



Annual Report 2014

Financial report

suva

insurance plus

The way back



An accident can change your life – often irrevocably and radically so. The way back to your old life is difficult and becomes a defining experience.

Forest manager Simon Blaser (b. 1987) was hit by a tree with full force. After seven months of rehabilitation, he is almost back to his old self – and can stand at the altar at his wedding this summer.

Suva

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Cover picture
Forest manager Simon Blaser (b. 1987)
was hit by a tree with full force. After seven
months of rehabilitation, he is almost back
to his old self – and can stand at the altar at
his wedding this summer.

Brief commentary on the 2014 financial year

General remarks

In 2014, Suva generated an income surplus of CHF 176.3m. As it also returned CHF 70.5m to the insurees from the equalization reserves, the posted figure for the year is CHF 105.8m (previous year: CHF 11.6m).

Technical comments

As in the previous year, premium income increased by 0.5 per cent in 2014, despite a further reduction of net premium rates by an average of around 1 per cent for occupational accident insurance and 1.5 per cent for non-occupational accident insurance.

The change of actuarial principles was implemented as of 1 January 2014: the technical interest rate for accidents up to 2013 was reduced to 2.75 per cent and the rate for accidents after that year was reduced to 2.00 per cent. New mortality tables were also used.

Thanks to the provisions made in the previous years, these changes were implemented with almost no charge against the 2014 financial statements. The only exception was non-occupational accident insurance, which had to cover around CHF 90m from the 2014 risk account.

In 2014, Suva issued 1,714 new disability pensions. This figure lies between those of the previous two years (2012: 1,584, 2013: 1,776). The new accounting principles are expected to lead to an increase in the cost of new disability pensions of about 1–2 per cent in 2015. Healthcare costs continued to rise, but less sharply than in previous years when special effects in the financing of in-patient services impacted on the financial statements.

On a comparable basis, the risk account closed with a profit of CHF 29.8m (previous year: CHF 53.3m).

Financial comments

In financial year 2014, Suva posted an investment performance which is well above the average of the past ten years. The overall performance reached 7.0 per cent. Almost all asset classes contributed to the gratifying result, particularly shares, bonds, real estate, hedge funds and private equity. Only investments in emerging markets, gold and raw materials clouded the picture.

Suva's non-current assets increased from CHF 44.0bn to CHF 46.3bn in financial year 2014. The financial coverage – the ratio of assets to liabilities – rose from 128 per cent in the previous year to 134 per cent as of the end of 2014.

Viewed against this background, the financial result (including expenses for technical interest) amounts to CHF 242.0m (previous year: CHF 46.6m).

Operating expenditure

In the year under review, Suva's expenditure amounted to a total of CHF 551.3m, which is almost the same as the figure for the previous year (0.6 per cent more). Expenditure fell short of the budgeted figure by 0.7 per cent.

Lucerne, 13 April 2015

Chairman of the Board of Management:
Ulrich Fricker

Members of the Board of Management:
Edouard Currat
Ernst Mäder
Felix Weber

Overall operating account 2014

	Ref. no. ¹⁾	2014	2013
		CHF in 1,000s	CHF in 1,000s
Premiums	1	4 206 952	4 184 544
Allocated interest		649 662	751 113
Care benefits and reimbursement of expenses		-1 305 850	-1 220 132
Daily benefits		-1 320 413	-1 230 998
Pensions and capital benefits		-1 395 060	-1 389 723
Cost-of-living allowances for pensioners		-275 513	-286 126
Recourse income		181 315	187 829
Insurance benefits paid out		-4 115 521	-3 939 150
Provisions for short-term benefits		-141 700	-488 600
Provisions for long-term benefits		-263 095	-100 880
Provisions for cost-of-living allowances		-2 971	-4 907
Change in technical provisions	11	-407 766	-594 387
Claims expenditure		-4 523 287	-4 533 537
Reimbursed expenditure for occupational safety		93 420	94 047
Contribution to the prevention of occupational accidents and diseases		-91 343	-90 900
Reimbursed expenditure for military insurance		191 507	198 863
Other technical result		193 584	202 010
Operating expenditure	2	-551 283	-547 878
Ordinary allocation to the general reserves		-41 280	-41 308
Technical result		-65 652	14 944
Income from capital investments	3	937 402	839 320
Allocated interest		-649 662	-751 113
Other financial income		401	153
Expenditure for capital investment management	4	-46 179	-41 777
Financial result		241 962	46 583
Annual result prior to the reduction in the equalization reserve		176 310	61 527
Reduction in the equalization reserve		-70 479	-49 986
Annual result after the reduction in the equalization reserve		105 831	11 541
Allocation equalization reserves		105 831	11 541
Appropriation of the annual result		105 831	11 541

¹⁾ See Annex from page 7 on

Balances sheet as of 31 December 2014

		2014	2013
	Ref. no. ¹⁾	CHF in 1,000s	CHF in 1,000s
Assets			
Non-current assets		39 066 615	38 042 358
Capital investments	5	38 763 352	37 798 767
Intangible assets	6	250 546	196 743
Fixed assets	7	52 717	46 848
Current assets		1 614 268	1 155 237
Receivables	8	517 839	357 648
Cash	9	861 746	556 542
Material and goods inventories for occupational safety		2 185	2 338
Prepayments and accrued income	10	232 498	238 709
Total assets		40 680 883	39 197 595
Liabilities			
General reserves		1 250 253	1 208 973
Equalization reserves		1 436 001	1 330 170
Equity		2 686 254	2 539 143
Provisions for short-term benefits		8 215 100	8 073 400
Provisions for long-term benefits		23 769 468	23 506 373
Provisions for cost-of-living allowances		29 986	27 015
Technical provisions	11	32 014 554	31 606 788
Non-technical provisions	12	4 673 610	3 777 774
Financial liabilities	5	81 576	80 974
Long-term borrowed capital		36 769 740	35 465 536
For goods/services	13	291 016	375 560
Other	14	204 760	202 467
Short-term liabilities		495 776	578 027
Accrued liabilities and deferred income	15	729 113	614 889
Short-term borrowed capital		1 224 889	1 192 916
Borrowed capital		37 994 629	36 658 452
Total liabilities		40 680 883	39 197 595

¹⁾ See Annex from page 7 on

Funds flow statement 2014

	2014	2013
	CHF in 1,000s	CHF in 1,000s
Annual result	105 831	11 541
Provisions for long-term benefits	263 095	100 880
Provisions for short-term benefits	141 700	488 600
Provisions for cost-of-living allowances VIE and AIU	2 970	4 907
Provisions for capital investment risks	902 502	875 892
Provisions for company development	-8 398	10 176
Provisions for real estate maintenance and renovation	1 250	4 132
Increase in Suva Fund and Assistance Fund	593	555
Value adjustment of financial and capital investments	-264 302	769 086
Value adjustment on operational real estate	48 560	60 318
Value adjustment on intangible assets	-688	23 227
Value adjustment on fixed assets	12 632	11 198
Allocations to the general reserves	41 280	41 308
Expenditure and income with no effect on liquidity	1 141 194	2 390 279
Premium credit balance	-146 037	-16 347
Other short-term credit balance	-14 153	-7 691
Material and goods inventories	153	776
Prepayments and accrued income	6 211	-17 113
Accounts payable	-82 251	-140 855
Accrued liabilities and deferred income	114 224	53 728
Change in current assets	-121 854	-127 502
Cash flow from operating activities	1 125 171	2 274 318
Net investments in money market investments	313 094	107 213
Net investments in capital market investments	-912 949	-2 439 168
Net investments in investment real estate	-100 427	-198 576
Net investments in operational real estate	-48 916	-38 306
Net investments in intangible assets	-53 115	-52 920
Net investments in fixed assets	-18 145	-11 461
Cash flow from investment activities	-820 459	-2 633 218
Repayment of passive mortgages/investments	602	-428
Withdrawal/benefits from Suva Fund and Assistance Fund	-110	-305
Cash flow from financing activities	492	-733
= Net change in cash funds	305 204	-359 632
+ Opening balance of cash funds	556 542	916 174
= Closing balance of cash funds	861 746	556 542

Statement of changes in equity 2014

	OAI	NOAI	VIE	AIU	Total
	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s
General reserves					
Status: 1 January 2013	546 157	588 921	6 413	26 174	1 167 665
Ordinary allocation	16 999	22 289	218	1 802	41 308
Status: 31 December 2013	563 156	611 210	6 631	27 976	1 208 973
Ordinary allocation	16 918	22 311	216	1 835	41 280
Status: 31 December 2014	580 074	633 521	6 847	29 811	1 250 253
Equalization reserves					
Status: 1 January 2013	680 750	557 806	32 409	47 664	1 318 629
Allocation	17 858	21 243	2 522	19 904	61 527
Reduction	-49 986	-	-	-	-49 986
Status: 31 December 2013	648 622	579 049	34 931	67 568	1 330 170
Allocation	87 248	75 588	4 979	8 495	176 310
Reduction	-70 479	-	-	-	-70 479
Status: 31 December 2014	665 391	654 637	39 910	76 063	1 436 001
Total equity	1 245 465	1 288 158	46 757	105 874	2 686 254

Annex to the financial statements 2014

General remarks

Corporate governance

As an independent establishment of the federal government under public law, Suva is not a publicly owned company quoted on the stock exchange, but its reporting is in line with the authoritative guidelines on corporate governance such as the Swiss GAAP FER. However, attention should be paid to special, company-specific features, which are determined in particular by its legal form and the outlining of its organizational framework by the relevant statutory regulations.

Events subsequent to the balance sheet date

Since the balance sheet date and up to the date of printing this report, no events have occurred that substantially affect the financial status and results of the year under review.

Valuation principles

Basis

Accounting, balance sheet reporting and valuation are carried out according to the regulations of the Federal Act on Accident Insurance (AIA), the ordinance of the Federal Department of Home Affairs (FDHA) of 1 September 1998 relating to accounting principles (assessment of actuarial provisions) as well as Swiss GAAP FER accounting standards. The following exceptions will continue to apply to the latter:

- Swiss GAAP FER 2, 14
Capital investments are largely valued at minimum values while maintaining the value fluctuation provision.
- Swiss GAAP FER 23
In particular, the provisions required for cost-of-living allowances are dispensed with since the Federal Act on Accident Insurance (AIA) stipulates that the cost-of-living allowances must be financed by investment income or cost-sharing contributions (Federal Act on Accident Insurance (AIA), Art. 90). Furthermore, provisions for operating costs can be made for equalization purposes.

Suva is not involved in either active or passive reinsurance business. All business transactions are entered in the books on the balance sheet date and evaluated from this moment in time to determine earnings according to the following principles.

Bonds in Swiss francs

Bonds in Swiss francs are reported in the balance sheet using the amortised-cost method. This spreads any difference between historical cost and repayment amount evenly over time to maturity. For prematurely redeemable bond issues, the reduced time to maturity as well as any premium are taken into account. Applying the amortised-cost method breaks the lower-of-cost-or-market principle for this balance sheet item.

Other capital market investments

Other capital market investments are reported in the balance sheet at acquisition cost or at the current value ("fair value", stock exchange price) if lower on the balance sheet date. The lower valuation in each case is maintained until the sale of the share (lower-of-cost-or-market method).

Mortgages and loans

Mortgages and loans are reported in the balance sheet at nominal value. However, appropriate valuation adjustments are made for identifiable possible losses; this is based on individual valuations and takes counterparty risk into account.

Derivatives

All derivative financial instruments open on the balance sheet date are stated at current values.

Real estate investments

Real estate is reported in the balance sheet no higher than at acquisition cost or construction cost. If the market value is lower, this value is depreciated. Value recoveries are not entered.

Investments in companies

Investments in companies (infrastructure in nature and joint ventures by insurers) are reported in the balance sheet at acquisition cost less the depreciations required by business.

Items in foreign currencies

Items in foreign currencies are translated at the mean rate of exchange on the balance sheet date. Daily exchange rates are used for periods of less than one year. The most important year-end rates are:

Balance sheet year-end exchange rates (CHF)	2014	2013
	CHF	CHF
1 EUR	1.2030	1.2273
1 GBP	1.5486	1.4782
1 USD	0.9943	0.8929
1 CAD	0.8556	0.8406
100 JPY	0.8308	0.8480
1 AUD	0.8125	0.7960

Intangible assets

Acquired and own developed intangible assets such as IT software are capitalized if they have a value greater than CHF 500,000 when purchased or at the end of a project.

Write-downs are scheduled on a linear basis over a period of 3 to 5 years, or over a maximum of 20 years in justified cases.

Fixed assets

Fixed assets with an overall investment sum (per investment decision) under CHF 500,000 are not capitalized but debited directly to the income statement. In addition, operational real estate (clinics) is basically valued at token value.

Write-downs are scheduled throughout the life of the fixed asset. The estimated period of usage of the individual asset groups is determined as follows:

- Tenant improvements 10 years
- Movables/machines/vehicles 5 years
- IT equipment (hardware) 3 years

Inventories

Purchased material and goods and finished occupational safety products are valued at the cost of acquisition or manufacture, but no higher than the lower net market value. The values of inventories with a long storage life and non-standard articles are adjusted appropriately.

Actuarial provisions

The determination of actuarial provisions is based on anticipated obligations towards insureds and claimants. The benefit liabilities for current pensions at the time of the final balance sheet are worked out according to the uniform calculation principles determined by the FDHA on 1 January 2014. Current and future cost-of-living allowances for occupational and non-occupational accident insurance are financed in accordance with Art. 90 of the Federal Act on Accident Insurance (AIA) according to the pay-as-you-go method and are not deferred.

Provisions for pending claims are determined according to recognized actuarial methods based on empirical values from previous years.

In connection with military insurance, Suva acts as the fiduciary processor but not as the insurer. Based on the contract with the Federal Council of 19 May 2005, Suva has neither an agreed nor a factual obligation to make actuarial provisions.

Other restricted provisions

In this item, individual valuations and provisions are made for all identifiable possible losses in accordance with the principle of prudence. In addition, this item contains an all-inclusive provision for capital investment risks. Valuation adjustments and provisions no longer required for operations are released and reflected in the income statement.

Other assets and liabilities

Other assets and liabilities (including receivables) are posted in the balance sheet at nominal value or acquisition value. Any appropriate depreciations are deducted.

Off-balance-sheet transactions

Contingent liabilities and other liabilities not to be balanced are posted at their nominal value.

Taxes and duties

Taxes and duties are posted as expenditure for the accounting period in which the corresponding business position occurred.

Leasing

Financial leasing agreements are entered in the balance sheet using Swiss GAAP FER 13.

Rehabilitation clinics in Bellikon and Sion

The rehabilitation clinics in Bellikon and Sion are not legal entities in their own right and report to Suva's uniform management. From an organizational standpoint, however, they are largely autonomous and do their own accounting on the basis of the H+ accounting schedule with the corresponding structural regulations.

The clinics are not group companies in the sense of the accounting regulations.

Employee benefits

As far as their pension plan is concerned, our employees are members of "Suva's employee benefit institution", which is a legally independent foundation. This providential fund is financed with contributions made by employers and employees. All members of staff are insured with the exception of trainees, whose wages are below the lower limit according to the Occupational Pensions Act (OPA). Employers' contributions are posted under personnel costs.

Members of management can join a collective foundation for non-compulsory occupational benefits.

Related party transactions

Suva does not conduct any transactions with related persons and organizations.

Members of the Board of Directors are not considered to be related persons.

Impairment of assets

The intrinsic value of the assets is assessed on each balance sheet date. If there are any indications of a reduction in value, the realizable value is calculated (impairment test). If the book value exceeds the realizable value or the utility value, a value adjustment takes place by means of depreciation.

The following reported relative rates of change are calculated on the effective values throughout.

Tabular value – = no value recorded/available

Tabular value 0 = < than measuring unit

1. Premiums

	2014	2013	+/-
	CHF in 1,000s	CHF in 1,000s	in %
Occupational accident insurance (OAI)	1 397 764	1 389 641	0.6
Non-occupational accident insurance (NOAI) incl. special premium arrangements	1 835 705	1 834 106	0.1
Voluntary insurance for entrepreneurs (VIE)	19 197	19 352	-0.8
Insurance for the unemployed (AIU)	163 238	160 273	1.8
Military insurance (MI)	17 671	17 530	0.8
Net premiums	3 433 575	3 420 902	0.4
Occupational accident insurance (OAI)	163 092	159 485	2.3
Non-occupational accident insurance (NOAI)	241 384	240 325	0.4
Voluntary insurance for entrepreneurs (VIE)	2 204	2 236	-1.4
Insurance for the unemployed (AIU)	18 772	18 432	1.8
Premium supplement for administrative costs	425 452	420 478	1.2
Occupational accident insurance (OAI)	91 032	90 582	0.5
Non-occupational accident insurance (NOAI)	13 751	13 748	0.0
Insurance for the unemployed (AIU): Occupational accident insurance share	311	318	-2.2
Insurance for the unemployed (AIU): Non-occupational accident insurance share	1 189	1 165	2.1
Premium surcharge for accident prevention	106 283	105 813	0.4
Occupational accident insurance (OAI)	98 270	97 814	0.5
Non-occupational accident insurance (NOAI)	128 575	128 687	-0.1
Surcharge for the financing of cost-of-living allowances	226 845	226 501	0.2
Occupational accident insurance (OAI)	10 674	10 960	-2.6
Non-occupational accident insurance (NOAI)	9 857	10 244	-3.8
Voluntary insurance for entrepreneurs (VIE)	173	172	0.6
Surcharge for payment by instalments	20 704	21 376	-3.1
Occupational accident insurance (OAI)	1 425	1 409	1.1
Non-occupational accident insurance (NOAI)	1 854	1 848	0.3
Voluntary insurance for entrepreneurs (VIE)	18	22	-18.2
Interest on arrears	3 297	3 279	0.5
Occupational accident insurance (OAI)	-3 949	-5 949	-33.6
Non-occupational accident insurance (NOAI)	-5 053	-7 735	-34.7
Voluntary insurance for entrepreneurs (VIE)	-202	-121	66.9
Net premium losses	-9 204	-13 805	-33.3
Total premiums (gross) prior to the reduction in the equalization reserve	4 206 952	4 184 544	0.5
Occupational accident insurance (OAI)	-70 479	-49 986	41.0
Reduction in the equalization reserve	-70 479	-49 986	41.0
Total premiums (gross)	4 136 473	4 134 558	0.0

2. Operating expenditure

	2014	2013	+/-	+/-
	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	in %
Personnel costs ¹⁾	451 040	444 840	6 200	1.4
Payments for services by third parties	38 199	36 422	1 777	4.9
Legal and consulting expenses	15 684	12 227	3 457	28.3
Furniture/machines/vehicles	4 469	3 930	539	13.7
IT costs	99 394	87 812	11 582	13.2
Cost of premises	48 987	45 356	3 631	8.0
Office and administrative expenses	36 885	41 926	-5 041	-12.0
Material and special expenses	17 339	15 514	1 825	11.8
Value adjustments	28 405	36 074	-7 669	-21.3
Other expenditure ²⁾	21 723	7 305	14 418	197.4
Total operating costs, gross	762 125	731 406	30 719	4.2
Proceeds from products and services	-30 265	-31 006	-741	-2.4
Offsetting internal services and activations ³⁾	-180 577	-152 522	28 055	18.4
Total operating costs, net	551 283	547 878	3 405	0.6

¹⁾ Including an extraordinary provision for new actuarial assumptions of the pension fund

²⁾ Previous year including extraordinary provision for the replacement of core applications

³⁾ Including earnings from the capitalization of intangible investments according to Swiss GAAP FER

Distribution of operating costs over the insurance branches	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
	OAI	OAI	NOAI	NOAI	VIE	VIE	AIU	AIU	MI	MI	Total	Total
	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s
Insurance operations	164 681	160 236	239 503	238 998	1 192	1 227	16 394	16 333	20 660	20 698	442 430	437 492
Prevention of occup. accidents and diseases	93 420	94 047	-	-	-	-	-	-	-	-	93 420	94 047
Prevention of non-occup. accidents	-	-	14 245	15 173	-	-	1 188	1 166	-	-	15 433	16 339
Total	258 101	254 283	253 748	254 171	1 192	1 227	17 582	17 499	20 660	20 698	551 283	547 878

Information on the pension fund (economic benefits / economic obligations and cost of provision)	31.12.14	31.12.14	31.12.13	2014	2014	2014	2014
	Excess coverage/shortfalls according to Swiss GAAP FER 26	Economic share of the company	Economic share of the company	Change recognized in profit or loss	Contributions apportioned to the period	Cost of provisions in personnel costs	Cost of provisions in personnel costs
	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s
Pension plans without excess coverage/shortfalls	0	0	0	0	67 517	67 517	66 700

3. Income from capital investments

	2014	2013	+/-
	CHF in 1,000s	CHF in 1,000s	in %
Liquid investments	2 450	1 630	50.3
Mortgages, loans and syndicated loans	122 135	119 959	1.8
Bonds	364 797	329 290	10.8
Indirect real estate investments	50 031	48 142	3.9
Investment property	191 861	199 933	-4.0
Shares	132 384	151 964	-12.9
Alternative investments	184 546	189 025	-2.4
Derivatives (overlays) and opportunities	7	0	-
Current earnings	1 048 211	1 039 943	0.8
Liquid investments	610	423	44.3
Mortgages, loans and syndicated loans	621	373	66.4
Bonds	800 624	1 672 900	-52.1
Indirect real estate investments	60 893	71 456	-14.8
Investment property	0	4 666	-100.0
Shares	1 020 820	1 070 229	-4.6
Alternative investments	630 110	455 739	38.3
Derivatives (overlays) and opportunities	4 168 022	5 286 415	-21.2
Profit from sales	6 681 700	8 562 200	-22.0
Total earnings from capital investments	7 729 911	9 602 143	-19.5
Liquid investments	-1 082	-1 924	-43.8
Mortgages, loans and syndicated loans	-4 638	-1 466	216.4
Bonds	-651 106	-1 423 261	-54.3
Indirect real estate investments	-3 858	-2 745	40.6
Investment property	-1 049	0	-
Shares	-231 526	-159 579	45.1
Alternative investments	-580 665	-417 802	39.0
Derivatives (overlays) and opportunities	-4 680 384	-5 111 069	-8.4
Losses from sales	-6 154 309	-7 117 845	-13.5
Liquid investments	12 754	-36 875	-134.6
Mortgages, loans and syndicated loans	-1 379	-605	127.8
Bonds	44 936	-291 387	-115.4
Indirect real estate investments	-17 874	-8 098	120.7
Investment property	-46 785	-15 938	193.5
Shares	121 891	-119 256	-202.2
Alternative investments	495 462	-442 161	-212.1
Derivatives (overlays) and opportunities	-344 703	145 234	-337.3
Value adjustments	264 302	-769 086	-134.4
Total expenses from capital investments	-5 890 007	-7 886 931	-25.3
Allocation of the provision for capital investment risks	-902 502	-875 892	3.0
Income from capital investments	937 402	839 320	11.7

4. Expenditure for capital investment management

	2014	2013	+/-
	CHF in 1,000s	CHF in 1,000s	in %
Liquid investments	1 181	1 135	4.1
Mortgages, loans and syndicated loans	5 010	4 741	5.7
Bonds	7 275	7 210	0.9
Indirect real estate investments	1 374	1 395	-6.6
Investment property	15 841	12 963	22.2
Shares	7 228	6 949	5.1
Alternative investments	7 404	6 865	7.9
Derivatives (overlays) and opportunities	866	519	66.6
Total expenditure for capital investment management	46 179	41 777	10.5

The expenses directly incurred at Suva are listed in the table. Further costs are partly incurred by external asset managers and are offset against income.

5. Capital investments

Category	31.12.13	2014	31.12.14	31.12.13	31.12.14
			Book value		Market value
	Balance	Changes in value	Balance	Balance	Balance
	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s
Liquid investments ¹⁾	2 011 658	-300 340	1 711 317	2 011 658	1 711 318
Mortgages	416 832	2 808	419 640	416 832	419 640
Loans and syndicated loans ²⁾	5 338 609	265 647	5 604 256	5 338 609	5 604 256
Bonds in CHF	7 133 304	-83 177	7 050 127	7 235 312	7 577 294
Bonds in foreign currency	4 755 285	288 846	5 044 132	5 134 998	5 508 317
Indirect real estate investments	911 778	240 804	1 152 583	1 100 601	1 491 424
Real estate investments ³⁾	3 814 990	52 720	3 867 709	4 546 022	4 644 220
Shares in Switzerland	2 032 170	-172 494	1 859 676	3 408 273	3 285 200
Shares outside Switzerland	4 532 476	672 803	5 205 278	6 475 866	7 273 611
Alternative investments	6 634 639	426 988	7 061 627	8 100 533	8 922 388
Derivatives (overlays) and opportunities	217 027	-430 019	-212 993	236 566	-151 532
Total	37 798 767	964 584	38 763 352	44 005 271	46 286 134

¹⁾ Including cash accounts for capital investments in the amount of CHF 2,813.8m (previous year: CHF 1,151.8m). As some of the cash accounts serve as collateral the balance in liquid investments reported is lower than the balance of the cash accounts.

²⁾ Including, loans to companies for the promotion of occupational safety

³⁾ At year-end, investment properties were subject to pledges in the amount of CHF 81.6m.

Insurance value of real estate investments at year-end

	2014	2013	+/-
	CHF in 1,000s	CHF in 1,000s	in %
Investment properties: value of building insurance	4 164 796	3 959 649	5.2

Open financial derivative instruments (derivatives shown in the capital investments)

	Contract value		Market/book values			Total 31.12.13 CHF in 1,000s
	31.12.14 CHF in 1,000s	31.12.13 CHF in 1,000s	Positive 31.12.14 CHF in 1,000s	Negative 31.12.14 CHF in 1,000s	Total 31.12.14 CHF in 1,000s	
Hedging						
Currency forward transactions (OTC)	17 024 118	16 396 854	23 029	-397 473	-374 445	134 512
Total hedging	17 024 118	16 396 854	23 029	-397 473	-374 445	134 512
Trade						
Bond futures (ETD)	1 893 357	1 126 642	0	0	0	0
Interest rate swaps (OTC)	1 101 057	618 765	22 294	-52 485	-30 191	-2 010
Total bond and interest derivatives	2 994 414	1 745 407	22 294	-52 485	-30 191	-2 010
Stock futures (ETD)	771 425	1 662 778	0	0	0	0
Volatility/dividend futures (ETD)	48 951	0	0	0	0	0
Stock options (OTC)	0	7 410	0	0	0	347
Total stock derivatives	820 377	1 670 189	0	0	0	347
Currency forward transactions (OTC)	289 442	13 362	109 273	-76 564	32 709	11 989
Total currency forward transactions	289 442	13 362	109 273	-76 564	32 709	11 989
Index swaps (OTC)	409 612	322 518	0	0	0	0
Total index swaps	409 612	322 518	0	0	0	0
Total trade	4 513 845	3 751 476	131 568	-129 049	2 518	10 327
Total derivatives	21 537 963	20 148 330	154 596	-526 523	-371 926	144 839
Hedging of OTC derivatives (CSA)			254 575	-6 750	247 825	-118 775
Residual counterparty risk					-124 101	26 064

For the reduction of the counterparty risk of over-the-counter derivatives, hedging contracts (Credit Support Annex, CSA) were concluded with some counterparties. Daily fluctuations in the value of the derivative portfolio are offset by corresponding collateral payments in cash in order to virtually eliminate net credit exposure with these counterparties. The value of the OTC derivative portfolio of CHF -371.9m (previous year: CHF +144.8m) was thus covered as of the end of 2014 by collateral items amounting to a total of CHF 247.8m (previous year: CHF 118.8m).

In the repo market, Suva had a total of CHF 250.0m outstanding as cash taker as at 31 December 2014. These repo transactions were covered by collateral of the same amount as is usual in the repo market.

Other obligations not to be recorded in the balance sheet as of 31 December 2014 amounted to CHF 1,919.6m (previous year: CHF 1,851.3m). They are made up of the following:

- customary, irrevocable payment obligations for private equity of CHF 1,837.5m (previous year: CHF 1,760.9m) as well as for mortgages of CHF 24.0m (previous year: CHF 8.4m)
- forward mortgage transactions with disbursement date 2015 of CHF 46.1m (previous year: CHF 36.5m)
- pledged syndicated loans of CHF 12.0m (previous year: CHF 45.5m)

There are no other obligations on the part of Suva in favour of third parties such as guarantees and acceptances of guarantee.

6. Intangible assets	Acquired EDP software		Suva-generated EDP software		Total intangible assets	
	2014 CHF in 1,000s	2013 CHF in 1,000s	2014 CHF in 1,000s	2013 CHF in 1,000s	2014 CHF in 1,000s	2013 CHF in 1,000s
Net book value on 1 January	50	101	196 693	166 949	196 743	167 050
Acquisition values						
Status: 1 January	4 688	4 688	291 087	238 167	295 775	242 855
Accruals	–	–	70 225	55 446	70 225	55 446
Disposals	–	–	–17 109	–2 526	–17 109	–2 526
Status: 31 December	4 688	4 688	344 203	291 087	348 891	295 775
Accumulated value adjustments						
Status: 1 January	–4 638	–4 587	–94 394	–71 218	–99 032	–75 805
Scheduled write-downs	–50	–51	–16 372	–25 702	–16 422	–25 753
Disposals	–	–	17 109	2 526	17 109	2 526
Status: 31 December	–4 688	–4 638	–93 657	–94 394	–98 345	–99 032
Net book value on 31 December	0	50	250 546	196 693	250 546	196 743

7. Fixed assets	Operational real estate		Assets in construction		Tenant improvements		Other fixed assets		Total fixed assets	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s
Net book value on 1 January	0	0	0	22 012	43 752	43 827	3 096	2 758	46 848	68 597
Acquisition values										
Status: 1 January	398 586	338 268	0	22 012	102 597	94 097	10 424	7 463	511 607	461 840
Accruals	48 560	60 318	356	38 306	12 288	8 500	5 857	2 961	67 061	110 085
Disposals	–	–	–	–60 318	–	–	–	–	–	–60 318
Status: 31 December	447 146	398 586	356	–	114 885	102 597	16 281	10 424	578 668	511 607
Accumulated value adjustments										
Status: 1 January	–398 586	–338 268	–	–	–58 845	–50 270	–7 328	–4 705	–464 759	–393 243
Scheduled write-downs	–48 560	–60 318	–	–	–8 570	–8 575	–4 062	–2 623	–61 192	–71 516
Disposals	–	–	–	–	–	–	–	–	–	–
Status: 31 December	–447 146	–398 586	–	–	–67 415	–58 845	–11 390	–7 328	–525 951	–464 759
Net book value on 31 December	0	0	356	0	47 470	43 752	4 891	3 096	52 717	46 848

Insurance value of fixed assets as at year-end	2014	2013	+ / –
	CHF in 1,000s	CHF in 1,000s	in %
Operational real estate: value of building insurance	302 880	303 724	–0.3
Miscellaneous fixed assets	161 494	157 991	2.2
Total insurance value	464 374	461 715	0.6

8. Receivables

	2014	2013	+/-
	CHF in 1,000s	CHF in 1,000s	in %
Premium credit balance	402 801	264 946	52.0
Withholding tax credit balance	37 461	32 681	14.6
Real estate settlement account	29 323	28 942	1.3
Special account OA/OD (FCOS)	30 416	30 922	-1.6
Del credere	-21 648	-25 197	-14.1
Other receivables	39 486	25 354	55.7
Total receivables	517 839	357 648	44.8

9. Cash

	2014	2013	+/-
	CHF in 1,000s	CHF in 1,000s	in %
Cash on hand	406	724	-43.9
Postal account	815 539	522 097	56.2
Banks	45 801	33 721	35.8
Total cash	861 746	556 542	54.8

10. Prepayments and accrued income

	2014	2013	+/-
	CHF in 1,000s	CHF in 1,000s	in %
Accrued interest	210 303	215 700	-2.5
Other	22 195	23 009	-3.5
Total prepayments and accrued income	232 498	238 709	-2.6

11. Technical provisions¹⁾

	Provisions for short-term benefits		Provisions for long-term benefits		Provisions for cost-of-living allowances		Total technical provisions	
	2014	2013	2014	2013	2014	2013	2014	2013
	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s	CHF in 1,000s
OAI	2 574 500	2 547 400	10 879 000	10 799 012	-	-	13 453 500	13 346 412
NOAI	5 250 600	5 153 600	11 912 030	11 752 334	-	-	17 162 630	16 905 934
VIE	46 500	48 200	221 224	217 145	2 010	5 062	269 734	270 407
AIU	343 500	324 200	757 214	737 882	27 976	21 953	1 128 690	1 084 035
Total technical provisions	8 215 100	8 073 400	23 769 468	23 506 373	29 986	27 015	32 014 554	31 606 788

¹⁾ Military insurance is financed on a pay-as-you-go basis, which is why no provisions are made.

12. Non-technical provisions

	Provision for risks from capital investments		Other provisions		Total non-technical provisions	
	2014 CHF in 1,000s	2013 CHF in 1,000s	2014 CHF in 1,000s	2013 CHF in 1,000s	2014 CHF in 1,000s	2013 CHF in 1,000s
Status: 1 January	3 444 749	2 568 857	333 025	318 466	3 777 774	2 887 323
Education	902 502	875 892	50 669	37 293	953 171	913 185
Appropriation	0	0	-57 335	-22 735	-57 335	-22 735
Status: 31 December	4 347 251	3 444 749	326 359	333 025	4 673 610	3 777 774

13. Short-term liabilities for goods and services

	2014 CHF in 1,000s	2013 CHF in 1,000s	+/- in %
Premiums to be repaid	154 853	251 461	-38.4
Accounts payable insurance benefits	105 728	82 425	28.3
Accounts payable suppliers	28 939	40 180	-28.0
Miscellaneous accounts payable	1 496	1 494	0.1
Accounts payable	136 163	124 099	9.7
Total short-term liabilities for goods and services	291 016	375 560	-22.5

14. Other short-term liabilities

	2014 CHF in 1,000s	2013 CHF in 1,000s	+/- in %
Co-insurance	65 979	61 795	6.8
FCOS / Financial asset	38 000	46 000	-17.4
Military insurance, current account	55 785	54 125	3.1
Other	44 996	40 547	11.0
Total other short-term liabilities	204 760	202 467	1.1

15. Accrued liabilities and deferred income

	2014 CHF in 1,000s	2013 CHF in 1,000s	+/- in %
Premiums drawn in advance	679 291	571 336	18.9
Other accrued liabilities and deferred income	49 822	43 553	14.4
Total accrued liabilities and deferred income	729 113	614 889	18.6

Report by the Financial Supervisory Commission

As external auditors, Ernst & Young AG conducted a risk-oriented audit of Suva's 2014 annual financial statements on behalf of the Financial Supervisory Commission. In addition, the external auditors were tasked with examining the amount of premium surcharges levied for the prevention of occupational accidents and occupational diseases as well as the amount of corresponding net premiums in 2014. The actuarial items were audited by the Board of Directors' actuarial expert, Prof. Philippe Maeder.

In compliance with Art. 728a §1 no. 3 of the Swiss Code of Obligations (CO) and Swiss Auditing Standard 890, Ernst & Young AG also confirmed to the Financial Supervisory Commission the existence of an internal control system designed for compiling annual financial statements according to the instructions of the Board of Directors and the Board of Management.

Based on the reports submitted by Ernst & Young AG on the audits conducted according to standard professional principles and the actuarial expert's technical audit report, the Financial Supervisory Commission concludes that there is sufficient basis for the Commission's request to approve the annual financial statements. According to the assessment by the auditors acting on behalf of the Financial Supervisory Commission, the annual financial statements are in line with statutory regulations as well as with Suva's accounting and valuation principles.

The Board of Directors is therefore requested to approve the 2014 annual financial statements and to formally approve the actions of the Board of Management.

Lucerne, 28 April 2015

Financial Supervisory Commission

Chairman:
Roman Rogger

Vice-Chairman:
Urs Masshardt

Members:
Judith Bucher
Kurt Gfeller
Markus Notter

Secretary:
Barbara Häseli

Resolution by the Board of Directors

The report by the Financial Supervisory Commission of 28 April 2015 relating to the examination of Suva's accounts for the year 2014 has been noted.

- 1.** Suva's annual report and financial statements for 2014 are approved.
- 2.** The deposits scheduled in Art. 111 of the Ordinance on Accident Insurance of 20 December 1982 for the general reserves are set at 1 per cent of premium income to be debited to the technical account.
- 3.** The amount of CHF 902,501,585 is allocated to the provision for capital investment risks and debited to the capital earnings account.
- 4.** The income surplus of CHF 16,769,742 in occupational accident insurance is allocated to the equalization reserve of this branch of insurance.
- 5.** The income surplus of CHF 75,588,070 in non-occupational accident insurance is allocated to the equalization reserve of this branch of insurance.
- 6.** The income surplus of CHF 4,978,822 in voluntary insurance for entrepreneurs is allocated to the equalization reserve of this branch of insurance.
- 7.** The income surplus of CHF 8,494,622 in insurance for the unemployed is allocated to the equalization reserve of this branch of insurance.
- 8.** The balanced accounts for military insurance are approved.
- 9.** The actions of the Board of Management and the accountants are formally approved.

Our thanks are due to the Board of Management as well as the members of staff in appreciation of their work.

The report and financial statements will be submitted to the Federal Council for approval in accordance with Art. 61, §3 of the Federal Act on Accident Insurance (AIA).

Lucerne, 12 June 2015

On behalf of the Board of Directors
Chairman: Markus Dürr
Secretary-General: Marc Epelbaum

Notes on the financial statements 2014

Capital investments

Investment year 2014

The investment performance of 7.0 per cent is well above the average of the past ten years. Almost all asset classes contributed to the gratifying result, particularly shares, bonds, real estate, hedge funds and private equity. Only investments in emerging markets, gold and raw materials clouded the picture. Suva's investment strategy focuses on the longterm and aims at broad diversification. About half of the assets are invested in fixed-interest securities, at least 20 per cent are invested in shares and the remainder is invested in real estate, gold and alternative investments.

Performance

For investment year 2014, Suva posted a performance of 7.0 per cent (previous year: 4.7 per cent) with a capital investment market value (without the cash and cash equivalents of the current assets) as at 31 December 2014 of CHF 46,286.1m (previous year: CHF 44,005.3m).

Direct yield

Direct yield is calculated on the average amount of capital invested taking earned and accrued interest into account as well as accrued dividends and other current earnings. A direct yield of 2.2 per cent (previous year: 2.3 per cent) is posted for 2014.

Overview of the direct yield and performance of capital investments over the past five years:

Year	Direct yield	Total yield (performance)
	%	%
2010	2.4	5.6
2011	2.4	0.2
2012	2.3	8.6
2013	2.3	4.7
2014	2.2	7.0
Average of the last 3 years (geometrically)	2.3	6.8
Average of the last 5 years (geometrically)	2.3	5.2

Financial coverage as at 31 December 2014 amounted to 134.2 per cent, which corresponds to solid financing.

	2014	2013	As of 31.12.2014	As of 31.12.2013
	Earnings CHF in 1,000s	Earnings CHF in 1,000s	Loaned CHF in 1,000s	Loaned CHF in 1,000s
Securities lending				
Loan of securities	7 548	10 164	3 923 352	3 731 117

To collateralize securities lending, collateral in the amount of CHF 4,052,989,000 was made available to Suva.

Undisclosed reserves	2014	2013
	CHF in 1,000s	CHF in 1,000s
Liquid assets	0	0
Mortgages, loans and syndicated loans	0	0
Bonds	991 351	481 721
Indirect real estate investments	338 841	188 823
Investment property	776 511	731 033
Shares	3 493 856	3 319 493
Alternative investments	1 860 761	1 465 894
Derivatives (overlays) and opportunities	61 461	19 540
Total	7 522 782	6 206 504

The entire reserves for risks from capital investment thus amounted to CHF 11,870.0m. These comprised undisclosed reserves amounting to CHF 7,522.8m and the provisions for risks from capital investments of CHF 4,347.2m.

Operating costs

Premium surcharges for operating costs

In the year under review, the income from premium surcharges for the management costs of insurance operations amounted to CHF 425.5m (previous year: CHF 420.5m). This amount is used by Suva to meet insurance operating costs. The unused premium surcharges for the operating costs of CHF 8.8m (previous year: CHF 8.3m) are paid into the overall result.

Premium surcharges for occupational accident prevention

Suva received CHF 91.3m (previous year: CHF 90.9m) from the premium surcharge for occupational accident insurance and insurance for the unemployed. In accordance with Art. 87, §2 of the Federal Act on Accident Insurance (AIA), Suva transferred this sum to the special account of the Federal Coordination Committee for Occupational Safety (FCOS). Suva's expenses as an occupational safety body are refunded by FCOS. In the year under review, this amounted to CHF 93.4m (previous year: CHF 94.0m).

Premium surcharges for non-occupational accident prevention

In accordance with Art. 88 of the Federal Act on Accident Insurance (AIA), Suva levies premium surcharges for leisure-time safety on the net premiums for non-occupational accident insurance. In financial year 2014, these amounted to CHF 14.9m (previous year: CHF 14.9m). These funds were used in accordance with Art. 100 of the Accident Prevention Ordinance (APO). Suva made CHF 12.0m (80 per cent) of these funds available to the Swiss Council for Accident Prevention (bfu) in Bern for their prevention activities in the areas of road safety, the household and sports. Suva used the remaining contributions for its own complementary activities and campaigns.

Allocation of costs

Compared with the previous year, overall operating costs increased by CHF 3.4m or 0.6 per cent. Of the overall operating costs, 80.3 per cent (previous year: 79.8 per cent) went on insurance operations, 16.9 per cent (previous year: 17.2 per cent) went on the prevention of occupational accidents and diseases and 2.8 per cent (previous year: 3.0 per cent) went on the prevention of non-occupational accidents.

Profit and loss account

Occupational accident insurance

	2014	2013
	CHF in 1,000s	CHF in 1,000s
Gross premiums for companies, incl. surcharges	1 762 257	1 749 891
Premium losses (balance)	-3 949	-5 949
Premiums	1 758 308	1 743 942
Allocated interest	297 238	343 325
Care benefits and reimbursement of expenses	-417 357	-390 634
Daily benefits	-551 349	-512 780
Pensions and capital benefits	-621 319	-614 074
Cost-of-living allowances to pensioners	-137 360	-143 286
Recourse income	35 379	36 047
Insurance benefits paid	-1 692 006	-1 624 727
Change in technical provisions	-107 088	-212 462
Claims expenditure	-1 799 094	-1 837 189
Reimbursed expenditure for occupational safety	93 420	94 047
Contribution to the prevention of occupational accidents and diseases	-91 032	-90 582
Other technical result	2 388	3 465
Insurance operations	-164 681	-160 236
Prevention of accidents and occupational diseases	-93 420	-94 047
Operating expenditure	-258 101	-254 283
Ordinary allocation to the general reserves	-16 918	-16 999
Technical result	-16 179	-17 739
Financial result	103 427	35 597
Annual result prior to the reduction in the equalization reserve	87 248	17 858
Reduction in the equalization reserve	-70 479	-49 986
Annual result after the reduction in the equalization reserve	16 769	-32 128

Profit and loss account: notes

Occupational accident insurance

Declining accident figures

In 2014, 182,141 occupational accidents and diseases were reported to Suva. This represents 1,622 reports or 0.9 per cent less than in the previous year.

Decrease in new pension awards

The number of newly awarded occupational accident insurance disability pensions amounted to 880 (previous year: 888) and there were 125 (previous year: 192) survivors' pensions.

Positive closing

With premium income of CHF 1,758.3m (previous year: CHF 1,743.9m), technical interest income of CHF 297.2m (previous year: CHF 343.3m) and claims expenditure of CHF 1,799.1m (previous year: CHF 1,837.2m), the operating account for occupational accident insurance posted a technical result of CHF -16.2m (previous year: CHF -17.7m). It includes the statutory allocation to the general reserves of CHF 16.9m (Art. 111 of the Accident Insurance Ordinance (AIO)). It also includes operating costs of CHF 258.1m (previous year: CHF 254.3m) as well as premium surcharges for the prevention of occupational accidents and diseases in the amount of CHF 91m (previous year: CHF 90.6m). In accordance with Art. 87, §2 of the Federal Act on Accident Insurance (AIA), the latter have been transferred to the special account of the Federal Coordination Committee for Occupational Safety (FCOS).

Together with the financial result of CHF 103.4m (previous year: CHF 35.6m), the result for the reporting year is an income surplus of CHF 87.2m (previous year: CHF 17.9m). Taking into account the reduction in the equalization reserve of CHF 70.5m, this results in an income surplus of CHF 16.8m, which is allocated to the equalization reserve.

Increase in wages and salaries

In the course of the year under review, the wages and salaries on which the accounts are based increased by CHF 2.6bn or by 1.85 per cent to CHF 142.8bn.

Profit and loss account

Non-occupational accident insurance

	2014	2013
	CHF in 1,000s	CHF in 1,000s
Gross premiums for companies, incl. surcharges	2 231 126	2 228 958
Premium losses (balance)	-5 053	-7 735
Premiums	2 226 073	2 221 223
Allocated interest	327 125	377 776
Care benefits and reimbursement of expenses	-766 800	-715 327
Daily benefits	-672 424	-628 712
Pensions and capital benefits	-634 642	-632 391
Cost-of-living allowances to pensioners	-135 617	-140 284
Recourse income	136 229	138 855
Insurance benefits paid	-2 073 254	-1 977 859
Change in technical provisions	-256 696	-326 859
Claims expenditure	-2 329 950	-2 304 718
Insurance operations	-239 503	-238 998
Prevention of non-occupational accidents	-14 245	-15 173
Operating expenditure	-253 748	-254 171
Ordinary allocation to the general reserves	-22 311	-22 289
Technical result	-52 811	17 821
Financial result	128 399	3 422
Annual result	75 588	21 243

Profit and loss account: notes

Non-occupational accident insurance

Declining accident figures

In 2014, the number of non-occupational accident insurance accidents reported to Suva amounted to 261,360, which is a decrease of 1,661 cases or 0.6 per cent compared with the previous year.

Decrease in new pension awards

The number of newly awarded non-occupational accident insurance disability pensions amounted to 718 (previous year: 778) accompanied by a total of 88 survivors' pensions (previous year: 112).

Positive closing

With premium income of CHF 2,226.1m (previous year: CHF 2,221.2m), technical interest income of CHF 327.1m (previous year: CHF 377.8m) and claims expenditure of CHF 2,329.9m (previous year: CHF 2,304.7m), the operating account for non-occupational accident insurance posted a technical result of CHF -52.8m (previous year: CHF 17.8m). It includes the statutory allocation to the general reserves of CHF 22.3m (Art. 111 AIO). It also includes operating costs of CHF 253.7m (previous year: CHF 254.2m) as well as the premium surcharges for leisure-time safety in the amount of CHF 14.9m (previous year: CHF 14.9m). From the latter, CHF 12.0m (previous year: CHF 11.9m) has been made available to the Swiss Council for Accident Prevention (bfu) in Bern as a contribution towards operating costs.

Together with the financial result of CHF 128.4m (previous year: CHF 3.4m), the result for the reporting year is an income surplus of CHF 75.6m (previous year: CHF 21.2m), which is allocated to the equalization reserve.

Increase in wages and salaries

The wages and salaries on which the accounts are based increased by CHF 2.6bn or by 1.84 per cent to CHF 142.1bn.

Profit and loss account

Voluntary insurance for entrepreneurs

	2014	2013
	CHF in 1,000s	CHF in 1,000s
Gross premiums for companies, incl. surcharges	21 592	21 782
Premium losses (balance)	-202	-121
Premiums	21 390	21 661
Allocated interest	5 646	6 917
Care benefits and reimbursement of expenses	-5 084	-4 592
Daily benefits	-6 413	-6 191
Pensions and capital benefits	-11 516	-11 605
Cost-of-living allowances to pensioners	-888	-905
Recourse income	805	821
Insurance benefits paid	-23 096	-22 472
Change in technical provisions	673	-3 371
Claims expenditure	-22 423	-25 843
Operating expenditure (insurance operations)	-1 192	-1 227
Ordinary allocation to the general reserves	-216	-218
Technical result	3 205	1 290
Financial result	1 774	1 232
Annual result	4 979	2 522

Profit and loss account: notes

Voluntary insurance for entrepreneurs

Decrease in the number of accidents and new pensions

At the end of the year under review, 8,126 people (previous year: 8,208) were voluntarily insured with Suva. They suffered 1,146 accidents (previous year: 1,233). The number of newly awarded voluntary insurance disability pensions amounted to 12 (previous year: 23), with 1 survivors' pension (previous year: 2).

Positive closing

With premium income of CHF 21.4m (previous year: CHF 21.7m), technical interest income of CHF 5.6m (previous year: CHF 6.9m) and claims expenditure of CHF 22.4m (previous year: CHF 25.8m), the operating account for voluntary insurance for entrepreneurs posted a technical result of CHF 3.2m (previous year: CHF 1.3m). It includes the statutory allocation to the general reserves of CHF 0.2m (Art. 111 AIO) as well as operating costs of CHF 1.2m (previous year: CHF 1.2m).

Together with the financial result of CHF 3.2m (previous year: CHF 1.2m), the result for the reporting year is an income surplus of CHF 5.0m (previous year: CHF 2.5m), which is allocated to the equalization reserve.

Decrease in wages and salaries

The wages and salaries in voluntary insurance for entrepreneurs on which the accounts are based decreased by CHF 2.6m or by 0.47 per cent to CHF 552.4m.

Profit and loss account

Accident insurance for the unemployed

	2014	2013
	CHF in 1,000s	CHF in 1,000s
Premiums	183 510	180 188
Allocated interest	19 653	23 095
Care benefits and reimbursement of expenses	-51 045	-43 895
Daily benefits	-63 426	-55 334
Pensions and capital benefits	-30 959	-29 186
Cost-of-living allowances to pensioners	-1 648	-1 651
Recourse income	8 431	11 669
Insurance benefits paid	-138 647	-118 397
Change in technical provisions	-44 655	-51 695
Claims expenditure	-183 302	-170 092
Contribution towards the prevention of occupational accidents and diseases	-311	-318
Other technical result	-311	-318
Insurance operations	-16 394	-16 333
Prevention of non-occupational accidents	-1 188	-1 166
Operating expenditure	-17 582	-17 499
Ordinary allocation to the general reserves	-1 835	-1 802
Technical result	133	13 572
Financial result	8 362	6 332
Annual result	8 495	19 904

Profit and loss account: notes

Accident insurance for the unemployed

Higher number of accidents

In the year under review, jobseekers in Switzerland suffered 15,274 accidents (previous year: 14,759), which represented an increase of 3.4 per cent. The number of disability pensions awarded in accident insurance for the unemployed amounted to 104 (previous year: 87) and survivors' pensions were awarded in 5 cases (previous year: 9).

Positive result

With premium income of CHF 183.5m (previous year: CHF 180.2m), technical interest income of CHF 19.7m (previous year: CHF 23.1m) and claims expenditure of CHF 183.3m (previous year: CHF 170.1m), the operating account for accident insurance for the unemployed posted a technical result of CHF 0.1m (previous year: CHF 13.6m). Premium income in accident insurance for the unemployed can fluctuate sharply depending on the state of the economy. The technical result includes the statutory allocation to the general reserves of CHF 1.8m (Art. 111 AIO). It also includes operating costs of CHF 17.6m (previous year: CHF 17.5m) as well as premium surcharges for the prevention of occupational accidents and diseases in the amount of CHF 0.3m (previous year: CHF 0.3m). In accordance with Art. 87, §2 of the Federal Act on Accident Insurance (AIA), the latter are transferred to the special account of the Federal Coordination Committee for Occupational Safety (FCOS).

Together with the financial result of CHF 8.4m (previous year: CHF 6.3m), an income surplus of CHF 8.5m (previous year: CHF 19.9m) is posted for the reporting year, which is allocated to the equalization reserve.

Increase in wages and salaries

The wages and salaries insured in this insurance branch amounted to CHF 4.5bn. This corresponds to an increase of 1.98 per cent or CHF 87.4m.

Profit and loss account

Military insurance

	2014	2013
	CHF in 1,000s	CHF in 1,000s
Premiums	17 671	17 530
Care benefits and reimbursement of expenses	-65 564	-65 684
Daily benefits	-26 801	-27 981
Pensions and capital benefits	-96 624	-102 467
Recourse income	471	437
Insurance benefits paid	-188 518	-195 695
Claims expenditure	-188 518	-195 695
Reimbursed expenditure for military insurance	191 507	198 863
Other technical result	191 507	198 863
Operating expenditure for insurance operations	-20 660	-20 698
Annual result	-	-

Profit and loss account: notes

Military insurance

With the signing of the agreement on 18/19 May 2005 between the Swiss Confederation, represented by the Director of the Federal Department of Home Affairs, and Suva, the management of military insurance was transferred to Suva on 1 July 2005. Military insurance is managed by Suva as independent social insurance according to the Federal Act on Military Insurance (Milla). Insurance benefits and the administrative costs of military insurance continue to be financed by the Confederation in a special form of the allocation process unless covered by premiums and recourse income. Suva conducts separate accounting for military insurance, which forms the basis for payments to be made by the Confederation.

The task of military insurance is to cover all health risks encountered by the Confederation's security forces (armed forces, civil defence, Swiss Humanitarian Aid Unit, peacekeeping missions of the Confederation as well as civilian service) during active duty. Military insurance covers all impairments to insurees' physical or mental health incurred while carrying out the aforementioned services or activities.

The Confederation bears the technical insurance risk. Suva acts as the fiduciary processor but not as insurer for the Confederation. On this basis, Suva has neither an agreed nor a factual obligation to defer lump sum benefits.

Care benefits and daily allowances

Care benefits cover expenditure relating to healthcare treatment. The number of cases increased by around 0.4 per cent in 2014; however, the associated costs could be reduced. The reason for this positive trend is the holistic care provided to insurees.

Pension payments on the decline

The number of new disability pensions was reduced as a result of Suva Care Management (SCM) and consistently implemented occupational rehabilitation. In addition, the reduction in pension costs is attributable to the demographic stratification among the pensioners.

Operating costs

For managing the military insurance according to their agreement, the Swiss Confederation reimburses Suva for the effective operating costs it incurs for the implementation of the MIL. The costs remained the same as in the previous year. This is also due to consistent cost controlling, which reveals deviations in good time by producing targeted reports.

Key figures over the past five years

Balance sheet	2014	2013	2012	2011	2010
	CHF in m	CHF in m	CHF in m	CHF in m	CHF in m
Balance sheet total	40 680.9	39 197.6	37 747.5	35 678.7	33 990.6
Capital investments	38 763.4	37 798.8	36 037.3	33 941.0	32 582.2
Intangible assets	250.5	196.7	167.1	124.8	83.7
Fixed assets	52.7	46.9	68.6	48.4	31.2
Non-current assets	39 066.6	38 042.4	36 273.0	34 114.2	32 697.1
Receivables	517.8	357.6	333.6	416.7	383.6
Cash	861.8	556.5	916.2	896.8	640.9
Material and goods inventories	2.2	2.4	3.1	0.9	2.6
Prepayments and accrued income	232.5	238.7	221.6	250.1	266.4
Current assets	1 614.3	1 155.2	1 474.5	1 564.5	1 293.5
General reserves	1 250.3	1 208.9	1 167.7	1 126.1	1 082.7
Equalization reserves	1 436.0	1 330.2	1 318.6	1 071.8	949.0
Equity	2 686.3	2 539.1	2 486.3	2 197.9	2 031.7
Provisions for short-term benefits	8 215.1	8 073.4	7 584.8	7 354.2	7 101.5
Provisions for long-term benefits (incl. cost-of-living allowances)	23 799.5	23 533.4	23 427.6	23 135.8	22 438.8
Technical provisions	32 014.6	31 606.8	31 012.4	30 490.0	29 540.3
Non-technical provisions	4 673.6	3 777.8	2 887.3	1 714.1	991.1
Financial liabilities	81.6	81.0	81.4	70.0	71.5
Non-current (long-term) liabilities	36 769.8	35 465.6	33 981.1	32 274.1	30 602.9
Liabilities from services and goods	495.8	578.0	718.9	672.8	711.3
Accrued liabilities and deferred income	729.1	614.9	561.2	533.9	644.7
Current (short-term) liabilities	1 224.9	1 192.9	1 280.1	1 206.7	1 356.0

Overall operating account	2014	2013	2012	2011	2010
	CHF in m	CHF in m	CHF in m	CHF in m	CHF in m
Premiums (gross, less losses)	4 207.0	4 184.5	4 162.0	4 361.7	4 313.2
Allocated interest	649.7	751.1	746.8	732.5	722.4
Care benefits and reimbursement of expenses	-1 305.8	-1 220.1	-1 147.0	-1 088.3	-1 068.5
Daily benefits	-1 320.4	-1 231.0	-1 265.2	-1 220.9	-1 176.5
Pensions and capital benefits	-1 395.1	-1 389.7	-1 376.0	-1 379.5	-1 371.6
Cost-of-living allowances to pensioners	-275.5	-286.1	-296.7	-307.3	-317.8
Recourse income	181.3	187.8	201.5	216.2	229.2
Insurance benefits paid out	-4 115.5	-3 939.1	-3 883.4	-3 779.8	-3 705.2
Provisions for short-term benefits	-141.7	-488.6	-230.6	-252.7	-865.7
Provisions for long-term benefits	-263.1	-100.9	-287.1	-693.4	9.0
Provisions for cost-of-living allowances	-3.0	-4.9	-4.7	-3.6	-3.8
Change in technical provisions	-407.8	-594.4	-522.4	-949.7	-860.5
Claims expenditure	-4 523.3	-4 533.5	-4 405.8	-4 729.5	-4 565.7
Reimbursed expenditure for occupational safety	93.4	94.0	95.1	97.6	97.8
Contribution to the prevention of occupational accidents and occupational diseases	-91.3	-90.9	-90.9	-96.0	-94.7
Reimbursed expenditure for military insurance	191.5	198.9	197.3	198.2	199.6
Other technical result	193.6	202.0	201.5	199.8	202.7
Operating expenditure	-551.3	-547.9	-555.3	-529.9	-522.8
Ordinary allocation to the general reserves	-41.3	-41.3	-41.5	-43.5	-43.0
Interest on withdrawal from the general reserves	-	-	-	-	-1.0
Technical result	-65.6	14.9	107.7	-8.9	105.8
Income from capital investments	937.4	839.3	926.4	902.1	894.6
Technical interest expense	-649.7	-751.1	-746.8	-732.5	-722.4
Other financial earnings	0.4	0.2	-0.9	-0.7	-1.5
Expenditure for capital investment management	-46.2	-41.8	-39.5	-37.3	-32.1
Financial result	241.9	46.6	139.2	131.6	138.6
Annual result prior to the reduction in the equalization reserve	176.3	61.5	246.9	122.7	244.4
Reduction in the equalization reserve	-70.5	-50.0	-	-	-
Annual result after the reduction in the equalization reserve	105.8	11.5	246.9	122.7	244.4

**Provisions for long-term benefits
(excl. cost-of-living allowances)**

	2014	2013	2012	2011	2010
	CHF in m	CHF in m	CHF in m	CHF in m	CHF in m
Long-term benefits in occupational accident insurance	10 879.0	10 799.0	10 665.1	10 554.6	10 257.0
Change	80.0	133.9	110.5	297.6	102.1
Long-term benefits in non-occupational accident insurance	11 912.0	11 752.3	11 807.5	11 648.5	11 279.5
Change	159.7	-55.2	159.0	369.0	-168.5
Long-term benefits in voluntary insurance for entrepreneurs	221.2	217.1	215.1	216.7	211.9
Change	4.1	2.0	-1.6	4.8	13.8
Long-term benefits in accident insurance for the unemployed	757.2	737.9	717.8	698.6	676.6
Change	19.3	20.1	19.2	22.0	43.6
Total	23 769.4	23 506.3	23 405.5	23 118.4	22 425.0

**Provisions for short-term benefits
(for current cases)**

	2014	2013	2012	2011	2010
	CHF in m	CHF in m	CHF in m	CHF in m	CHF in m
Provisions	8 215.1	8 073.4	7 584.8	7 354.2	7 101.5
Change	141.7	488.6	230.6	252.7	865.7

Total insured wages and salaries

	2014	2013	2012	2011	2010
	CHF in m	CHF in m	CHF in m	CHF in m	CHF in m
Occupational accident insurance	142 823.0	140 224.2	137 664.2	134 979.3	129 931.9
Change	2 598.8	2 560.0	2 684.9	5 047.4	1 908.0
Non-occupational accident insurance	142 076.0	139 509.4	136 955.5	134 217.2	129 222.2
Change	2 566.6	2 553.9	2 738.3	4 995.0	1 878.3
Accident insurance for the unemployed	4 503.0	4 415.6	3 924.3	3 817.2	5 014.6
Change	87.4	491.3	107.1	-1 197.4	611.2

Development of accident figures

	2014	2013	2012	2011	2010
	No. of cases	No. of cases	No. of cases	No. of cases	No. of cases
Occupational accident insurance	182 141	183 763	185 916	188 576	184 787
Change	-1 622	-2 153	-2 660	3 789	6 905
Non-occupational accident insurance	261 360	263 021	260 985	261 802	254 603
Change	-1 661	2 036	-817	7 199	427
Voluntary insurance for entrepreneurs	1 146	1 233	1 170	1 202	1 238
Change	-87	63	-32	-36	-51
Accident insurance for the unemployed	15 274	14 759	14 000	14 844	18 266
Change	515	759	-844	-3 422	2 793
Total	459 921	462 776	462 071	466 424	458 894

Development of market values of capital investments

	2014	2013	2012	2011	2010
	CHF in m	CHF in m	CHF in m	CHF in m	CHF in m
Liquid investments	1 711.3	2 011.7	2 155.7	1 334.5	1 465.1
Mortgages	419.6	416.8	409.7	419.2	445.0
Loans and syndicated loans	5 604.3	5 338.6	4 947.6	4 827.5	4 515.0
Bonds in CHF	7 577.3	7 235.3	7 139.8	7 695.9	8 150.1
Bonds in foreign currency	5 508.3	5 135.0	4 406.3	4 096.8	3 526.8
Indirect real estate investments	1 491.4	1 100.6	1 195.2	1 254.8	1 308.8
Investment property (including investment property under construction)	4 644.2	4 546.0	4 314.6	4 219.1	3 862.9
Shares in Switzerland	3 285.2	3 408.3	3 752.6	3 624.2	4 019.1
Shares outside Switzerland	7 273.6	6 475.9	5 722.8	4 898.8	5 292.2
Alternative investments	8 922.4	8 100.5	7 615.5	5 948.6	5 252.4
Derivatives (overlays) and opportunities	-151.5	236.6	233.7	35.5	637.0
Total market values of capital investments	46 286.1	44 005.3	41 893.6	38 355.0	38 474.5