

To the General Meeting of
Vétérinaires Sans Frontières Suisse, Berne

Berne, 15 April 2024

Report of the statutory auditor on the limited statutory examination

As statutory auditor in accordance with article 14 of the association's articles of incorporation, we have examined the financial statements (balance sheet, statement of operations, cash flow statement, statement of changes in capital and notes) of Vétérinaires Sans Frontières Suisse for the financial year ended 31 December 2023. In accordance with Swiss GAAP FER 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 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 and do not comply with Swiss law and the association's articles of incorporation.

Ernst & Young Ltd

Licensed audit expert
(Auditor in charge)

Enclosures

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

Balance sheet as of 31.12.

in CHF	Notes	2023	2022
<i>Assets</i>			
Cash	1	2 631 249	2 870 792
Receivables from goods and services	2	2 368 334	1 162 096
Other short-term receivables	3	37 979	29 662
Prepayments	4	81 950	180 764
Accrued income		-	12 136
Current assets		5 119 512	4 255 450
Tangible fixed assets	5	20 465	34 639
Non-current assets		20 465	34 639
Assets		5 139 977	4 290 089
<i>Liabilities and equity</i>			
Payables from goods and services	6	987 647	946 419
Accrued liabilities	7	25 000	28 310
Short-term provisions	8	29 613	23 734
Current liabilities		1 042 260	998 463
Subordinated loan	9	20 000	30 000
Non-current liabilities		20 000	30 000
Fund capital	10	2 484 384	2 259 049
Tied capital		300 000	63 503
Free capital		957 214	722 497
Net income for the year		336 119	216 577
Organisation capital	11	1 593 333	1 002 577
Liabilities and equity		5 139 977	4 290 089

Statement of operations

in CHF	Notes	2023	2022
<i>Income</i>			
Project revenues	12	10 151 071	8 367 067
Donations	13	1 326 940	1 214 478
Membership fees		11 775	17 550
Contributions from projects		517 259	342 431
Sponsoring		48 003	7 000
Other revenue		26 231	17 096
Operating income		12 081 279	9 965 622
<i>Expenditure</i>			
Material, goods and services		(7 710 925)	(5 706 741)
Personnel expense	14	(3 417 739)	(3 251 048)
Other operating expense	15	(1 301 925)	(1 082 132)
Depreciation and amortisation	5	(16 330)	(20 151)
Operating expenses	16, 25	(12 446 919)	(10 060 072)
Operating result		(365 640)	(94 450)
Financial expense		(486 641)	(249 624)
Financial income		378 618	174 574
Extraordinary expense	17	(140 649)	(30 556)
Extraordinary income	17	231 024	26 576
<i>Other income</i>		(17 648)	(79 030)
Result before changes in fund capital		(383 288)	(173 480)
Utilization of fund capital		11 285 341	8 820 758
Allocation of fund capital		(10 304 438)	(8 365 469)
<i>Changes in fund capital</i>	18	980 903	455 289
Result before allocation to organisation capital		597 615	281 809
Utilization of organisation capital		122 577	16 207
Allocation of organisation capital		(384 073)	(81 439)
<i>Changes in organisation capital</i>	19	(261 496)	(65 232)
Net income		336 119	216 577

Cash flow statement

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 (VSF-Suisse).

in CHF	2023	2022
Cash as at January 1	2 870 792	2 679 288
Result before allocation to organisation capital	597 615	281 809
Depreciation and amortisation	16 330	20 151
Other non-cash profits/losses	(9 015)	595
Decrease/(Increase) receivables from goods and services	(1 206 238)	(373 841)
Decrease/(Increase) other short-term receivables	(8 317)	(11 605)
Decrease/(Increase) prepayments	98 814	82 215
Decrease/(Increase) accrued income	12 136	(12 136)
(Decrease)/Increase payables from goods and services	41 228	245 720
(Decrease)/Increase accrued liabilities	(3 310)	16 310
(Decrease)/Increase short-term provision	5 879	23 734
(Decrease)/Increase fund capital	225 335	(81 448)
Cash flow from operating activities	(229 543)	191 504
(Decrease)/Increase loans	(10 000)	-
Cash flow from financing activities	(10 000)	-
Cash as at December 31	2 631 249	2 870 792
Change in cash	(239 543)	191 504

Statement of changes in capital

The statement of changes in capital shows the allocation, internal transfers, use, change in pre-financing 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.

in CHF	Balance 01.01.2023	Allocation	Internal transfers	Utilization	Change in Pre-financing	Balance 31.12.2023
Restricted funds Ethiopia	495 751	4 520 867	-	(4 351 660)	26 712	691 670
Restricted funds Kenya	440 987	1 213 100	-	(2 367 034)	1 101 840	388 893
Restricted funds Mali	536 351	675 051	-	(809 498)	24 608	426 512
Restricted funds Somalia	223 939	764 303	-	(842 648)	(43 954)	101 640
Restricted funds South Sudan	196 438	1 767 452	-	(1 935 810)	115 681	143 761
Restricted funds Ivory Coast	-	319 598	-	-	(37 032)	282 566
Restricted funds Togo	365 583	293 367	-	(378 146)	18 383	299 187
Restricted funds Chad	-	50 700	-	(838)	-	49 862
Restricted funds DEZA	-	700 000	-	(599 707)	-	100 293
Fund capital	2 259 049	10 304 438	-	(11 285 341)	1 206 238	2 484 384
Fund for extraordinary risks 1)	63 503	159 074	-	(122 577)	-	100 000
Fund for Organizational development 2)	-	200 000	-	-	-	200 000
<i>Tied capital</i>	<i>63 503</i>	<i>359 074</i>	<i>-</i>	<i>(122 577)</i>	<i>-</i>	<i>300 000</i>
Fund TVS GST AG 3)	296 000	25 000	-	-	-	321 000
Fund capital campaign 4)	73 830	-	-	-	-	73 830
Internally gen. unrestricted fund	233 148	-	216 577	-	-	449 725
Cumulated translation differences	119 519	-	-	(6 860)	-	112 659
<i>Free capital</i>	<i>722 497</i>	<i>25 000</i>	<i>216 577</i>	<i>(6 860)</i>	<i>-</i>	<i>957 214</i>
<i>Net income for the year</i>	<i>216 577</i>	<i>336 119</i>	<i>(216 577)</i>	<i>-</i>	<i>-</i>	<i>336 119</i>
Organisation capital	1 002 577	720 193	-	(129 437)	-	1 593 333

Statement of changes in capital

in CHF	Balance 01.01.2022	Allocation	Internal transfers	Utilization	Change in Pre-financing	Balance 31.12.2022
Restricted funds Ethiopia	262 600	3 382 515	-	(3 667 131)	517 767	495 751
Restricted funds Kenya	1 217 652	1 042 529	-	(1 828 073)	8 879	440 987
Restricted funds Mali	245 016	1 011 229	-	(707 184)	(12 710)	536 351
Restricted funds Somalia	34 943	225 000	-	(84 073)	48 069	223 939
Restricted funds South Sudan	80 697	1 724 499	-	(1 407 928)	(200 830)	196 438
Restricted funds Ivory Coast	-	12 000	-	(24 666)	12 666	-
Restricted funds Togo	390 172	267 697	-	(292 286)	-	365 583
Restricted funds DEZA	109 417	700 000	-	(809 417)	-	-
Fund capital	2 340 497	8 365 469	-	(8 820 758)	373 841	2 259 049
Fund for extraordinary risks 1)	52 101	27 609	-	(16 207)	-	63 503
<i>Tied capital</i>	<i>52 101</i>	<i>27 609</i>	<i>-</i>	<i>(16 207)</i>	<i>-</i>	<i>63 503</i>
Fund TVS GST AG 3)	271 000	25 000	-	-	-	296 000
Fund capital campaign 4)	45 000	28 830	-	-	-	73 830
Internally gen. unrestricted fund	(5 686)	-	238 834	-	-	233 148
Cumulated translation differences	121 282	-	-	(1 763)	-	119 519
<i>Free capital</i>	<i>431 596</i>	<i>53 830</i>	<i>238 834</i>	<i>(1 763)</i>	<i>-</i>	<i>722 497</i>
<i>Net income for the year</i>	<i>238 834</i>	<i>216 577</i>	<i>(238 834)</i>	<i>-</i>	<i>-</i>	<i>216 577</i>
Organisation capital	722 531	298 016	-	(17 970)	-	1 002 577

- 1) This fund covers extraordinary risks, such as warlike and extraordinary events, as well as exchange rate losses.
- 2) This fund covers expenses related to organisational development
- 3) This fund is aimed at strengthening the treasury of VSF-Suisse and shall be used for pre-financing of last instalments related to projects
- 4) This fund shows all the donations to the capital campaign (duration of the campaign 2021 - 2025)

Notes to financial statement

Organisation

Mission

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.

The focus is primarily on the following activities:

- 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.
- The sensitization of the Swiss public on the problems of peoples who nowadays make a living with livestock in developing countries.

The organisations 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)

VSF-Suisse is actively engaged as much in development cooperation as in humanitarian aid, linked through the concept of NEXUS. Target groups are disadvantaged groups of people as for example widows with their families, refugees, and internally displaced people.

The objectives of the organisation (Statutes and Rules):

- Against Hunger and Poverty: VSF-Suisse is engaged in the fight against hunger and poverty in the world. Today, more than half a billion people worldwide live below the poverty line. Famine and chronic malnutrition of the population hinder the sustainable development of the concerned countries.
 - Animal Health – Human Nutrition – Control of Livestock Diseases and Zoonoses: The organisation 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
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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 regardless 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.

Statutory source	By laws of 20 th June 2015		
Headquarter	Mühlenplatz 15, 3000 Bern 13, Switzerland		
Board	Ulrich Kihm	since 2005	(President)
	Pascale Wälti Maumier	since 2015	
	Hanspeter Steinlin	since 2018	
	Stefanie Graf	since 2019	
	Claudio Clematide	since 2021	
	Gregor Schmid	since 2022	
	Hans Wyss	since 2023	
Executive Management	Flurina Derungs, Executive Director (from 01.07.2023)		
	Vincent Hug, Programme Director, Deputy ED (from 01.04.2023) Jorge Pascual, Head of Finance & IT		
	<i>Former Executive Management Members:</i> <i>Nicole Litschgi, Executive Director (until 30.06.2023)</i> <i>Esther Schelling, Head of Innovation and Learning (until 31.05.2023)</i> <i>Sven Fäh, Head of Fundraising (until 31.05.2023)</i>		
Statutory auditor	Ernst & Young AG, Schanzenstrasse 4A, 3001 Berne		

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 organisation for NPO) certified organisation it also complies with Swiss GAAP FER 21, the financial reporting standard for non-profit organisations.

The financial statements will be approved by the board on May 21th and will be presented at the General Assembly on June 15th.

Valuation

Liquid assets	Nominal value
Foreign currency	Exchange rate gains and losses are posted in the profit and loss statement.

Exchange 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								
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> <tr> <td>Motor vehicles</td> <td>25.0%</td> </tr> <tr> <td>Office equipment, furniture and fittings</td> <td>12.5%</td> </tr> <tr> <td>Field equipment</td> <td>50.0%</td> </tr> <tr> <td>Hard- and Software (EDP)</td> <td>30.0%</td> </tr> </table>	Motor vehicles	25.0%	Office equipment, furniture and fittings	12.5%	Field equipment	50.0%	Hard- and Software (EDP)	30.0%
Motor vehicles	25.0%								
Office equipment, furniture and fittings	12.5%								
Field equipment	50.0%								
Hard- and Software (EDP)	30.0%								
Liabilities	Nominal value								
Loans	Nominal value								

Notes to the balance sheet

1 Cash

in CHF	2023	2022
Cash at hand	5 618	16 966
Postal account	424 953	614 830
Banks	2 200 678	2 238 996
Total	2 631 249	2 870 792

2 Receivables from goods and services

in CHF	2023	2022
Receivables donors Ethiopia	902 414	875 703
Receivables donors Kenya	1 113 844	12 004
Receivables donors Mali	58 581	33 973
Receivables donors Somalia	9 958	53 911
Receivables donors South Sudan	265 153	149 473
Receivables donors Ivory Coast	18 384	37 032
Total	2 368 334	1 162 096

3 Other short-term receivables

in CHF	2023	2022
Receivables Kenya	10 577	20 235
Receivables Ethiopia	3 218	-
Receivables HQ	15 290	-
Social insurance	5 879	7 049
Deposits	3 015	2 378
Total	37 979	29 662

4 Prepayments

in CHF	2023	2022
Prepayments salaries	20 033	14 718
Prepayments Kenya	20 360	30 640
Prepayments Mali	24 756	23 161
Prepayments South Sudan	7 004	93 799
Prepayments Togo	9 797	18 446
Total	81 950	180 764

5 Tangible fixed assets

in CHF	Furniture & Appliance	IT	Vehicles	Total
<i>Gross values of cost</i>				
Beginning of the period 01.01.2023	8 144	8 309	130 980	147 433
Additions	-	-	-	-
Disposals	-	-	-	-
Foreign exchange differences	(2 483)	(1 891)	(38 677)	(43 051)
End of the period 31.12.2023	5 661	6 418	92 303	104 382
<i>Accumulated depreciation</i>				
Beginning of the period 01.01.2023	(8 144)	(8 309)	(96 341)	(112 794)
Systematic depreciation	-	-	(16 330)	(16 330)
Revaluation	-	-	9 612	9 612
Foreign exchange differences	2 483	1 891	31 221	35 595
End of the period 31.12.2023	(5 661)	(6 418)	(71 838)	(83 917)
Net carrying amount 31.12.2023	-	-	20 465	20 465

in CHF	Furniture & Appliance	IT	Vehicles	Total
<i>Gross values of cost</i>				
Beginning of the period 01.01.2022	8'782	8'795	140'920	158'497
Additions	-	-	-	-
Disposals	-	-	-	-
Foreign exchange differences	(638)	(486)	(9 940)	(11 064)
End of the period 31.12.2022	8'144	8'309	130'980	147'433
<i>Accumulated depreciation</i>				
Beginning of period 01.01.2022	(8 782)	(8 795)	(83 772)	(101 349)
Systematic depreciation	-	-	(20 151)	(20 151)
Disposals	-	-	-	-
Foreign exchange differences	638	486	7'582	8'706
End of the period 31.12.2022	(8 144)	(8 309)	(96 341)	(112 794)
Net carrying amount 31.12.2022	-	-	34'639	34'639

6 Payables from goods and services

in CHF	2023	2022
Salaries payables	44 112	11 311
Social insurance payables	168 409	213 069
Payables Switzerland	102 966	159 246
Payables Kenya	394 666	199 024
Payables Ethiopia	257 034	222 457
Payables South Sudan	20 460	141 312
Total	987 647	946 419

7 Accrued liabilities

in CHF	2023	2022
Audit	20 000	20 000
Salary	5 000	8 310
Total	25 000	28 310

8 Short-term Provisions

VSF-Suisse is facing a labour lawsuit in South Sudan. The amount of the claim has been fully provisioned following the prudence principle. The court case has not yet concluded and the hearing of the last witness should be held in early 2024.

9 Subordinated loan

In 2012, VSF-Suisse received a loan of CHF 100 000 from a private individual. The loan is subordinated to all other existing and future claims against the company. The lender so far converted CHF 70'000 of the initial amount into a donation as notified in previous statements. There has been a conversion of CHF 10'000 into a donation this year and the loan now stands at CHF 20'000.

10 Fund capital

The fund capital shows the earmarked funds. See statement of changes in capital for further details.

11 Organisation capital

The organisation capital shows internally generated unrestricted funds. See statement of change of capital for further details.

Notes to the statement of operations

12 Project revenues

in CHF	2023	2022
Governmental bodies	4 349 412	5 029 445
<i>Contributions SDC</i>	2 103 337	2 060 958
<i>SDC Programm Contribution</i>	700 000	700 000
<i>Contributions European Commission</i>	30 274	928 063
<i>Contributions Austrian Development Agency</i>	385 125	518 140
<i>Contributions USAID / OFDA</i>	1 130 675	822 283
International organisations	1 815 147	1 272 731
Foundations	3 115 309	1 475 919
Swiss public sector	482 777	201 174
Private sector	85 001	-
Other project revenues	303 425	387 798
Total	10 151 071	8 367 067

13 Donations

in CHF	2023	2022
Unrestricted private donations	702 678	761 200
Unrestricted legacy donations	544 321	370 000
Other unrestricted donations	79 941	83 278
Total	1 326 940	1 214 478

14 Personnel expenses

in CHF	2023	2022
Full time equivalents at the countries as of 31.12.	146	142
Full time equivalents at the head office in Bern as of 31.12.	8.1	9.2
Programme	3 005 147	2 749 201
Fundraising	70 317	89 135
Administration	342 275	412 712
Total	3 417 739	3 251 048
Ulrich Kihm (President) donated travel and phone expenses	1 025	1 146

15 Other operating expenses

in CHF	2023	2022
Rent	104 103	83 071
Insurances	48 625	52 252
Maintenance	34 158	26 452
Administrative costs	523 492	449 117
Consulting, legal and accounting costs	380 414	287 330
Marketing costs	211 133	183 910
Total	1 301 925	1 082 132

16 Operating expenses

in CHF	2023	2022
Ethiopia	4 343 283	3 799 901
Ivory Coast	27 453	148 225
Kenya	2 404 691	1 901 460
Mali	881 253	647 403
Somalia	910 824	195 157
South Sudan	1 985 810	1 525 901
Togo	379 278	339 788
Tschad	37 486	-
Global	1 476 841	1 502 237
Total	12 446 919	10 060 072

17 Extraordinary expense and income

Extraordinary expense and income mainly comprise currency losses and gains at the end of the projects.

18 Change in tied and fund capital

Utilization and allocation of fund capital shows the change of funds for the financing of projects and of internal costs as at the end of the year. See statement of change of capital for further details.

19 Change in organisation capital

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

Further explanations

20 Other liabilities from tenancy agreements not included in the books

in CHF	2024	2025-2027
Office space, Mühlenplatz 15, Berne	28 560	114 240
Total	28 560	114 240

21 Events after the closing

There were no significant events after the closing date of 31st December 2023, which would require additional information or changes to the annual financial statement.

22 Performance report

The performance report forms part of the annual report.

23 Pro-bono services

The board of directors and volunteers have performed 182 hours of unpaid services during the year 2023 (previous year 306 hours).

24 Executive compensation

in CHF	2023	2022
Executive compensation	315 394	193 092
Total	315 394	193 092

Before 2023 the Executive Management Team consisted of the Executive Director and the Programme Director. In 2023 the Executive Management Team was expanded by three members (Head of Innovation and Learning, Head of Fundraising and Head of Finance), two of which left the organization in the same year without being replaced.

The executive management currently consists of Flurina Derungs, Executive Director (from 01.07.2023), Vincent Hug, Programme Director and Deputy ED (from 01.04.2023) and Jorge Pascual, Head of Finance & IT.

Former members include Nicole Litschgi, Executive Director (until 30.06.2023), Esther Schelling, Head of Innovation and Learning (until 31.05.2023) and Sven Fäh, Head of Fundraising (until 31.05.2023).

The executive compensation reflects the total gross salary of all listed individuals for the stated time period.

25 Operating expenses

The representation of the cost structure of the association VSF-Suisse is based on the Zewo methodology for the calculation of the administrative expenditure.

Project expenditures are those costs which contribute directly to the achievements of the statutory goals of VSF-Suisse.

Fundraising expenses show those costs related to the maintenance of the address database as well as the donor and sponsor management.

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

in CHF	2023	in %	2022	in %
<i>Project expenditure</i>				
Material, goods and services	7 669 366		5 691 168	
Personnel expenses	3 005 147		2 749 201	
Other operating expenses	821 720		671 603	
Depreciation and amortisation	16 330		20 151	
Total	11 512 563	92.49%	9 132 123	90.78%
<i>Fundraising expenses</i>				
Personnel expenses	70 317		89 135	
Other operating expenses	255 756		206 923	
Total	326 073	2.62%	296 058	2.94%
<i>Administrative expenses</i>				
Material, goods and services	41 559		15 573	
Personnel expenses	342 275		412 712	
Other operating expenses	224 449		203 606	
Total	608 283	4.89%	631 891	6.28%
Total operating expenses	12 446 919	100.00%	10 060 072	100.00%