



Global Alliance for Improved Nutrition, Geneva

Report of the Statutory Auditor
on the Consolidated Financial Statements
to the Board of the Foundation
Consolidated Financial Statements 2014



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Report of the Statutory Auditor to the Board of the Foundation of
Global Alliance for Improved Nutrition, Geneva

Report of the Statutory Auditor on the Consolidated Financial Statements

As statutory auditor, we have audited the accompanying consolidated financial statements of Global Alliance for Improved Nutrition, which comprise the balance sheet, income statement, cash flow statement, statement of changes in equity and notes for the years ended 30 June 2014.

Board of Directors' Responsibility

The board of directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Swiss GAAP FER and the requirements of Swiss law. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation and fair presentation of consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 and fair presentation of the consolidated 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 consolidated 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 consolidated financial statements for the years ended 30 June 2014 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 comply with Swiss law.

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 article 11 AOA) 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 consolidated financial statements according to the instructions of the board of directors.

KPMG SA

Pierre-Henri Pigeon
*Licensed Audit Expert
Auditor in Charge*

Henri Mwaniki

Geneva, 5 December 2014

Enclosure(s):

- Financial statements (balance sheet, income statement and notes)
- Proposed appropriation of available earnings

1. Financial Overview

Balance Sheet

Consolidated Balance sheet as at 30 June 2014 in US\$ (with 2013 comparative figures)	Notes	2014	2013
ASSETS			
<u>Current Assets</u>			
Cash and cash equivalents	3	22'815'180	29'191'218
Deposits	3	10'260'176	24'011'533
Accrued Income - Restricted	6	284'155	120'680
Other receivables	5	13'079'112	5'275'203
Prepaid expenses		347'550	340'962
Deferred expenditure		6'721'746	6'376'571
Total Current Assets		53'507'920	65'316'167
<u>Non-Current Assets</u>			
Bonds	3	5'852'550	2'000'000
Fixed Assets	4	434'398	410'668
Total Non-Current Assets		6'286'948	2'410'668
TOTAL ASSETS		59'794'868	67'726'835
LIABILITIES, FUNDS & CAPITAL			
<u>Current Liabilities</u>			
Accounts payable		3'615'621	4'143'107
Accrued expenses		2'292'182	2'557'760
Deferred Unrestricted Income	6	121'086	101'647
Deferred Restricted Donor Income	6	39'262'384	47'836'093
Total Current Liabilities		45'291'273	54'638'607
<u>Restricted Funds</u>			
Restricted Income Funds		6'032'405	6'181'618
Premix Facility	5	6'800'000	6'500'000
Total Restricted Funds		12'832'405	12'681'618
<u>Capital of the Foundation</u>			
Paid-in Capital	10	36'187	36'187
Unrestricted surplus brought forward		370'423	163'410
Unrestricted surplus (deficit) for the year		1'264'580	207'013
Total Capital of the Foundation		1'671'190	406'610
TOTAL LIABILITIES, FUNDS & CAPITAL		59'794'868	67'726'835

Statement of Operations

Consolidated Statement of Operations for the year ended 30 June 2014 in US\$ (with 2013 comparative figures)		2014 Unrestricted	2014 Restricted	2014 Total	2013 Total
Notes					
Income					
Donors	6	5'132'499	44'794'847	49'927'346	42'758'025
Total income		5'132'499	44'794'847	49'927'346	42'758'025
Direct and administrative expenses					
Personnel costs		3'667'239	14'592'130	18'259'369	17'239'036
Consultants' costs		364'847	9'870'878	10'235'725	8'870'528
Sub-Awards	7	77'870	12'148'886	12'226'756	10'305'197
Travel costs		208'253	2'882'121	3'090'374	2'985'999
Operational costs		745'407	5'378'458	6'123'865	6'178'495
Foreign exchange differences		(1'086'942)	-	(1'086'942)	(165'520)
Depreciation	4	-	287'495	287'495	308'930
Total direct and administrative expenses		3'976'674	45'159'968	49'136'642	45'722'665
Intermediate Operating surplus (deficit)		1'155'825	(365'121)	790'704	(2'964'640)
Net financial income					
Financial income		-	215'908	215'908	270'628
Net financial income		-	215'908	215'908	270'628
Other income					
Business Alliance contributions		108'755	-	108'755	255'933
Net other income		108'755	-	108'755	255'933
Net Operating surplus (deficit)		1'264'580	(149'213)	1'115'367	(2'438'079)
Changes in restricted funds		-	-	-	2'500'000
Net Surplus for the year prior to allocations		1'264'580	(149'213)	1'115'367	61'921
Allocations to restricted and unrestricted funds		(1'264'580)	149'213	(1'115'367)	(61'921)
Net Surplus for the year after allocation		-	-	-	-

Statement of Changes in Capital

Consolidated Statement of changes in capital for the year ended 30 June 2014 in US\$	Opening balance	Net income	Allocation	Internal Funds Transfers	Closing balance
<u>Restricted funds</u>					
Restricted income funds	6'181'618	-	(149'213)	-	6'032'405
Premix facility	6'500'000	-	300'000	-	6'800'000
Total restricted funds	12'681'618	-	150'787	-	12'832'405
<u>Unrestricted funds</u>					
Paid-in capital	36'187	-	-	-	36'187
Unrestricted surplus brought forward	370'423	-	1'264'580	-	1'635'003
Surplus/(deficit) for the year	-	1'115'367	(1'115'367)	-	-
Capital of the foundation	406'610	1'115'367	149'213	-	1'671'190

Consolidated Statement of changes in capital for the year ended 30 June 2013 in US\$	Opening balance	Net income	Allocation	Internal Funds Transfers	Closing balance
<u>Restricted funds</u>					
Restricted income funds	8'826'710	-	(145'092)	(2'500'000)	6'181'618
Premix facility	6'500'000	-	-	-	6'500'000
Total restricted funds	15'326'710	-	(145'092)	(2'500'000)	12'681'618
<u>Unrestricted funds</u>					
Paid-in capital	36'187	-	-	-	36'187
Unrestricted surplus brought forward	163'410	-	207'013	-	370'423
Surplus/(deficit) for the year	-	61'921	(61'921)	-	-
Capital of the foundation	199'597	61'921	145'092	-	406'610

Cash Flow Statement

Consolidated Cash Flow Statement for the year ended 30 June 2014 in US\$ <i>(with 2013 comparative figures)</i>	Note	2014	2013
<u>Cash flow from operations</u>			
Net Operating surplus (deficit)		1'115'367	(2'438'079)
Depreciation of fixed assets	4	287'495	308'930
(Increase) decrease in unrestricted current assets		(8'155'672)	310'015
(Increase) decrease in restricted current assets		(163'475)	212'329
(Decrease) increase in creditors		(773'626)	3'075'139
(Decrease) in grants payable after one year		-	(320'365)
Increase in restricted funds		300'000	-
(Decrease) increase in deferred donor income		(8'573'709)	7'299'992
Cash flow from operations		(15'963'620)	8'447'961
<u>Cash flow from investing activities</u>			
(Increase) of investments in fixed assets	4	(311'225)	(116'886)
(Increase) in purchase of bonds		(3'852'550)	(2'000'000)
Cash flow from investing activities		(4'163'775)	(2'116'886)
(Increase) decrease in Cash and Deposits		(20'127'395)	6'331'075
Cash and deposits at 30 June 2013 (2012)	3	53'202'751	46'871'676
Cash and Deposits at 30 June 2014 (2013)	3	33'075'356	53'202'751
Changes in Cash and Deposits		(20'127'395)	6'331'075

2. Significant Accounting Policies

A) Basis of preparation: The consolidated financial statements have been prepared in accordance with its articles of association and the applicable provisions of the Swiss GAAP FER Framework and Recommendations and specifically Swiss GAAP FER 21 (Accounting for charitable, social non-profit organisations).

Statement of compliance

The consolidated financial statements have been prepared in accordance with Swiss GAAP FER, in particular Swiss GAAP FER 21. These include:

- I) Balance Sheet;
- II) Statement of Operations (Period Based);
- III) Cash flow statement;
- IV) Statement of Changes in capital;
- V) Notes;
- VI) Performance Report.

These consolidated financial statements present all activities by the Foundation. The consolidated financial statements have been prepared on a historical cost basis. The principal accounting policies are set forth below.

B) Income recognition: Grants, contributions and donations received are recorded in accordance with the principle of matching related revenues and expenses, enabling an accurate recording and reporting of utilization of funds over time. Grants instalments related to the fiscal year are initially treated as deferred income and shown as a liability on the balance sheet. On fulfillment of the conditions and obligations governing each individual grant, the funds are released to income statement in the period to which they relate and are recognized as income to the extent and amount of actual expenses incurred during each financial year. Income is accrued where expenses incurred during the financial year exceed grant receipts and there is a contractual obligation to receive donor funds. Interest income and membership income are recognized on an accruals basis.

C) Sub-Awards: Sub-Awards consist of sub-grants and sub-contracts. Sub-contracts are recognized as a current period expense upon disbursement. Sub-grants are governed by a written agreement and disbursements are generally phased over the lifetime of the project. Each disbursement is initially treated as an advance and subsequently recognized as an expense upon the submission of utilization reports by sub-grantees or on the basis of reasonable estimates based on the percentage of completion of the project. The disbursements paid over but not utilized by sub-grantees are included in current assets as deferred expenditure.

D) Direct and Support Costs: Expenditure is recorded in the consolidated financial statements in the period in which it is incurred and is inclusive of any VAT which cannot be reclaimed. Direct costs are those expenses that directly relate to GAIN's mission of reducing malnutrition through sustainable strategies aimed at improving the health and nutrition of populations at risk. Support costs include costs such as facilities, governance, depreciation and administration. Support costs that are fully attributable to activities are recorded as direct costs. Support costs deemed indirect are apportioned to activities based on staff time.

E) Foreign currencies: Accounting records are maintained in US Dollars. Monetary assets and liabilities denominated in other currencies are recorded at the rates ruling at the date of the transaction. Foreign currency assets and liabilities are translated into US dollars at rates of exchange prevailing at the balance sheet date. Exchange gains and losses are included in the income statement.

F) Fixed assets: Fixed assets are stated at cost less accumulated depreciation. GAIN applies the straight-line method for the depreciation of these assets using a rate of 20% per annum for furniture and fixtures and 50% per annum for office equipment.

G) Credit risk and cash-flow management: GAIN's liquid assets are maintained in cash, low-risk short-term deposits, or capital guaranteed investments. At the balance sheet dates, there are no significant concentrations of credit risk. The maximum exposure is primarily represented by the carrying amounts of the financial assets in the balance sheet, including accounts receivable and cash.

H) Bank guarantee deposits: Guarantees are included within current assets. Currently GAIN has two guarantees representing deposits related to premises in Geneva. These are recoverable, subject to prevailing contract terms, upon vacating the premises.

I) Provisions: A provision is recognized on the balance sheet when the organization has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured at the management's best estimates of the expenditure required to settle that obligation at the balance sheet date.

J) Restricted and unrestricted reserves: Restricted and unrestricted reserves represent the excess of income over expenditure since GAIN's inception. Restricted reserves are available to GAIN for future operations and project funding costs as its evolving project pipeline dictates. However should these funds not be expensed in line with donor requirements and underspend would be returned to the donor and would not be available to support general organisational activity.

K) Classification of Activity: Income and expense which is subject to donor-imposed stipulations are reported as restricted activity. All other income and expense not subject to restrictions and for general use, are reported as unrestricted activity.

L) Consolidated entities: The following entities' results have been included in the consolidated financial statements:

GAIN NoSCA LLC Headquarters Washington DC, USA, 100% owned.
Global Alliance for Improved Nutrition, UK, 100% owned
Global Alliance for Improved Nutrition Ltd, Nigeria, 100% owned
Global Alliance for Improved Nutrition (Singapore) Ltd, Singapore, 100% owned

The foundation's financial statements are consolidated according to the full consolidation method. All inter-company investments, balances and transactions have been eliminated.

3. Cash, Deposits & Bonds

Amounts held by GAIN but not required for immediate use are invested in instruments approved by the Board of the Foundation.

Cash and Deposits in US\$	2014	2013
Cash and cash equivalents	22'337'901	28'217'394
Cash held by local offices	477'279	973'824
Total Cash and cash equivalents	22'815'180	29'191'218
Time Deposits*	10'154'785	24'000'000
Rent Guarantee	105'391	11'533
Total Deposits	10'260'176	24'011'533
Total Cash and Deposits	33'075'356	53'202'751

*These time deposits are deposits of short term maturity ranging up to one year. These can be liquidated immediately with a loss of interest. They are considered as cash for that reason.

Bonds in US\$

Issue Date	Maturity Date	Coupon Interest Rate	Nominal Amount	Book Value as of 30 June 2014	Book Value as of 30 June 2013
16 May 2013	16 May 2016	1.15% - 4%	USD 2'000'000	2'000'000	2'000'000
15 July 2013	16 July 2016	1.2% - 4%	USD 1'000'000	1'000'000	-
14 August 2013	14 August 2016	1.1% - 4%	USD 1'000'000	1'000'000	-
9 January 2014	14 January 2017	0.77%	GBP 500'000	852'550	-
23 April 2014	23 April 2017	0.9% - 4%	USD 1'000'000	1'000'000	-
Total Bonds				5'852'550	2'000'000

GAIN's investment policy allows the use of such products over a 3 year time line.

4. Fixed Assets

Fixed Assets in US\$	Furniture & Fixtures	Office Equipment	Total
<u>Gross values of cost</u>			
At 1 July 2013	1'044'217	1'618'616	2'662'833
Additions	101'659	209'566	311'225
Disposals/Transfers	-	-	-
Cost 30 June 2014	1'145'876	1'828'182	2'974'058
<u>Accumulated Depreciation</u>			
At 1 July 2013	739'440	1'512'725	2'252'165
Depreciation	158'869	128'626	287'495
Disposals/Transfers	-	-	-
At 30 June 2014	898'309	1'641'351	2'539'660
Net book value at 30 June 2014	247'567	186'831	434'398

Fixed Assets in US\$	Furniture & Fixtures	Office Equipment	Total
<u>Gross values of cost</u>			
At 1 July 2012	1'012'225	1'533'722	2'545'947
Additions	31'992	84'894	116'886
Disposals/Transfers	-	-	-
Cost 30 June 2013	1'044'217	1'618'616	2'662'833
<u>Accumulated Depreciation</u>			
At 1 July 2012	597'033	1'346'202	1'943'235
Depreciation	142'407	166'523	308'930
Disposals/Transfers	-	-	-
At 30 June 2013	739'440	1'512'725	2'252'165
Net book value at 30 June 2013	304'777	105'891	410'668

GAIN maintains fire insurance on furniture and equipment in the amount of US\$ 2'682'180 (2013 - US\$ 2'458'860). This amount concerns the main entities (Switzerland, UK and USA).

5. Other Receivables

Receivables in US\$	2014	2013
Other Receivables	373,410	57,912
Grant receivables	9,776,563	2,011,605
Premix Facility Receivables	2,929,139	3,205,686
Total Receivables	13,079,112	5,275,203

The GAIN Premix Facility Receivable is part of the revolving fund of US\$6.8M held within Restricted Funds, at the Crown Agents Bank in the name of GAIN to make premix procurement more effective for organisations fortifying food. It provides guarantee payments to premix suppliers and offers extended credit terms to customers purchasing through the GAIN Premix Facility.

6. Deferred Restricted / Unrestricted Donor Income

During the current financial year total receipts from donors amounted to US\$ 32'833'559 (2013 - US\$ 50'255'934).

DONOR in US\$	2014 Deferred Unrestricted Income (opening balance)	2014 Deferred Restricted Income (opening balance)	2014 Funds Received / To be received	2014 Accrued Income Restricted	2014 Income recognised	2014 Other adjustments	2014 Deferred Unrestricted Income (closing balance)	2014 Deferred Restricted Income (closing balance)
Bill and Melinda Gates Foundation		35'280'768	9'222'992	-	(26'982'148)	36'944		17'558'555
UK Government DFID ⁽¹⁾	-		5'199'855	-	(5'132'499)	838	68'194	-
Government of The Netherlands		1'674'597	5'417'289	145'860	(4'199'837)	(95'804)		2'942'104
Khalifa Bin Zayed Al Nahyan Foundation		600'205	7'497'500	-	(3'359'504)	-		4'738'201
US Government USAID ⁽²⁾		6'018'738	4'043'238	-	(5'522'996)	-		4'538'980
Children's Investment Fund Foundation		(147'919)	1'716'272	-	(1'368'899)	-		199'454
CIFF		253'167	829'356	-	(1'093'725)	11'202		-
Adeso		184'246	-	81'840	(266'085)	-		-
Dubai Cares		303'773	-	-	(300)	-		303'473
World Food Programme		1'064'978	-	-	(356'644)	-		708'334
Irish Aid		1'284'318	-	-	(130'507)	-		1'153'811
Irish Aid Nutrimark		29'609	-	-	(34'664)	5'055		-
Irish Aid Ethiopia		-	357'559	-	(1'618)	-		355'941
Irish Aid Ethiopia 2013 ⁽³⁾		746'911	-	-	(348'224)	-		398'687
Irish Aid Vietnam		-	2'461'071	-	(627'336)	-		1'833'735
NLEVD International ⁽⁴⁾		-	2'700'150	-	(28'240)	-		2'671'910
Government of Canada		101'647	1'636'414	56'455	(465'965)	40'838	52'892	1'859'199
Others								
Total	101'647	47'836'093	41'081'695	284'155	(49'919'192)	-927	121'086	39'262'384

⁽¹⁾ UK Government DFID - Cash received in 2013/2014: GBP 3'149'796 for DFID and GBP 57'863 for DFID G8

⁽²⁾ US Government USAID - Cash received in 2013/2014: US\$ 4'043'238

⁽³⁾ Irish Aid Ethiopia - Cash received in 2013/2014: EUR 263'118

⁽⁴⁾ NL EVD International - Cash received in 2013/2014: EUR 1'892'098

DONOR in US\$	2013 Deferred Unrestricted Income (opening balance)	2013 Deferred Restricted Income (opening balance)	2013 Funds Received / To be received	2013 Accrued Income Restricted	2013 Income recognised	2013 Other adjustments	2013 Deferred Unrestricted Income (closing balance)	2013 Deferred Restricted Income (closing balance)
Bill and Melinda Gates Foundation		30'423'328	28'705'699	-	(24'007'463)	159'204		35'280'768
UK Government DFID ⁽¹⁾	-		6'254'331	-	(6'254'331)	-		-
Government of The Netherlands		-	4'813'271	95'804	(2'978'823)	(255'655)		1'674'597
Khalifa Bin Zayed Al Nahyan Foundation		2'630'554	-	-	(2'030'349)	-		600'205
US Government USAID ⁽²⁾		2'510'005	7'369'000	-	(3'860'267)	-		6'018'738
Children's Investment Fund Foundation		-	243'063	-	(390'982)	-		(147'919)
CIFF		-	322'837	-	(69'670)	-		253'167
Adeso		857'904	369'340	-	(1'042'998)	-		184'246
Dubai Cares		561'952	-	-	(258'179)	-		303'773
World Food Programme		1'257'089	-	-	(192'111)	-		1'064'978
Irish Aid		1'854'231	-	-	(569'913)	-		1'284'318
Irish Aid Nutrimark		-	194'945	-	(165'336)	-		29'609
Irish Aid Ethiopia 2013 ⁽³⁾		-	779'778	-	(32'867)	-		746'911
Irish Aid Vietnam ⁽⁴⁾		57'350	1'203'670	24'876	(904'736)	(177'849)	101'647	542'702
Others								
Total	57'350	40'536'101	50'255'934	120'680	(42'758'025)	(274'300)	101'647	47'836'093

⁽¹⁾ UK Government DFID - Cash received in 2012/2013: GBP 3'988'066

⁽²⁾ US Government USAID - Cash received in 2012/2013: US\$ 7'369'000

⁽³⁾ Irish Aid Ethiopia - Cash received in 2012/2013: EUR 150'000

⁽⁴⁾ Irish Aid Vietnam - Cash received in 2012/2013: EUR 600'000

7. Sub-Awards: Expenditure Recognized

Sub-Awards spent by initiatives were as follows:

INITIATIVES in US\$	2014	2013
Large-scale Food fortification	8'228'214	8'066'447
Multinutrient Supplements	1'481'168	1'321'155
Nutritious Foods for Children and Mothers	964'209	1'812'736
Agriculture & Nutrition	329'734	129'231
Investment, Partnerships and Advocacy	82'966	79'141
Monitoring, Learning and Research	1'140'465	1'646'488
Total	12'226'756	13'055'197
Sub-grant reimbursed	-	(2'750'000)
Total	12'226'756	10'305'197

An amount of US\$ 2.75M has been reimbursed in 2012-2013 by a Sub-grantee which represents the unused balance of a project launched in 2007-2008.

8. Remuneration and Expenses Paid to Board Members

Remuneration is not provided to Foundation Board Members. It is a voluntary appointment and costs relating to attending meetings are covered by the Foundation.

9. Services Received and Rendered Free of Charge

GAIN received no services free of charge other than those of the Board members. GAIN did not provide any services free of charge.

There are no other volunteers except Board Members.

10. Foundation Capital

The Foundation capital amounts to CHF 50,000.

This is equivalent to US\$ 36'187 at the rate of exchange on the date of inception of the Foundation, 26 March 2003.

11. Rent and Leasing Commitments

At 30 June 2014, the Foundation has future minimum office rental commitments amounting to US\$ 3'343'101 (2013 - US\$ 4'281'544) corresponding to expected rental fees until the end of lease contracts expiring from July 2013 through June 2020.

The Foundation has leasing contracts for office equipment and vehicle amounting to US\$ 87'954 (2013 - US\$ 90'158) expiring from June 2014 through December 2015.

12. Related Party Transactions

There were no related party transactions during the year.

13. Pension Plan Obligation

GAIN sponsors different pension plans. The main retirement plans are the following:

Employees based in Geneva, Switzerland: GAIN headquarters' employees benefit from a pension scheme covering retirement, invalidity and death according to the provisions of the Federal Law for occupational retirement (LOB).

The occupational benefits are provided by a collective foundation, Patrimonia, according to a defined-contribution benefit plan. The plan is funded by the contributions of GAIN and the employees.

As of June 30, 2014, 49 employees were enrolled in the plan (2013: 58 employees).

The total amount expensed for GAIN's contributions was \$ 689'663 (2013: \$ 875'174)

As of June 30, 2014, the capital ratio is at 108% (2013: 104.3%). Due to the coverage ratio, no liabilities were recognized in the Balance Sheet.

Employees Based in Washington, DC: GAIN NoSCA, LLC sponsors a 401(k) defined contribution plan (the "Plan") which is a US retirement savings plan under the US Internal Revenue Code, for all eligible employees. Employees become eligible upon being hired and may participate immediately upon employment (Interns are excluded from the Plan).

The plan is funded by the contributions of GAIN and the employees.

As of June 30, 2014, 12 employees were enrolled in the plan (2013: 19 employees).

The amount expensed for GAIN's contributions was \$224'697 (2013: \$262'104).

Employees based in London, UK: On 1st May 2014 GAIN UK entered into a defined contribution pension scheme with Scottish Life for all eligible employees.

The plan is funded by the contributions of GAIN and the employees.

As of June 30, 2014, 22 employees were enrolled in the plan (2013: nil).

The amount expensed for GAIN's contributions was \$ 36'790 (2013: nil).

14. Assets pledged as guarantee for commitments

At year end, a bank of the Foundation had provided two rental letters of guarantee totalling CHF 19'800 (\$ 22'253) (2013: CHF 9'300 - \$ 9'835) in favour of a third party. Cash for an equivalent amount is pledged at the corresponding bank.