

**Report of the statutory auditor
on the limited statutory examination**

with financial statements as of 31 December 2014 of

Vétérinaires Sans Frontières Suisse, Berne

To the General Meeting of

Vétérinaires Sans Frontières Suisse, Berne

Berne, 11 May 2015

Report of the statutory auditor on the limited statutory examination

As statutory auditor in accordance with article 13 of the association's articles of incorporation, we have examined the financial statements (balance sheet, statement of operations, cash flow statement, statement of change of capital and notes) of Vétérinaires Sans Frontières Suisse for the year ended 31 December 2014. In accordance with Swiss GAAP FER 21 the content of the performance report does not need to be audited by the statutory auditor.

The Board of Directors is responsible for the preparation of the financial statements in accordance with Swiss GAAP FER 21 and the requirements of Swiss law and the association's articles of incorporation. Our responsibility is to perform a limited statutory examination on these financial statements.

We conducted our examination in accordance with the Swiss Standard on the limited statutory examination. This standard requires that we plan and perform a limited statutory examination to identify material misstatements in the financial statements. A limited statutory examination consists primarily of inquiries of company personnel and analytical procedures as well as detailed tests of company documents as considered necessary in the circumstances. However, the testing of operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.

Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the financial statements do not give a true and fair view of the financial position, the results of operations and the cash flows in accordance with Swiss GAAP FER 21 and do not comply with Swiss law and the association's articles of incorporation.

We further confirm that the applicable requirements of the implementing provisions of article 12 of the regulations regarding the ZEWO seal of approval have been met.

Ernst & Young Ltd



Bernadette Koch
Licensed audit expert
(Auditor in charge)



Patrick Rebsamen
Licensed audit expert

Enclosures

- ▶ Financial statements (balance sheet, statement of operations, cash flow statement, statement of change of capital and notes)

**Balance Sheet as of 31 December 2014
in CHF**

Assets		2014	2013
Cash	1	587 720	513 531
Accounts receivable projects	2	756 974	936 341
Other accounts receivable	3	96 683	45 396
Prepayments	4	54 666	107 628
Transfer accounts	5	32 120	0
Inventory		0	2 187
Accrued income	6	401 018	1 095
Total current assets		1 929 181	1 606 178
Fixed assets	7	17 608	39 642
Total fixed assets		17 608	39 642
Total assets		1 946 789	1 645 820
Liabilities			
Accounts payable	8	566 145	561 289
Accrued expenses	9	493 323	760 488
Total current liabilities		1 059 468	1 321 777
Loans	10	0	100 000
Subordinated loan	11	90 000	100 000
Total long-term liabilities		90 000	200 000
Restricted Funds	12	715 986	553 928
Fund TVS GST AG		101 000	76 000
Internally generated unrestricted funds		-637 716	-679 800
Cumulated translation differences		130 641	131 831
Fund "Currency Management"		100 000	0
Surplus for the year		387 410	42 084
Total capital of the organisation	13	81 335	-429 885
Total liabilities		1 946 789	1 645 820

Statement of Operations 2014
in CHF

		2014	2013
Project revenues	14	4'288'258	5'934'422
Donations	15	410'897	251'942
Bequests		400'000	0
Membership fees		36'415	34'715
Contributions from projects		271'178	365'544
Other revenue		10'054	2'223
Total income		5'416'802	6'588'846
Project costs			
Material, goods and services		-2'913'601	-4'247'608
Personnel		-856'377	-1'087'272
Operating costs		-362'079	-534'132
Depreciations		-1'335	-5'553
Total project costs	16	-4'133'392	-5'874'565
Fundraising costs			
Personnel		0	-2'626
Operating costs		-5'896	-12'499
Total fundraising costs		-5'896	-15'125
Administrative costs			
Material, goods and services		-14'580	-25'915
Personnel	17	-215'871	-274'685
Operating costs	18	-363'808	-168'436
Depreciations		-11'330	-9'653
Total administrative costs		-605'589	-478'689
Operating result		671'925	220'467
Financial result	19	11'330	-40'802
Extraordinary result		-7'525	18'932
Result before assignment of restricted funds		675'730	198'597
Utilization of restricted funds	20	4'217'715	6'038'297
Allocation of restricted funds	20	-4'381'035	-6'190'504
Balance of movements in restricted funds		-163'320	-152'207
Result before assignment of unrestricted funds		512'410	46'390
Utilization of unrestricted funds	21	0	0
Allocation of unrestricted funds	21	-125'000	-4'306
Balance of movements in unrestricted funds		-125'000	-4'306
Profit		387'410	42'084

Cash Flow Statement 2014

In addition to the Balance Sheet and the Statement of Operations the cash flow statement provides information on investing and financing activities as well as on the development of the financial situation of Vétérinaires Sans Frontières Suisse.

	2014	2013
	TCHF	TCHF
Surplus (-deficit) of operations	387	42
Depreciation	13	23
Loss from scrapping of tangible fixed assets	21	0
Other non-cash profits/losses	69	-16
Decrease / (Increase) Accounts receivable donors	179	173
Decrease / (Increase) Other accounts receivable	-41	-21
Decrease / (Increase) Prepayments	62	-3
Decrease / (Increase) Transfer account	-32	0
Decrease / (Increase) Inventory	2	0
Decrease / (Increase) Accrued income	-400	7
Increase / (Decrease) Accounts payable	-70	104
Increase / (Decrease) Accrued expenses	-267	-1'037
Increase / (Decrease) Restricted funds	162	-199
Cash flow from operations	A 85	-927
Purchase of fixed assets	-10	-10
Cash flow from investing activities	A -10	-10
Increase / (Decrease) Loans	0	0
Increase / (Decrease) Fund TVS GST AG	0	1
Cash flow from financing activities	A 0	1
Opening balance liquid assets	513	1'449
Closing balance liquid assets	588	513
Change	75	-936
Increase (Decrease) in cash	A 75	-936

Annotation

A + = cash in-flow / - = cash out-flow

Statement of changes in capital

The statement of changes in capital shows the allocation, use and balance of funds from both fund and organisational capital. The fund capital represents funds earmarked for project implementation. The organisational capital represents unrestricted funds for use by the organisation.

2013	Opening balance	Internal Transfer	In-Flow	Out-Flow	Closing balance
in CHF	01.01.13				31.12.13
Restricted Funds Congo	0	-105 437	111 340	-5 903	0
Restricted Funds Ethiopia	162 545	-12 382	829 237	-975 587	3 813
Restricted Funds Kenia	340 163	-79 428	1 742 630	-1 790 679	212 686
Restricted Funds Mali	42 490	-2	425 100	-466 358	1 230
Restricted Funds Somalia	0	-6 705	650 138	-531 964	111 469
Restricted Funds South Sudan	173 890	-146 807	2 314 124	-2 177 521	163 686
Restricted Funds Togo	33 394	0	117 935	-90 285	61 044
Restricted Funds	752 482	-350 761	6 190 504	-6 038 297	553 928
Fund TVS GST AG	75 000	0	1 000	0	76 000
Internally generated unrestricted funds	-704 214	24 414	0	0	-679 800
Cumulated translation differences	129 555	0	3 305	-1 029	131 831
Surplus (-deficit) for the year	24 414	-24 414	42 084	0	42 084
Capital of the organisation	-475 245	0	46 389	-1 029	-429 885

2014	Opening balance	Internal Transfer	In-Flow	Out-Flow	Closing balance
in CHF	01.01.14				31.12.14
Restricted Funds Ethiopia	3 813	5 952	1 184 026	-1 102 317	91 474
Restricted Funds Kenya	212 686	-208 274	834 219	-739 561	99 070
Restricted Funds Mali	1 230	0	404 500	-386 416	19 314
Restricted Funds Somalia	111 469	48 074	520 329	-574 376	105 496
Restricted Funds South Sudan	163 686	152 986	1 034 736	-1 228 447	122 961
Restricted Funds Togo	61 044	0	403 225	-186 598	277 671
Total restricted Funds	553 928	-1 262	4 381 035	-4 217 715	715 986
Fund TVS GST AG	76 000	0	25 000	0	101 000
Internally generated unrestricted funds	-679 800	42 084	0	0	-637 716
Cumulated translation differences	131 831	0	0	-1 190	130 641
Fund "Currency Management"	0	0	100 000	0	100 000
Surplus (-deficit) for the year	42 084	-42 084	387 410	0	387 410
Total capital of the organisation	-429 885	0	512 410	-1 190	81 335

Fund TVS GST AG

Upon agreement with an institutional donor, VSF-Suisse has allocated the donation to a special fund which is aimed at strengthening the treasury of VSF-Suisse. It was explicitly agreed with the donor to use the funds for the pre-financing of last instalments related to projects.

Fund "Currency Management"

While the majority of projects are administered in the donor currencies USD and EUR, the accounting of VSF-Suisse is managed in CHF. Working with these different currencies yields regular currency gains or losses. To manage these currency effects, VSF-Suisse is building as of 2014 a special fund "Currency Management". Future exchange rate gains and losses are covered through the fund "Currency Management".

Notes to Financial Statements per 31 December 2014

<p>Mission</p>	<p>VSF-Suisse is committed to improve the well-being and resilience of vulnerable populations by promoting the health and productivity of their livestock within a sustainable environment.</p> <p>The focus is primarily on the following activities:</p> <ul style="list-style-type: none"> • Development of a comprehensive animal health service and veterinary support in the poorest countries of the world. • Improvement of food security and reduction of poverty by supporting the development of income generating activities in the livestock sector and by improving animal production. • Support people in cases of natural and human made crises and emergencies and improvement of disaster prevention. • Reduction of the consequences of diseases, which can be transferred from animals to human beings (zoonoses) and improvement of food security. • Capacity building in animal health, animal production, management of small enterprises, hygiene, prevention, promotion of village associations, management of natural resources. • VSF-Suisse promotes the sensitization of the Swiss public on the problems of people making a living with livestock in developing countries today. • The organizations development orientation is based on the rules as spelled out in the National laws on international development cooperation and humanitarian assistance (SR 974.0, 19.03.1976) <p>VSF-Suisse is actively engaged as much in development cooperation as in humanitarian aid. Target groups are disadvantaged groups of people as for example widows with their families, refugees and internally displaced people.</p> <p>The set aims of the organization (Statutes and Rules):</p> <ul style="list-style-type: none"> • Against Hunger and Poverty: VSF-Suisse is engaged in the fight against hunger and poverty in the world. Today, worldwide more than half a billion people live below the poverty threshold. Chronic malnutrition of the population and famine hinder the sustainable development of the concerned countries. • Animal Health – Human Nutrition – Control of Livestock Diseases and zoonoses: The organization contributes to education and research projects, development of technical and medical know how related to animal breeding and health, the improvement of human health through improved food safety as well as the prevention of diseases. Through the control of livestock diseases such as rinderpest and zoonoses (diseases transmitted from animal to human being, e.g. Rabies and Tuberculosis), VSF-Suisse improves the health of the population. • Disadvantaged, marginalized people – Development cooperation – Humanitarian Aid: target groups are underprivileged populations in the poorest regions of the world independent of nationality, race, belief and political orientation. VSF-Suisse carries out development cooperation in poor countries and provides humanitarian assistance in regions affected by crises and emergencies.
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Statutory source	By-laws of 31 st May 2014
Headquarters	Mühlenplatz 15, 3000 Bern 13, Switzerland
Board, Management	<p>Board:</p> <p>Olivier Flechtner since 1994 Enzo Fuschini since 1995 Fritz Schneider since 2000 Dirk Strabel since 2004 Ulrich Kihm (President) since 2005 Jakob Zinsstag since 2005 Albert Zwicker since 2014 Cathy Maret since 2011 A representative of the VSF student group since 2011 Andreas Waldvogel since 2012</p> <p>All members are being elected for a term of one year by the General Assembly.</p> <p>Management:</p> <p>Daniel Bolomey, Executive Director Nicole Litschgi, Programme Manager West Africa and Ethiopia, Deputy Executive Director Marc Dietrich, Programme Manager Greater Horn of Africa Davis Ikiror, Country Director Kenya Martin Barasa, Country Director South Sudan Keadu Simachew, Country Director Ethiopia Komi Lokou, Programme Coordinator Togo</p>
Audit	Ernst & Young AG, Bern

Accounting and reporting standards and principles

VSF-Suisse prepares its financial statements in compliance with the core accounting and reporting standards of Swiss GAAP FER (Framework and standards 1-6 of the Swiss accounting and reporting recommendations). As a ZEWO (Swiss self-regulatory organization for NPO) certified organization it also complies with Swiss GAAP FER 21, the financial reporting standard for non-profit organisations.

The layout and presentation of the Statement of Operations have been modified. Therefore the results of the previous year are shown according to the new layout.

Valuation

Liquid Assets	Nominal value								
Foreign Currency	Exchange rate gains and losses are posted in the profit and loss statement.								
Exchange rate differences	<p>When calculating the individual balances there are inevitable differences that affect the calculated capital. The reasons are the following:</p> <p>Balance Sheet</p> <ul style="list-style-type: none"> – Changes in the exchange rates since the previous valuation date (assets and liabilities) – Movements between assets or liabilities during the reporting year, some of which are calculated at a certain valuation date, others are calculated based on historical rates, as well as some that have been calculated with different historical rates. <p>Statement of operations</p> <ul style="list-style-type: none"> – The converted annual profit is the balance of the converted incomes and expenditures whilst in the balance sheet it is calculated according to the rate at the valuation date. 								
Receivables	Nominal value								
Inventory	Acquisition cost								
Fixed Assets	<p>Assets are evaluated at historical cost.</p> <p>Assets are being depreciated using the straight line method over their expected useful lives at the following annual rates:</p> <table border="0"> <tr> <td>Motor vehicles</td> <td>25%</td> </tr> <tr> <td>Office equipment, furniture and fittings</td> <td>12.5%</td> </tr> <tr> <td>Field equipment</td> <td>50%</td> </tr> <tr> <td>Hard- and Software (EDP)</td> <td>30%</td> </tr> </table>	Motor vehicles	25%	Office equipment, furniture and fittings	12.5%	Field equipment	50%	Hard- and Software (EDP)	30%
Motor vehicles	25%								
Office equipment, furniture and fittings	12.5%								
Field equipment	50%								
Hard- and Software (EDP)	30%								
Liabilities	Nominal value								
Loans	Nominal value								

Details on Article 663b of the Swiss Code of Obligations

Fire insurance value

The fire insurance value of fixed assets is CHF 75 000 (previous year: CHF 75 600).

Risk assessment

The Board of Directors and the Management regularly and systematically assess the risks and ensure that necessary measures are taken to minimise the risks.

Notes to the Balance Sheet

in CHF	2014	2013
1. Cash		
Cash at hand	7 253	90 486
Postal Account	65 546	82 324
Banks	514 921	340 721
Total	587 720	513 531
2. Accounts receivable projects		
Receivables Donors Ethiopia	174 540	168 587
Receivables Donors Kenya	30 852	336 296
Receivables Donors Somalia	48 072	52 132
Receivables Donors South Sudan	503 510	379 326
Total	756 974	936 341
3. Other accounts receivable		
Receivables Nairobi	12 325	20 574
Sub-grants receivables	81 357	17 979
Deposits	2 173	6 589
Other	828	254
Total	96 683	45 396
4. Prepayments		
Prepayment Salaries and Social Insurance	13'931	12'359
Prepayment Nairobi	38'045	83'642
Prepayment Field Nairobi	2'690	11'627
Total	54'666	107'628
5. Transfer accounts		

An amount of CHF 32 120 was transferred from Switzerland to Togo in December 2014 but was only acknowledged in 2015 and therefore it was booked in a transfer account.

in CHF

2014

2013

6. Accrued income

Insurance	1 018	1 095
Bequests 1)	400 000	0
Total	401 018	1 095

- 1) In a letter dated 25th February 2014, a cantonal Land Registry Office and Notary Public notified VSF-Suisse that an amount of CHF 300 000 had been bequeathed to it by a long standing supporter. This bequest was finally received on 16th April 2015.

Another bequest of CHF 100 000 was notified to VSF-Suisse on 19th December 2014 and received on 8th January 2015.

7. Fixed Assets

in CHF	Inventory 01.01.13	In-Flow	Out-Flow	FX Diff.	Inventory 31.12.13
Acquisition Value	187 356	10 392	0	-4 967	192 781
Furniture and Appliances	17 497	4 010	0	-1 051	20 456
IT	14 250	6 382	0	-844	19 788
Vehicles	155 609	0	0	-3 072	152 537
Cum.Adjustment of Value	-137 006	-22 816	3 305	3 378	-153 139
Furniture and Appliances	-8 924	-3 574	0	445	-12 053
IT	-10 895	-2 967	0	398	-13 464
Vehicles	-117 187	-16 275	3 305	2 535	-127 622
Net Book Values	50 350	-12 424	3 305	-1 589	39 642
Furniture and Appliances	8 573	436	0	-606	8 403
IT	3 355	3 415	0	-446	6 324
Vehicles	38 422	-16 275	3 305	-537	24 915
Total	50 350	-12 424	3 305	-1 589	39 642

in CHF	Inventory 01.01.14	In-Flow	Out-Flow	FX Diff.	Inventory 31.12.14
Acquisition Value	192 781	9 849	-27 142	8 452	183 940
Furniture and Appliances	20 456	6 233	-14 549	1 147	13 287
IT	19 788	3 616	-12 593	988	11 799
Vehicles	152 537	0	0	6 317	158 854
Cum.Adjustment of Value	-153 139	-12 665	6 032	-6 560	-166 332
Furniture and Appliances	-12 053	-1 449	3 006	-724	-11 220
IT	-13 464	-700	3 026	-661	-11 799
Vehicles	-127 622	-10 516	0	-5 175	-143 313
Net Book Values	39 642	-2 816	-21 110	1 892	17 608
Furniture and Appliances	8 403	4 784	-11 543	423	2 067
IT	6 324	2 916	-9 567	327	0
Vehicles	24 915	-10 516	0	1 142	15 541
Total	39 642	-2 816	-21 110	1 892	17 608

in CHF

2014

2013

8. Accounts payable

Salaries and social insurance payables	87'478	129'041
Payables (Bern)	39'493	50'809
Payables (Nairobi)	119'758	258'581
Payables (Ethiopia)	26'627	122'858
Payables (South Sudan) 1)	292'789	0
Total	566'145	561'289

1) The South Sudan accounting formerly administered through Nairobi has become an independent accounting unit as of 1st January 2014.

9. Accrued expenses

Project contributions 1)	481 500	750 993
Audit	10 000	8 900
Salary	1 428	0
Other	395	595
Total	493 323	760 488

1) Periodic accruals of received project contributions as the duration of some projects extends beyond the fiscal year.

10. Loans

The previous loan of CHF 100 000 from the Swiss Veterinary Society was converted into a donation to VSF-Suisse by a decision of the Assembly of Delegates, taken on 5th June 2014. This conversion is shown in the Cash Flow Statement as a non-cash profit.

11. Subordinated loan

In 2012, VSF-Suisse received a loan of CHF 100 000 from a private individual. The loan is subordinated to the claims of senior creditors. The lender converted CHF 10 000 of this amount into a donation as notified by letter on 9th December 2014. This conversion is shown in the Cash Flow Statement as a non-cash profit.

12. Restricted funds show the earmarked funds. See statement of change of capital on pages 4 and 5.

13. Capital of the organisation shows internally generated unrestricted funds. See statement of change of capital on pages 4 and 5.

After a comprehensive organizational and financial review was performed during the years 2012 and 2013, the negative capital of the organisation was reduced to CHF 429 885 at the end of 2013.

This year the statement of operations yields a positive result of CHF 384 850 thanks mainly to two bequests amounting to a total of CHF 400 000. The capital of the organisation has therefore turned positive to CHF 78 775.

Notes to the Statement of operations

in CHF

2014

2013

14. Project revenues

Governmental agencies

SDC	567 167	748 000
USAID/OFDA	0	621 771
ECHO	321 600	761 268
European Commission	0	479 676
LED	150 000	200 000
Total	1 038 767	2 810 715

United Nations

UNDP	677 521	260 546
OCHA	792 245	418 017
FAO	333 306	353 460
UNICEF	0	750 910
Total	1 803 072	1 782 933

Public Sector Switzerland

Cantons	364 038	103 937
Municipalities	48 618	24 796
Total	412 656	128 733

NGOs

Biovision	180 785	4 097
Swiss Solidarity	0	39 291
Christian Reformed World Relief Committee	0	14 248
African Development	418 929	155 609
Oxfam	173 026	804 994
Total	772 740	1 018 239

Private sector

Foundations and Trusts	244 819	178 542
Companies	0	4 900
Individuals	16 204	10 360
Total	261 023	193 802

Total Project revenues	4 288 258	5 934 422
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in CHF

2014

2013

15. Donations

Private donations 1)	247 296	237 558
Other donations 2)	163 601	14 384
Total	410 897	251 942

1) The fundraising campaign "Save VSF-Suisse" generated CHF 90 996 of private donations in 2014 and the "Vaccination Day" campaign yielded CHF 32 559 from private donors.

2) This amount includes the conversion of the CHF 100 000 loan from the Swiss Veterinary Society into a donation.

16. Project expenditure

Congo	0	-1'017
Ethiopia	-1'084'954	-971'856
Kenya	-715'529	-1'677'276
Mali	-386'287	-466'210
Somalia	-568'142	-524'316
South Sudan	-1'191'888	-2'143'758
Togo	-186'592	-90'132
Total	-4'133'392	-5'874'565

17. Personnel

Headcount at the head office in Berne as of 31.12.	3,00	3,00
Salaries	-178 769	-229 175
Social contributions	-21 698	-27 306
Travel and Meeting expenses 1)	-13 693	-10 359
Other Staff costs	-1 711	-7 845
Total	-215 871	-274 685

1) Members of the Board, including members of the Executive Board did not receive any financial compensation for their work or expenses incurred in relation to their mandate. Expenses incurred have been donated to VSF-Suisse as follows.

Ulrich Kihm (President)	Sponsored VSF-Suisse publicity	0	900
Ulrich Kihm (President)	Donated travel and phone expenses	3 365	3 413
Andreas Waldvogel	Donated travel and rent expenses	862	751
Andreas Waldvogel	Travel expenses	0	339
Enzo Fuschini	Donated travel expenses	400	0
Zwicker Albert	Donated travel expenses	1 638	0
Total		6 265	5 403

in CHF

2014

2013

Economic benefits, liabilities and pension costs from pension fund:

	2014	2013
Cover ratio according to Art. 44 BVV2 2)	117,0%	114,0%
Accrued contributions per period	-7 596	-11 218
Salary and pension plan	-7 596	-11 218

2) There are no liabilities towards the pension fund.

18. Operating costs

Rent	-29'407	-22'668
Insurances	-3'578	-2'112
Maintenance	-1'216	-240
Administrative costs	-61'504	-57'971
Consulting, legal and accounting costs 1)	-251'807	-71'903
Marketing costs	-11'539	-9'923
Other costs	-4'757	-3'619
Total	-363'808	-168'436

1) The Executive Director of VSF-Suisse works on a consultancy basis. This item of expenditure also includes the costs linked to the outsourcing of the bookkeeping and the statutory auditing.

19. Financial result

Interest income	108	424
Realized exchange gains	415'574	1'517'193
Unrealized exchange gains	0	821
Other	429	41
Total financial gains	416'111	1'518'479
Interest expenses	-37	-123
Bank charges	-26'082	-28'704
Realized exchange losses	-377'978	-1'530'031
Unrealized exchange losses	0	-322
Other	-684	-101
Total financial expenses	-404'781	-1'559'281
Total	11'330	-40'802

20. Utilization and Allocation of restricted Funds shows the change of funds for the financing of projects and of internal costs as of the end of the year. Detailed information can be found in the statement of changes in capital on pages 4 and 5.

21. Utilization and Allocation of unrestricted Funds

The unrestricted funds are part of the capital of the organisation and their utilization are not being restricted by a third party. Therefore they are dedicated to self-financing.

The amount of CHF 25 000 was received from TVS GST AG and allocated to the corresponding fund (see p. 4). The capital of the organisation consist of the equity financing. Its utilisation is not restricted by third parties.

Further explanations

22. Other liabilities from tenancy agreements not included in the books.

in TCHF		2015 (1 year)	2016 – 2017 (2 years)
Office space	Mühlenplatz 15	27 936	55 882

23. Events after the closing date

There were no significant events after the closing date of 31st December 2014 which would require additional information or changes to the annual financial statement.

24. Liquidity – Going concern

In the year under review, the organisation closely monitored the liquidity of the organisation and established regular cash flow plannings. This allowed the organisation to manage the in- and outflow of funds in an optimal manner.

Thanks to the two bequests of a total amount of CHF 400 000 notified in 2014 and the success in collecting donations during the year, the liquid assets of VSF-Suisse have much improved.

25. Performance report

The performance report forms part of the annual report.

26. Pro-bono services

The board of directors has performed 850 hours of unpaid services during the year 2014 (previous year 960 hours).

27. Operating costs

The representation of the cost structure of the association Vétérinaires Sans Frontières Suisse is based on the ZEW0 methodology for the calculation of the administrative expenditure.

Project and service costs are those costs which contribute directly to the achievement of the statutory goals of VSF-Suisse.

The **fundraising expenditures** show those costs related to the maintenance of the address database as well as the donor and sponsor management.

In the category **administrative expenditures** all expenses relating only indirectly to projects and services provided by VSF-Suisse are declared. These expenditures are not directly felt by project partners and beneficiaries. They ensure the functioning of VSF-Suisse.

Project and services expenditures	2014		2013	
Staff cost in projects	856'377		1'087'272	
Material cost 1)	2'913'601		4'247'608	
Other operating cost 2)	362'079		534'132	
Depreciation	1'335		5'553	
Total	4'133'392	87.11%	5'874'565	92.25%
Fundraising expenditures				
Staff cost in projects	0		2'626	
Other operating cost 2)	5'896		12'499	
Total	5'896	0.12%	15'125	0.24%
Administrative expenditures 3)				
Staff cost	215'871		274'685	
Material cost 1)	14'580		25'915	
Other operating cost 2)	363'808		168'436	
Depreciation	11'330		9'653	
Total	605'589	12.76%	478'689	7.52%
Total	4'744'877	100.00%	6'368'379	100.00%

- 1) The material cost includes the expenditure for projects
- 2) The other operating cost includes the expenditure for administration, consulting, IT, marketing. The depreciations are listed separately.
- 3) The percentage of administrative expenditures in 2014 to the total expenditure is higher than the year before for two main reasons: a) the project volume is lower and b) the position of the Executive Director was held in 2014 during 12 months while it was vacant in 2013 during 4 months. In 2013, the related costs are shown as part of the staff costs, as in 2014, they are shown as part of the operating costs, as the Executive Director works on a consultancy basis.

Financial Statement 2014 in USD

**A) Balance Sheet as of 31 December 2014
in USD**

Exchange rate income and expenses 2013
Exchange rate income and expenses 2014
Source: www.oanda.com

CHF = USD 1.12295

CHF = USD 1.01052

		2014	2013
Assets			
Cash	1	593'903	576'670
Accounts receivable projects	2	764'937	1'051'464
Other accounts receivable	3	97'700	50'977
Prepayments	4	55'241	120'861
Transfer accounts	5	32'458	0
Inventory		0	2'456
Accrued income	6	405'237	1'230
Total current assets		1'949'476	1'803'658
Fixed assets	7	17'793	44'516
Total fixed assets		17'793	44'516
Total assets		1'967'269	1'848'174
Liabilities			
Accounts payable	8	572'101	630'300
Accrued expenses	9	498'513	853'990
Total current liabilities		1'070'614	1'484'290
Loans	10	0	112'295
Subordinated loan	11	90'947	112'295
Total long-term liabilities		90'947	224'590
Restricted Funds	12	723'518	622'033
Fund TVS GST AG		102'063	85'344
Internally generated unrestricted funds		-644'425	-763'381
Valuation difference		132'015	148'040
Fund "Currency Management"		101'052	0
Surplus for the year		391'486	47'258
Total capital of the organisation	13	82'191	-482'739
Total liabilities		1'967'269	1'848'174

**B) Statement of operations 2014
in USD**

Exchange rate income and expenses 2013
Exchange rate income and expenses 2014
Source: www.oanda.com

CHF = USD 1.12295

CHF = USD 1.01052

		2014	2013
Project revenues	14	4'333'370	6'708'281
Donations	15	415'220	238'696
Bequests		404'208	0
Membership fees		36'798	38'983
Contributions from projects		274'031	410'488
Other revenue		10'160	2'497
Total income		5'473'787	7'398'945
Project costs			
Material, goods and services		-2'944'252	-4'769'851
Personnel		-865'386	-1'220'952
Operating costs		-365'888	-599'804
Depreciations		-1'349	-6'236
Total project costs	16	-4'176'875	-6'596'843
Fundraising costs			
Personnel		0	-2'949
Operating costs		-5'958	-14'035
Total fundraising costs		-5'958	-16'984
Administrative costs			
Material, goods and services		-14'733	-29'102
Personnel	17	-218'142	-308'458
Operating costs	18	-367'635	-189'145
Depreciations		-11'449	-10'840
Total administrative costs		-611'960	-537'545
Operating result		678'994	247'573
Financial result	19	11'449	-45'819
Extraordinary result		-7'604	21'260
Result before assignment of restricted funds		682'839	223'014
Utilization of restricted funds	20	4'262'085	6'780'706
Allocation of restricted funds	20	-4'427'123	-6'951'626
Balance of movements in restricted funds		-165'038	-170'921
Result before assignment of unrestricted funds		517'801	52'093
Utilization of unrestricted funds	21	0	0
Allocation of unrestricted funds	21	-126'315	-4'835
Balance of movements in unrestricted funds		-126'315	-4'835
Profit		391'486	47'258