the farming community. Having more than thirty years' association with the co-operative movement, Mr. Jakar has held many important positions. As Chairperson of IFFCO, he interacts with more than 55 million farmers through membership of more than 38,000 co-operative societies. He is also Chair of the Indo-Egyptian Fertiliser Company; IFFCO Kisan Sewa Trust; IFFCO Kissan Sanchar Ltd; Klean International Trading FZE; Director, IFFCO Foundation and Director of the Board of IFFCO-Tokio General Insurance Company. Mr. Jakhar has traveled extensively in order to acquaint himself with agriculture and co-operatives in other countries.

ICA Audit & Control Committee Candidates

- Toshifumi Yamashita, President, Japanese Consumers' Co-operative Union (JCCU), Japan
- Mr. Maduwilla Gamarachchige Seneviraine Silva, National Co-operative Council of Sri Lanka (NCC), Sri Lanka

Mr. Toshifumi Yamashita was elected as the President of the Japanese Consumers' Co-operative Union (JCCU) at its 57th General Assembly on 15 June 2007. He succeeded Mr. Shugo Ogura, currently a member of the ICA Audit & Control Committee. Mr. Yamashita started his career in the co-operative movement in 1967. As a leader of consumer co-operatives, he has played important roles in the organisation of a business federation and seeking amendments of the Consumer Co-operative Society Law. Mr. Yamashita holds other positions including Vice Chairmanship of CCW (Consumer Co-operatives Worldwide). He is a member of the ICA Governance Group and member of the ICA Working Group on International Accounting Standards.

Mr. Silva holds a Bachelor of Arts honors degree in Social Statistics. He has a Post Graduate Degree with a diploma in Social Statistics (Australia) and a Masters in Women's Studies. While specialising in many fields of study he is an expert in Micro-Finance and Micro Insurance, Institutional Capacity-Building and Strengthening Social Mobilisation and Project Formulation. He is a Consultant Co-coordinator to the UNDP Oxfam GV, CARE, World Vision, NGO Management Development Centre (NGOMDC). He is also a Lecturer in Economic and Statistics at the University of Colombo.

Governance: ICA Strategy and Restructuring

At their Stockholm meeting in September 2006, the ICA Board engaged in a formal strategic planning exercise covering the period of 2007 to 2010. This exercise takes on particular importance given the felt need for revisiting the mission, roles and priorities of the ICA and the split of responsibilities amongst the various ICA bodies to ensure the most relevant service offering to the members. The various restructuring endeavours undertaken since the 2003 General Assembly in Oslo have paved the way for a new stronger global ICA organisation and have made the case for the necessity of sharing a common vision and strategic plan for the ICA.

To accelerate the process, following earlier discussion by board members, the members of the President's Committee decided to set up an ad-hoc committee later named "Restructuring Committee" which would offer proposals to the ICA Board in the areas defined hereafter.

The mandate of the "Restructuring Committee" is as below with the view to supporting the mission, vision and strategic objectives which have been approved by the Board:

- propose scenarios and make recommendations to the board members prior to their presentation at the next ICA General Assembly, on the most suited organisational structure for global ICA (components in terms of regions, sectors, etc.) to support the new strategic plan;
- examine and make recommendations on membership strategy and subscription formulas.

This committee has built on the important work accomplished to date by the Regionalisation Working

Group whose mandate is completed and by the Governance Working Group (GWG).

The members of the President's Committee

agreed that the membership for this working group should consist of one ICA board member per region, a representative from the Governance Working Group, one representative from the sectoral organisations and the ICA Director-General with the possibility to call on experts of co-operative development as necessary. Mr. Alban D'Amours, ICA Board member, was nominated to chair the committee. The committee members are:

- Alban D'Amours (chairperson)
- Pauline Green (as Board representative for the European region)
- Seah Kian Peng (as Board representative for the Asia-Pacific region)
- Ramón Imperial Zúñiga (as Board representative for the Americas region)
- Elizabeth Aba Smith (as Board representative for the African region);
- Mrs. Gun-Britt Mårtensson (as representative from the Governance Working Group)
- Bruno Roelants (as representative from the ICA's sectoral organisations)
- Hans Dahlberg (as outside expert)
- Iain Macdonald (ICA Director-General)

A considerable amount of work has been carried out, particularly by colleagues at Desjardins and regular reports have been made to the Board. At the same time, a strategic plan has been developed with the intention of providing an umbrella strategy for all parts of the ICA, global, regional and sectoral. Work is now being undertaken in all these areas with the intent of having an overall four-year budget and programme presented to the Board in December 2007. This will allow for all parts of ICA to plan and hold activities with a fair degree of autonomy but within the broad guidelines agreed by the Board and reflected by the Strategy.

ICA Board Meeting, Stockholm





Motions and Resolutions

ICA member organisations are entitled to submit resolutions and motions for the consideration of the General Assembly. Texts of proposed resolutions should be provided to the Director-General not later than one month prior to the Assembly, or by 18 September 2007.

To date, two resolutions have been received.

The first addresses the issue of climate change and

calls ICA members to action. The second focuses on the issue of violence against children. In accordance with the "Standing Orders for the General Assembly" included in the ICA Rules, the ICA Board will consider the eligibility of these resolutions at its next meeting in mid-September.

On approval, the resolutions will be circulated for their consideration and decision by ICA members in Singapore.

Rochdale Pioneer Award Update

Awardees 2001— 2005

The first laureate of the Rochdale Pioneers Award was Dr. Verghese Kurien (India) who received the Award at the ICA General Assembly in Seoul 2001.

At the 2003 General Assembly in Oslo the award was shared between Francisco Luis Jiménez Arcila (Colombia) and Lloyd Wilkinson (United Kingdom).

In 2005, it was jointly awarded to Hans Dahlberg (Sweden), Ian MacPherson (Canada) and Yehudah Paz (Israel).

Background

In 2000, the ICA Board established the Rochdale Pioneers Award.

The purpose of the Award is to recognise a person or, under special circumstances a co-operative organisation, having contributed to innovative and financially sustainable co-operative activities that have significantly benefited their membership.

Nominees

- The nominees, women or men, can be a current or former member or employee in any of the ICA member organisations or their affiliates. If an organisation is nominated it must be affiliated to an ICA member organisation.
- The nominations must demonstrate benefits to the Movement in a visible way, be innovative; be financially sustainable; and be of a permanent nature.
- The nominations should demonstrate regard to gender issues and concern for the community.

Rochdale Award Update *(continued)*



Nomination Deadline Extended

The ICA Election Committee made up of the President, the ICA Vice-presidents and the Chairperson of the ICA Gender Equality Committee was mandated by the ICA Board to review the nominations and make proposal for their review and decision.

Being concerned with the low number of nominations received by the 30 June deadline, the Elections Committee has decided to extend the deadline for nominations to 10 September 2007. They are particularly keen to see nominations of women.

Nomination information should be sent the ICA Director-General by Email (macdonald@ica.coop) or by fax +41 22 798 4122.

Other General Assembly Documentation

The following other publications contain information relevant to the ICA General Assembly 2007. Participants are encouraged to bring these documents with them to the meeting. Copies will not be available in Singapore.

ICA Annual Report 2006

The Annual Report includes the following:

- Report from the President
- Report from the Director-General
- 2006 ICA Financial Statements (for approval by the General Assembly)
- Other information on ICA's activities and areas of work.



Review of International Co-operation

- Highlights from Cartagena 2005 to Singapore 2007
- Summary of ICA's Achievements 2005-2007
- President Review 2005-2007
- ICA at a Watershed
- The Global 300 Project: Measuring Co-operative Performance & Difference
- Overview of the Singaporean Co-operative Movement

Meeting Programme

14-17 October

Meetings of the ICA governance structures, sectoral organisations, thematic committees and other events of interest.

18-19 October

ICA General Assembly business and statutory sessions.



ICA General Assembly Host and Sponsors

Host organisation:

- Singapore National Co-operative Federation (SNCF)

Supported by:

- Ministry of Community Development, Youth and Sports, Government of Singapore
- National Trades Union Congress (NTUC)
- Singapore Tourism Board

Main Sponsor

- Singapore Labour Foundation (SLF)

