



HELVETAS Swiss Intercooperation, Zürich

Report of the Statutory Auditor
on the Financial Statements
to the General Meeting
Financial Statements 2014



KPMG AG

Audit

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Report of the Statutory Auditor to the General Meeting of

HELVETAS Swiss Intercooperation, Zürich

Report of the Statutory Auditor on the Financial Statements

As statutory auditor, we have audited the accompanying financial statements of HELVETAS Swiss Intercooperation, which comprise the balance sheet, statement of operations, cash flow statement, statement of changes in capital and notes for the year ended December 31, 2014. In accordance with Swiss GAAP FER 21 the information in the performance report is not subject to the audit work performed by the statutory auditor.

Board of Directors' Responsibility

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 company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The board of directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended December 31, 2014 give a true and fair view of the financial position, the result of operations and the cash flows in accordance with Swiss GAAP FER 21 and comply with Swiss law and the company's articles of incorporation.

Report on Other Legal Requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the board of directors.

We recommend that the financial statements submitted to you be approved.

We further confirm that the entity complies with those requirements of the foundation ZEWO which are subject to the implementation regulation stipulated in article 12 of the ZEWO-seal of quality regulation.

KPMG AG



Michael Herzog
Licensed Audit Expert
Auditor in Charge



Reto Kaufmann
Licensed Audit Expert

Zurich, May 8, 2015

Enclosure:

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

Balance sheet

Assets

	Explanatory notes	31.12.2014 in CHF	31.12.2013 in CHF
Cash and cash equivalents	1.1	33,724,510.93	31,573,997.15
Marketable securities	1.2	17,410,115.71	15,758,610.61
Receivables	1.3	1,511,663.96	1,592,561.01
Inventories	1.4	872,902.67	972,249.39
Net assets in project countries	1.5	8,756,297.76	17,840,998.46
Prepayments and accrued income	1.6	9,573,822.50	10,096,455.99
Current assets		71,849,313.53	77,834,872.61
Tangible fixed assets	1.7	1,197,962.00	607,491.19
Intangible assets	1.7	514,059.96	1,053,309.96
Investments in financial assets	1.8	788,880.98	82,311.95
Fixed assets		2,500,902.94	1,743,113.10
Assets		74,350,216.47	79,577,985.71

Liabilities

		31.12.2014 in CHF	31.12.2013 in CHF
Accounts payable	2.1	4,267,234.16	3,575,088.06
Accrued liabilities	2.2	36,963,679.16	42,251,726.00
Current liabilities		41,230,913.32	45,826,814.06
Provisions	2.3	708,638.29	1,679,139.48
Long-term liabilities		708,638.29	1,679,139.48
Liabilities		41,939,551.61	47,505,953.54
Restricted fund capital	2.4	2,118,322.82	1,743,110.89
Elaborated unrestricted capital		16,674,181.14	16,710,760.38
Elaborated restricted capital		13,618,160.90	13,618,160.90
Organisational Capital		30,292,342.04	30,328,921.28
Liabilities		74,350,216.47	79,577,985.71

Statement of operations

Income	Explanatory notes	2014 in CHF	2013 in CHF
Membership fees	3.1	2,820,934.82	3,008,174.58
Donation from the public	3.1	22,177,014.72	21,846,283.53
Legacies	3.1	1,073,708.12	3,785,676.09
<u>Income from fundraising</u>		26,071,657.66	28,640,134.20
Programme projects SDC	3.2	10,700,000.00	10,700,000.00
Project funding SDC	3.2	61,999,841.59	63,124,859.60
Project funding from organisations	3.3	26,977,040.18	24,226,975.68
Income from advisory services	3.4	3,756,523.13	3,263,776.75
Income from Fair Trade	3.5	3,240,334.64	3,426,173.15
Other operating income	3.6	587,505.05	752,435.49
<u>Income from service provided</u>		107,261,244.59	105,494,220.67
<u>Income</u>		133,332,902.25	134,134,354.87
Expenditure			
Africa		31,177,071.24	32,843,316.84
Asia		46,631,895.38	43,958,679.83
Latin America		18,071,101.76	19,222,185.81
Eastern Europe, Caucasus, Central Asia		11,965,370.52	11,572,756.00
Programme coordination & support from head office		2,016,778.54	1,765,223.80
<u>Expenditure on international programmes</u>	4.0	109,862,217.44	109,362,162.28
<u>Expenditure on advisory services</u>	4.1	5,408,262.61	5,117,235.14
<u>Expenditure on projects in Switzerland</u>	4.2	5,453,498.24	5,675,095.70
<u>Expenditure on Fair Trade</u>	4.3	3,368,512.77	3,388,101.90
Head Office		4,686,516.02	4,562,183.73
Fundraising		6,134,577.24	5,695,849.05
<u>Head Office and fundraising</u>	4.4	10,821,093.26	10,258,032.78
<u>Expenditure from service delivered</u>		134,913,584.32	133,800,627.80
<u>Operating profit / loss</u>		-1,580,682.07	333,727.07
Financial result	5.0	1,880,695.83	997,548.30
Other result	5.1	38,618.93	-280,815.41
<u>Result before fund result</u>		338,632.69	1,050,459.96
Fund result	6.0	174,788.05	167,272.85
<u>Annual result before allocation to organisational capital</u>		513,420.76	1,217,732.81
Allocations			
To elaborated unrestricted capital		513,420.76	1,217,732.81
to elaborated restricted capital		-	-

Cash flow statement

	2014	2013
	in CHF	in CHF
Cash flow from operations		
Annual result before fund result	338,632.69	1,050,459.96
Depreciation/ amortisation of tangible fixed assets and intangible assets	949,350.00	842,226.47
Net write-offs / accumulation of provisions	-970,501.19	80,685.00
Financial result	-1,880,695.83	-997,548.30
Decrease / increase receivables	80,897.05	-73,727.32
Decrease / increase inventories	99,346.72	-146,256.27
Decrease / increase net assets in project countries	9,084,700.70	-5,420,993.76
Decrease prepayments accrued income (excl. Pledges from donors)	522,633.49	1,720,664.93
Increase accounts payable	692,146.10	951,004.49
Decrease / Increase accrued liabilities	-5,288,046.84	3,537,160.85
Cash flow from operations	3,628,462.89	1,543,676.05
Cash flow from investing activities		
Investments marketable securities	-4,650,665.34	-2,136,893.54
Investments tangible fixed assets	-1,000,570.81	-307,068.00
Investments intangible assets	0.00	-441,368.10
Investments financial assets	-706,569.03	-41,375.65
Disposal marketable securities	4,458,160.00	935,427.00
Bank fees	-145,056.19	-131,811.61
Receiving interests and dividends from marketable securities and liquid asset	292,163.69	120,980.95
Cash flow from investing activities	-1,752,537.68	-2,002,108.95
Loss / profit from currency exchange rates	274,588.57	-3,990.81
Total cash flow	2,150,513.78	-462,423.71
Changes in cash		
Opening balance of cash	31,573,997.15	32,036,420.86
Closing balance of cash	33,724,510.93	31,573,997.15
Changes in cash	2,150,513.78	-462,423.71

Statement of changes in capital

	Balance 01.01.14 in CHF	Earnings	Allocation	Internal fund transfers	Utilization	Transfer from organisational capital	Fund result	Balance 31.12.14 in CHF
Means from equity financing								
Elaborated unrestricted capital	16,710,760		0	513,421	0	-550,000	-36,579	16,674,181
- Fund fundraising	1,000,000							1,000,000
- Fund for value fluctuation of marketable securities	470,650							470,650
- Fund continuation of projects	9,830,744							9,830,744
- Real estate fund	1,790,000							1,790,000
- Social fund	526,767							526,767
Annual result	0		513,421	-513,421				0
Organisational capital	30,328,921	0	513,421	0	0	-550,000	-36,579	30,292,342
Means from capital fund								
Fund programme contribution	0		10,700,000	-9,584,345	-1,115,655		0	0
Fund for water projects	0		1,848,917	-1,670,409	-42,036		136,472	136,472
Fund for education projects	0		244,324	-241,757	-2,567		0	0
Fund for emergency response	0		0	0	0	500,000	500,000	500,000
Assigned donations Africa	1,175,428		5,321,054	3,758,766	-9,661,273	50,000	-531,453	643,975
Assigned donations Asia	202,578		2,495,916	4,415,328	-6,642,636	50,000	268,607	471,186
Assigned donations Latin America	129,838		2,258,996	2,470,885	-4,673,030		56,852	186,690
Assigned donations Eastern Europe, Caucasus, Central Asia	55,267		446,922	851,531	-1,353,720		-55,267	0
Assigned fund capital	1,563,111	0	23,316,130	0	-23,490,918	550,000	375,212	1,938,323
Empowerment fund	180,000							180,000
Usufructuary fund	180,000	0	0	0	0	0	0	180,000
Restricted fund capital	1,743,111	0	23,316,130	0	-23,490,918	550,000	375,212	2,118,323

Information on the elaborated restricted capital

- Fund fundraising
This fund is to finance perennial investments in the fundraising.
- Fund for value fluctuation of marketable securities
This fund is to compensate larger fluctuations in the value of securities.
- Fund for continuation of projects
This fund covers commitments of projects in case of larger financing problems.
- Real estate fund
This fund finances investments in real estate.
- Social fund
This fund finances hard ship cases of HELVETAS Swiss Intercooperation employees.

Information on the capital fund

The Board of Directors decided in 2014 to open a fund for emergency response with a single premium from the elaborated unrestricted capital of CHF 500,000. In future the fund will be financed with outside funds. In the column 'internal funds transfers' is shown, on which continents funds programme contribution projects, for water projects and education projects were used.

Provisions

	Balance 01.01.14 in CHF	Allocation	Utilization	Reversal	Currency- translation effect	Total result	Balance 31.12.14 in CHF
Change in provisions							
Pension obligations personnel abroad	943,219	105,896	-69,709	-268,483	-2,285	-234,581	708,638
Reintegration contribution employees	735,920		-29,375	-706,545		-735,920	0
Provisions	1,679,139	105,896	-99,084	-975,028	-2,285	-970,501	708,638

Accounting principles

HELVETAS Swiss Intercooperation keeps its accounts in accordance with Swiss Generally Accepted Accounting Principles (Swiss GAAP FER), the Swiss Code of Obligations, and the guidelines of the ZEWO Foundation. The financial statements give a true and fair view of the financial position, the cash flows and the operational results.

This statement of accounts is a translation only, for ease of use; you should place full reliance only upon the German original.

Changes to the accounting principles during the business year

There were no major changes to the accounting principles compared to the previous year.

Consolidation

On December 17, 2014, HELVETAS Swiss Intercooperation has founded the subsidiary HELVETAS USA Inc. with the domicile in Minneapolis. Furthermore, since 2013, the subsidiary HELVETAS Intercooperation gGmbH with the domicile in Bonn, Germany, exists.

Else HELVETAS Swiss Intercooperation does not have any subsidiaries or joint ventures in which it has a controlling influence or over which it could exercise control and management. The funds of HELVETAS Swiss Intercooperation's regional groups, HELVETAS Intercooperation gGmbH and Helvetas USA Inc. are not consolidated for reasons of immateriality.

Associated organisations, individuals and organisations

The following organisations are regarded as associates:

- Alliance 2015, Bonn
- Alliance Sud (Swiss Alliance of Development Organizations), Bern
- cinfo Biel
- HELVETAS Intercooperation gGmbH, Bonn
- Helvetas USA Inc., Minneapolis
- Intercooperation Social Development ICSD, Secunderabad, Andhra Pradesh, India
- Intercooperation-América Latina, Quito, Ecuador
- Knowledge Management for Development KM4DEV, Zürich
- L'Association Intercooperation Madagascar AIM, Antananarivo, Madagascar
- Max Havelaar Foundation, Basel
- Personalvorsorgestiftung der HELVETAS Swiss Intercooperation, Zürich
- SKAT Consulting and SKAT Foundation, St. Gallen
- Stiftung Intercooperation, Bern
- Swiss Fair Trade, Basel
- Swiss Water Partnership, Zürich
- Swiss Water & Sanitation NGO Consortium, Zürich
- Rural Livelihood Development Company RLDC, Dodoma Tanzania, East Africa

Alliance Sud receives a substantial contribution to its annual budget by contractual agreement. HELVETAS Swiss Intercooperation is represented on the Boards of the other organisations but does not exert any controlling influence.

Principles of accounting and valuation

The accounts are kept in Swiss francs. HELVETAS Swiss Intercooperation follows the basic principle of acquisition or production costs, which is based on individual assessment of assets and liabilities. In the absence of any additional comment on an individual accounting item, the accounting item is valued at its nominal value at the closing date.

Foreign currencies

Cash and cash equivalents, assets and liabilities held in foreign currencies at the closing date are converted into the Swiss Federal Tax Administration's period-end exchange rate. Transactions in foreign currencies are converted using the respective day's exchange rate. Exchange rate profits and losses are included gross in the statement of operations.

Cash and cash equivalents

This item includes cash balance, post office and bank deposits as well as time deposits and fiduciary deposits with a maturity of at most 90 days. These are presented as nominal values. Transactions in foreign currencies have been converted according to the daily exchange rates during the business year.

Marketable securities

Marketable securities are kept as liquidity reserves and can therefore be shown as current assets. They are converted into a market value at the closing date. The empowerment fund with its restricted capital funds is invested in marketable securities. The guidelines in force since 27.11.05 give preference to investments in marketable securities in the sustainable investment field and permit investments that are economically and socially beneficial.

Receivables

These are valued at their nominal value minus the specific and necessary operating provisions. The item principally includes the receivables from sales of merchandise and services, along with deposits from withholding tax.

Inventories

The inventories are included in the balance sheet at initial cost or at a lower residual cost taking account of appropriate specific provisions.

Net assets in project countries

This item mainly includes liquid assets, receivables and short-term liabilities.

Prepayments and accrued income

This item includes the asset items that have resulted from the accrual accounting. This principally includes amortized project expenses that have not yet been paid.

Tangible / intangible assets

The tangible and intangible assets have been presented at their initial or production cost minus depreciation for operational reasons. Straight-line depreciation is applied to the acquisition value / production costs over the estimated useful life. The capitalization threshold is 5,000 CHF in general and 2,000 CHF for IT investment goods. The estimated useful life of tangible assets is as follows:

- Installations 10 years
- Other tangible assets 4 years
- IT hardware 3 years
- Software (intangible assets) 4 years

Financial assets

Financial assets are included in the balance sheet at acquisition costs minus depreciation for operational reasons. Except for the investments in HELVETAS Intercooperation gGmbH Bonn and Helvetas USA Inc., the financial assets represent less than 20% of the capital of the associations.

Impairment of assets

All assets are checked at every closing date to determine whether the book value of the asset exceeds the recoverable value (the higher of market value and the user value). If there is an impairment of assets, the book value is reduced to the recoverable value and the impairment of assets is included in the operating result for the period.

Accrued liabilities

This item includes the liabilities that result from the accrual accounting. These accrued liabilities are principally project payments for project activities that have not yet been carried out.

Provisions

Provisions are built up for justified liabilities. The size of the provisions is based on the judgment of management and is a reflection of expected future expenditure.

At closing date, the provisions are divided into contractual social security contributions for staff in project countries and reintegration contributions for staff working overseas that are no longer employed by HELVETAS Swiss Intercooperation after the end of their contract. Their valuation is affected by fluctuations in the exchange rate. These provisions are largely reimbursed by the contracting body. The payments are made when the employee's contract has come to an end.

Restricted fund capital

Restricted fund capital consists of the programme credit of SDC, an usufructuary fund, three funds with defined use and donations tied to specific projects. The usufructuary fund includes loans of which only the capital yield can be used by contract. The three funds with defined use contain a fund for water projects, a fund with donations for education for young people and a fund for emergency response. The first two fund subjects are key working areas of HELVETAS Swiss Intercooperation.

Organisational capital

The organisational capital includes acquired unrestricted and restricted capital that can be used in line with the mission defined in HELVETAS Swiss Intercooperation's statutes. There is no initial or seed capital. The Board of Directors decides how the acquired restricted capital is to be allocated and used.

Cash-flow statement

The cash-flow statement shows the changes in the 'liquid assets' fund, divided into operational, investment and funding activities. It is presented according to the indirect method.

Statement of changes in capital

The statement of changes in capital shows the development of the restricted capital fund by continent and the individual components of the organisational capital. The development of the usufructuary fund and the provisions is also presented in this item.

Annex

Explanatory notes to the balance sheet

1.1 Cash and cash equivalents

Savings/ Post office/ Bank

31.12.14 31.12.13
33,724,510.93 31,573,997.15
33,724,510.93 31,573,997.15

1.2 Marketable securities

Bonds 180,000.00
Stocks 3,575,373.75
Investment fund long-term bonds 8,736,447.90
Investment fund long-term stocks 3,049,033.99
Investment fund bonds 74,253.64
Investment fund stocks 143,501.33
17,410,115.71 15,758,610.61

1.3 Receivables

Receivables from sales of goods and services 512,943.01
Receivables from polity 437,831.12
Allowances -15,000.00
Other receivables 824,754.93 656,786.88
1,511,663.96 1,592,561.01

1.4 Inventories

Sales of Fair Trade goods 1,102,864.39
Provision for depreciation for stock of merchandise -130,615.00
872,902.67 972,249.39

Total

8,756,297.76

1.5 Net assets in project countries

	2014		2013	
	Assets	Liabilities	Assets	Liabilities
Ethiopia	208,408.65	107,551.70	171,946.85	28,824.00
Guatemala	202,197.88	19,836.85	246,530.00	20,270.25
Albania	147,141.70	27,257.00	434,187.72	248,634.35
Armenia	0.00	0.00	34,368.97	1,865.10
Bangladesh	718,725.06	96,547.60	929,602.45	17,865.55
Benin	160,649.50	6,650.55	498,039.40	11,451.65
Bhutan	137,324.97	60,056.20	141,034.05	166,084.65
Bolivia	196,724.70	92,471.35	996,099.09	237,638.60
Bosnia-Herzegovina	153,268.15	64,468.00	63,804.01	5,610.75
Burkina Faso	289,108.75	64,564.95	2,525,422.00	67,746.25
Guatemala	672,387.95	306,834.00	694,588.95	206,385.60
Haiti	510,581.75	0.00	1,867,017.35	1,275,919.45
Honduras	326,336.00	66,854.65	303,675.90	2,815.95
India	0.00	0.00	10,405.70	0.00
Kyrgyzstan	148,023.75	22,584.90	384,222.00	63,935.60
Kosovo	114,588.73	0.00	253,831.22	48,332.60
Lesotho	321,402.25	23,649.80	301,723.67	9,126.50
Madagascar	323,374.75	25,231.45	950,723.91	18,987.25
Mali	418,947.70	122,658.60	1,541,148.30	151,226.95
Macedonia	59,950.55	0.00	261,063.18	1,122.80
Mozambique	387,646.45	846.00	884,765.11	1,140.35
Nepal	3,040,281.79	494,532.75	4,630,354.90	342,875.85
Nicaragua	4,695.10	0.00	508,166.17	451,261.60
Niger	780,807.35	0.00	1,156,480.52	0.00
Pakistan	181,321.75	26,970.60	182,526.65	74,214.05
Peru	598,444.80	345,905.80	777,477.78	285,040.60
Sri Lanka	4,084.89	0.00	12,359.65	0.00
Tanzania	31,549.44	77,156.85	82,153.86	19,128.80
Tanzania	383,830.05	0.00	545,196.07	6,010.55
Vietnam	237,116.25	20,993.30	241,088.73	26,517.05
Total net assets	10,828,920.66	2,072,622.90	21,630,034.06	3,789,035.60

17,840,998.46

	31.12.14	31.12.13
in CHF		
1,764,583.19		2,460,951.71
460,908.08		213,687.93
1,278,146.38		374,989.81
0.00		428,927.48
0.00		1,579,795.85
5,491,122.74		4,373,851.82
579,059.11		664,251.42
9,573,822.50		10,096,455.99

1.6 Prepayments and accrued income

Advance payments on SDC projects	
Advance payments on SECO projects	
Advance payments on projects EU	
Advance payments Glukskette	
Advance payments Div. Dept. for International Development	
Advance payments on projects from other funders	
Other prepayments and accrued income	

1.7 Tangible fixed assets and intangible assets

	IT Hardware	Installations	Other tangible fixed assets	Total tangible assets	Total intangible assets
Balance 01.01.13	1,003,905.44	1,437,627.00	158,219.00	2,599,751.44	2,246,208.93
Acquisitions	258,403.00	48,665.00	0.00	307,068.00	441,368.10
Disposal	-64,727.44	0.00	-107,546.00	-172,273.44	-479,086.10
Reclassifications	0.00	0.00	0.00	0.00	0.00
Balance at 31.12.13	1,197,581.00	1,486,292.00	50,673.00	2,734,546.00	2,208,490.93
Balance 01.01.14	-895,441.42	-945,573.00	-155,537.00	-1,996,551.42	-1,094,817.43
Accumulated depreciation	-151,230.20	-148,864.63	-2,682.00	-302,776.83	-539,449.64
Disposal	64,727.44	0.00	107,546.00	172,273.44	479,086.10
Reclassifications	0.00	0.00	0.00	0.00	0.00
Balance at 31.12.14	-981,944.18	-1,094,437.63	-50,673.00	-2,127,054.81	-1,155,180.97
Net balance 01.01.13	108,464.02	492,054.00	2,682.00	603,200.02	1,151,391.50
Net balance 31.12.13	215,636.82	391,854.37	0.00	607,491.19	1,053,309.96

Tangible fixed assets and intangible assets

	IT Hardware	Installations	Other tangible fixed assets	Total tangible assets	Total intangible assets
Balance 01.01.14	1,197,581.00	1,486,292.00	50,673.00	2,734,546.00	2,208,490.93
Acquisitions	135,763.80	864,807.01	0.00	1,000,570.81	0.00
Disposal	-265,422.14	0.00	0.00	-265,422.14	-46,824.25
Reclassifications	0.00	0.00	0.00	0.00	0.00
Balance at 31.12.14	1,067,922.66	2,351,099.01	50,673.00	3,469,694.67	2,161,666.68
Balance 01.01.14	-981,944.18	-1,094,437.63	-50,673.00	-2,127,054.81	-1,155,180.97
Accumulated depreciation	-174,757.00	-235,343.00	0.00	-410,100.00	-539,250.00
Disposal	265,422.14	0.00	0.00	265,422.14	46,824.25
Reclassifications	0.00	0.00	0.00	0.00	0.00
Balance at 31.12.14	-881,279.04	-1,329,780.63	-50,673.00	-2,271,732.67	-1,647,606.72
Net balance 01.01.14	215,636.82	391,854.37	0.00	607,491.19	1,053,309.96
Net balance 31.12.14	176,643.62	1,021,316.39	0.00	1,197,962.00	514,659.96

The intangible assets are mainly investments in a new ERP software.
The fire insurance value of goods and installations (excl. IT) is CHF 4'130'000. (2013: 4'130'000). The IT insurance is CHF 900'000.- (2013: 900'000).
The capital goods in project countries (mainly vehicles and IT hardware) are not included in the financial statement because it is not possible to predict their service life and the operational risk.

1.8 Investment in financial assets

Investments and loans	
Rent deposits	

753,846.48	47,303.00
35,032.50	35,008.95
788,880.98	82,311.95

	31.12.14	31.12.13
in CHF		
2.1 Accounts payable		
Accounts payable for deliveries of merchandise/services	1,484,380.50	1,399,398.26
Accounts payable from projects	756,860.15	1,145,781.20
Pension fund	1,467,829.08	886,847.25
Other accounts payable	608,164.43	343,061.35
	4,287,234.16	3,575,088.06

2.2 Accrued liabilities		
Advance payments on projects SDC	27,064,327.74	30,830,631.16
Advance payments on projects SECO	1,141,158.97	2,508,826.88
Advance payments EU	717,075.93	1,446,101.91
Advance payments Glückskette	706,467.85	497,853.00
Advance payments DFD	1,857,992.66	0.00
Advance payments from other funders	1,732,094.43	4,066,213.60
Other accrued liabilities	3,744,571.58	2,808,099.65
	36,963,679.16	42,251,726.00

2.3 Provisions
The state of provisions is presented in the statement of changes in capital.

2.4 Restricted capital funds
The development of these funds is presented in the statement of changes in capital.

Explanatory notes to the statement of operations

	31.12.14	31.12.13
in CHF		
Income from fundraising	31,12.14	31,12.13
3.1 Donations from the public		
Membership fees	-2,820,934.82	-3,008,174.58
Institutional donations	-9,705,795.57	-10,096,424.13
Public sector	-2,049,612.31	-2,026,838.61
Private donations	-10,421,606.84	-9,723,020.79
Total donations from the public	-22,177,014.72	-21,846,283.53
Legacies	-1,073,708.12	-3,785,676.09
Total income from fundraising	-26,071,657.66	-28,640,134.20
Income from services provided		
3.2 Project funding SDC		
Programme projects	-10,700,000.00	-10,700,000.00
Project management	0.00	-250,749.00
Commissioned projects	-61,999,841.59	-62,874,110.60
Total project funding SDC	-72,699,841.59	-73,824,859.60
3.3 Project funding from organisations		
Project funding SECO	-3,451,232.58	-1,999,037.10
Project funding EU	-3,420,596.42	-4,300,111.73
Project funding DFID (Dept. for International Development)	-6,157,322.19	-5,041,395.91
Project funding GlaxoSmithKline	-682,299.31	-1,715,936.87
Project funding from other organisations	-13,265,689.68	-11,170,494.07
Total project funding from organisations	-26,977,040.18	-24,226,975.68
3.4 Income from advisory services		
Consulting SDC	-1,862,627.23	-1,597,401.84
Consulting SECO	-483,451.27	-335,997.48
Consulting other organisations	-1,410,444.63	-1,330,377.43
Total income from advisory services	-3,756,523.13	-3,263,776.75
3.5 Income from Fair Trade		
Trade in goods		
Trading revenue	-3,100,706.09	-3,276,937.50
Other revenue	-82,250.00	-88,081.00
Income from trade in goods	-3,182,956.09	-3,365,018.50
Calendar office		
Revenue	-57,378.55	-61,154.65
Income from calendar office	-57,378.55	-61,154.65
Total income from Fair Trade	-3,240,334.64	-3,426,173.15
3.6 Other operating income		
Sponsoring for campaigns/exhibitions	-172,964.82	-253,814.83
Other operating income	-414,540.23	-498,620.66
Total other operating income	-587,505.05	-752,435.49
Total income from services provided	-107,261,244.59	-105,494,220.67

4.0 International programmes by country

	Africa		Asia		Latin America		Eastern Europe, Caucasus, Central Asia	
	2014	2013	2014	2013	2014	2013	2014	2013
Ethiopia	28.9%	31.4%	43.2%	41.3%	16.8%	16.6%	11.1%	10.7%
Afghanistan	2,605,393.05	2,589,012.98	6,974,905.62	5,759,428.09			1,787,156.74	2,714,350.30
Albania							376,307.08	723,503.47
Armenia			5,289,672.58	4,144,712.92				
Bangladesh			1,795,200.27	2,571,355.51				
Benin	4,562,847.70	4,794,836.38			3,205,019.65	5,195,208.56	989,936.30	654,585.04
Bhutan								
Bolivia					14,988.17		154,541.41	170,119.11
Bosnia-Herzegovina	4,014,418.98	5,944,421.47						
Burkina Faso					3,583,357.53	2,715,019.06		
Ecuador					5,081,051.23	5,165,190.35		
Georgia					1,142,643.89	1,152,757.51		
Guatemala								
Haiti								
Honduras								
India			13,163.24	11,143.70				
Kyrgyzstan							2,584,251.03	1,935,704.64
Kosovo							3,509,253.83	3,703,361.95
Laos								
Madagascar	2,688,322.18	2,394,528.84	2,838,844.28	4,026,912.86				
Mali	5,064,160.31	6,884,469.06						
Macedonia								
Mozambique	3,682,194.85	3,583,440.21	301,590.46	117,019.00				
Myanmar			21,869,461.30	19,446,319.16				
Nepal					85,110.06	1,042,735.27		
Nicaragua								
Niger	5,414,607.84	2,949,228.24	4,353,051.05	4,964,454.95				
Pakistan								
Peru					4,978,951.53	3,951,275.06		
Sri Lanka			1,969.24					
Sudostasien Katastrophenhilfe			581,365.04	397,103.00			1,922,069.39	1,357,049.05
Tanzania								
Tatshikistan								
Tanzania	3,135,226.33	3,723,379.66						
Vietnam			2,632,672.30	2,520,230.64				
Total international projects	31,177,071.24	32,843,316.84	46,631,895.38	43,958,679.83	18,071,101.76	19,222,185.81	11,965,370.52	11,572,756.00
Programme coordination & support from head office							107,845,438.90	107,596,938.48
Total expenditure on international programmes							2,016,778.54	1,765,223.80
The personnel costs directly attributable to project expenses are reported in the programme countries.							109,862,217.44	109,362,162.28

Break-down of costs

International projects								
Salaries							29,023,292.08	
Travel & representation costs							4,361,870.09	
Administration costs							4,383,650.55	
Rent & maintenance costs							4,063,365.13	
Supplies & services costs							60,379,081.28	
Depreciation							5,199,084.01	
Total							107,845,438.90	107,596,938.48
Reductions in expenditure							0.00	
Total for international projects							107,845,438.90	107,596,938.48

In the reporting year, there were major purchases of capital goods in various program countries, which were written off directly.

Programme coordination & support from head office

Salaries							1,540,822.21	
Travel & representation costs							65,065.11	
Administration costs							33,707.26	
Rent & maintenance costs							252,591.15	
Supplies & services costs							104,861.81	
Depreciation							19,731.00	
Total							2,016,778.54	1,765,223.79
Income from services Head Office							0.00	
Total programme coordination & support							2,016,778.54	1,765,223.79
Total expenditure for international projects							109,862,217.44	109,362,162.27

	31.12.14	31.12.13
in CHF		
4.1 Advisory Services		
Salaries	3,336,969.78	3,336,147.94
Travel & representation costs	256,065.00	576,985.96
Administration costs	508,528.26	224,537.26
Rent & maintenance costs	318,786.27	337,270.26
Supplies & services costs	943,995.30	800,897.11
Depreciation	40,498.00	39,457.00
Total	5,408,262.61	5,117,235.14
Income from services Head Office	0.00	0.00
Total consulting	5,408,262.61	5,117,235.14
4.2 Expenditure on projects in Switzerland		
Communications	1,896,014.27	1,953,062.02
Awareness-raising	1,247,813.18	1,487,829.35
Organisational costs	175,622.89	157,909.73
Development policy	635,091.96	496,611.96
Programme coordination and support	1,498,955.94	1,579,662.64
Programme coordination and support	5,463,498.24	5,675,095.70
Total expenditure on projects in Switzerland	5,463,498.24	5,675,095.70
Salaries	2,542,243.96	2,454,834.04
Travel & representation costs	153,908.30	107,401.42
Administration costs	146,963.87	145,129.21
Rent & maintenance costs	397,479.35	371,463.79
Supplies & services costs	2,153,282.76	2,531,387.24
Depreciation	59,620.00	64,880.00
Total	5,463,498.24	5,675,095.70
Income from service provision / reductions in expenditure	0.00	0.00
Total expenditure on projects in Switzerland	5,463,498.24	5,675,095.70
4.3 Expenditure from Fair Trade		
Trade in goods		
Salaries	858,720.44	816,652.39
Travel & representation costs	7,776.34	7,522.74
Administration costs	108,532.45	99,134.82
Rent & maintenance costs	133,756.30	40,499.63
Supplies & services costs	59,637.00	29,735.00
Depreciation	1,168,422.53	993,544.48
Purchasing goods	1,421,451.78	1,658,722.47
Printing- and mailing costs	728,420.98	688,322.76
Total trade in goods	3,318,295.29	3,340,589.71
Calendar office		
Salaries	4,266.59	3,647.18
Travel & representation costs	31.11	1,115.81
Administration costs	45,919.78	42,749.20
Rent & maintenance costs	0.00	0.00
Supplies & services costs	0.00	0.00
Depreciation	50,217.48	47,512.19
Total calendar office	50,217.48	47,512.19
Total Fair Trade	3,368,512.77	3,388,101.90
4.4 Head office and fundraising		
Salaries	3,370,196.98	3,289,303.95
Travel & representation costs	96,003.91	93,185.13
Administrative costs	391,444.85	520,212.22
Rent & maintenance costs	158,889.28	92,358.43
Fundraising	6,134,577.24	5,695,849.05
Depreciation	669,881.00	567,124.00
Total Head office and fundraising	10,821,093.26	10,258,032.78

	31.12.14	31.12.13
Public Fundraising	4,958,393.94	4,687,923.69
Individual Fundraising	1,176,163.30	1,027,925.36
Total Fundraising	6,134,577.24	5,695,849.05

in CHF

	Expenditure		Income	
	2014	2013	2014	2013
5.0 Financial result				
Interest / dividends from securities	0.00	0.00	-292,163.69	-120,980.95
Profit from securities	46,309.00	210,929.95	-1,505,308.76	-1,223,298.72
Profit from currency exchange rate	51,640.48	138,812.08	-326,229.05	-134,821.27
Bank fees	145,056.19	131,811.61	0.00	0.00
Total financial result	243,005.67	481,553.64	-2,123,701.50	-1,479,101.94
5.1 Other result				
Foreign travel sales	12,061.30	2,413.20	0.00	339.90
e.o. expenditure strategic partnership	1,059,055.27	685,369.59	-1,109,735.50	-407,307.28
Total other result	1,071,116.57	687,782.79	-1,109,735.50	-406,967.38
6.0 Fund result				
			12,061.30	2,753.10
			-50,680.23	278,062.31
			-38,618.93	280,815.41

Salaries amount to TCHF 1'585 (prior year TCHF 1'413).

The fund result is presented in the statement of changes in capital.

Additional information

Security, guarantee and leasing liabilities/ mortgages

HELVETAS Swiss Intercooperation has no such liabilities on the closing date.

Reimbursement of Board of Directors and management expenses

The 15 members of the Board of Directors of HELVETAS Swiss Intercooperation did not receive any lump sum reimbursements for personnel expenses or other expenses. Members of the Board of Directors receive neither attendance fees nor remuneration for their work for HELVETAS Swiss Intercooperation. The President of the Board of Directors receives a lump sum reimbursement of CHF 10'200. The total costs for travel expenses and meetings as well as strategic missions was CHF 43'372 (2013: CHF 35'210).

No expenses were paid to the eight members of the Advisory Board of HELVETAS Swiss Intercooperation during the financial year 2014.

The salaries and lump sum expenses of the six members of the management board amounted to CHF 1'197'390 (2013: CHF 1'152'238) for the business year. Out of which CHF 185'254 (2013: CHF 171'348) represent the employer's statutory social security contributions. Otherwise personnel expenses were only reimbursed against receipt.

Transactions with associated individuals

There were no major transactions with associated individuals.

Employee Benefit Scheme

HELVETAS Swiss Intercooperation employees are insured by Personalvorsorgestiftung Helvetas.

Personalvorsorgestiftung Helvetas is a foundation according to Swiss law and the BVG. It aims to provide protection under the BVG scheme and its rules of implementation for Helvetas employees and their families and estates from the financial consequences of age, invalidity and death. The benefit scheme is based on the principle of defined contributions and complies with the regulations that came into force on 1st January 2013. The benefit scheme is financed through employee contributions (6%) and employer contributions (9-13%) on the insured and declared annual salary. The insured can increase their savings contributions to 7% on volunteer basis. Invalidity payments are re-insured against risk.

Should the scheme be underfunded, then the usual legal BVG state pension scheme provisions apply. The employer has made no additional undertakings.

Economical benefit / economical obligation and pension benefit expenses in TCHF	Surplus / deficit	Economical part of Helvetas		Change to prior year period or recognized in the current result of the period, respec- tively	Contributi- ons concernin g the business period	Pension benefit expenses within personal expenses	
	31.12.2014	31.12.2014	31.12.2013			2014	2013
Personalvorsorgestiftung HELVETAS	0	0	0	0	1'617	1'617	1'444
Employer contribution reserves (AGBR) in TCHF	Nominal value 31.12.2014	Waiver of use in 2014	Balance 31.12.2014	Formation in 2014	Balance 31.12.2013	Result from AGBR within personal expenses	
						2014	2013
Personalvorsorgestiftung HELVETAS	707	0	707	707	0	0	0

Gratuitous services

In financial year 2014 gratuitous services have been rendered amounting to 345 man days (prior year 406) which is equivalent to a comparable HELVETAS Swiss Intercooperation's salary of CHF 91'425 (prior year 107'190). As HELVETAS Swiss Intercooperation's regional groups are not consolidated for reasons of immateriality, gratuitous services in regional groups were not accounted for by HELVETAS Swiss Intercooperation. In the financial year 2014 the 15 members of the Board of Directors of HELVETAS Swiss Intercooperation provided gratuitous services amounting to 330 days.

In 2014 HELVETAS Swiss Intercooperation could benefit from gratuitous advertising services totalling CHF 2'666'670 (prior year 3'190'718) (advertisement, poster).

Events after the closing date

The financial statements were approved for publication by the Board of Directors on 8th May 2015. They must also be approved by the HELVETAS Swiss Intercooperation General Meeting on 27th June 2015. Nothing has taken place since 31st December 2014 and the date of approval of these statements of accounts that would entail adjustments to the book values of HELVETAS Swiss Intercooperation's assets and liabilities on 31st December 2014 or that would need to be disclosed here.

The original German version of the financial statement shall prevail.