

A young girl in a vibrant red dress with a black patterned shawl is balancing a soccer ball on her right foot. She is looking down at the ball with a focused expression. In the background, several other children in white and blue school uniforms are sitting on a bench, watching her. The scene is set outdoors in what appears to be a schoolyard. The entire image is framed by a large red circular border.

# **FIGHTING FEARLESSLY FOR THE RIGHTS OF THE CHILD**



**Rädda Barnen**

ANNUAL REPORT 2016



# Annual Report 2016

The Board and the Secretary General of the Save the Children Sweden National Association (802002-8638) hereby submit the following Annual Report for the 2016 financial year. This Annual Report has been reviewed and approved by a certified public accountant and an elected auditor in accordance with good auditing practices\*.

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\* Good auditing practices among other things entail that the audit takes place in accordance with international standards on auditing (ISA).

## 1.1 Save the Children's work is changing lives

We work to change the living conditions of children in a world run by adults. Save the Children is a children's rights organisation that for almost one hundred years has fought for children's rights in Sweden and the world.

- We have a long-term focus, make use of facts and knowledge, and work **together with children**.
- We **listen to children** and know what it takes to create lasting change for children in vulnerable situations.
- Our knowledge, which is both broad and in-depth, has made us **effective**.
- We pursue **dialogue** with policy-makers and politicians.
- We state arguments and **influence** decision makers to change legislation and systems so that more children will be better off.

All the people who engage with, and support, Save the Children are child rights activists. Together we get results for children.



When Save the Children was founded in 1919 in Great Britain many children were in great need of help after the horrors of WWI. Children in war-torn Europe had been severely affected and Save the Children became an organisation that concentrated on the **needs of the children**.



The British activist Eglantyne Jebb created Save the Children. She was the first to launch the idea of children's rights and was one of the initiators of the Geneva Declaration – a precursor to the UN Convention on the **Rights of the Child**.

Save the Children Sweden was also formed in 1919 by among others, Ellen Palmstierna and Elin Wägner. Early work was concentrated in Europe, but over time Save the Children became a **humanitarian and child rights organisation** that also worked to change the situation of children in developing countries.



The organisation has always worked to **change policies and legislation** to ensure that children's rights are respected. Save the Children Sweden was a driving force behind Sweden becoming the first country in the world to ban corporal punishment and was very active in the introduction of the UN Convention on the Rights of the Child in 1989, as a supplement to the Declaration of Human Rights.

## 1.2 Save the Children Sweden's objectives

Save the Children Sweden fights for children's rights. We support children in vulnerable situations in Sweden and in the world, and influence opinion to strengthen children's rights.

### The rights perspective

- All people are of equal value.
- Children have special rights.
- Everyone has a responsibility, but States have binding obligations.

Save the Children's values are based on the UN Declaration on Human Rights and the UN Convention on the Rights of the Child, in which it is stated that all people have equal value and that children have special rights to extra protection and support. The rights in the Convention on the Rights of the Child are based on four basic principles.

- All children are entitled to the rights specified in this Convention, without discrimination.
- The best interests of the child must provide guidance. In all authority decisions and measures that concern children, special consideration must be given to what is best for the child.
- All children have the right to survival and development.
- All children have the right to express their views and to be heard. Their views must be taken into account.

The rights of the child apply at all times: in peace, in war and in natural disasters. Save the Children Sweden therefore works on the basis of what is known as the **humanitarian imperative**. This is a fundamental humanitarian principle which means that all citizens in all countries have the right to receive or offer humanitarian aid.

### SAVE THE CHILDREN SWEDEN'S MISSION:

To work towards and inspire fundamental improvements in how children are treated and to achieve immediate and lasting change in their lives.



## Operational focus and objectives

### Save the Children's activities must contribute to:

- The rights of all children being respected.
- Children not being subject to discrimination, exploitation, violence or other abuse.
- Children being able to make their voices heard and to influence their own situation.
- Children enjoying a safe and healthy childhood and an education that promotes self-reliance and provides relevant knowledge.

Save the Children Sweden has chosen to prioritise the most vulnerable children, and we concentrate our resources on a few areas where this can make the most difference. For these areas we have identified eight success factors\*:

### Children's right to good child rights governance

1. The rights of more children are respected.
2. More organisations and companies become strong, competent advocates for children's rights.

### Children's right to security and protection

3. Fewer children are victims of violence, harassment or discrimination.
4. Fewer children in Sweden show signs of mental ill health.
5. Fewer children are separated from their families and more children are reunited with their families in the contexts of armed conflicts and natural disasters.
6. More undocumented children in Sweden gain the right to education and health and medical care.
7. More child refugees in Sweden gain the right to protection and a legally secure, and individual, asylum process.

### Children's right to education

8. More children are able to access education of good quality, on an equal basis.

### We can achieve our goals if Save the Children Sweden:

- can show that its work leads to better conditions for children;
- is a strong popular movement for children's rights in Sweden;
- possesses the competence and capacity required;
- enjoys well-defined leadership;
- has a clear profile and a strong position;
- is in budgetary balance, and has a stable and growing financial base;
- is a strong, leading member of Save the Children International; and
- contributes to extending children's participation and influence.

### \*New global and national strategies

Since 2016 the Global Save the Children Association has had a **joint strategy** for our activities. At the 2016 General Assembly, Save the Children Sweden adopted a **new Operational Focus** for 2017-2024, based on the global strategy. In December 2016, the Board of Trustees adopted a new strategic plan for the 2017-2021 period. Read more about this in chapter 6 – Future development.

### VISION:

We want to see a world in which every child attains the right to life and development, security and protection, and the right to participation.

### We wish to know that our work is achieving results.

By pursuing measurable objectives, we can see how far we have come and what is left to be done.

## 1.3 How Save the Children Sweden works

Save the Children wishes to achieve permanent change, which can take a long time. Perseverance is therefore required. Together with the other Save the Children organisations all over the world, we have agreed on how we should work together for these changes to be achieved, and to improve conditions for children. We call this the change theory. In brief, this is about operating activities of high quality and inspiring and engaging many players.

Responsibility, ambition, willingness to cooperate, creativity and integrity.

### SAVE THE CHILDREN SWEDEN WILL:



**We are uncompromising and we never give up!**

Save the Children Sweden always seeks to be dedicated and courageous, competent and persistent. This must characterise all the work that we do.

Save the Children Sweden fights for the rights of children all over the world, but we have a special responsibility in our own country, as we are in the best position to exert an influence here. Working with children for children's rights in Sweden also gives us knowledge and credibility for development work in other parts of the world.

We work with four methods that can be combined to give the best results:

We deal with facts and listen to what children say themselves. A shared knowledge base ensures our credibility. We cooperate with researchers, document our experience, and test methods and tools.

We influence politicians and institutions in society through dialogue and by setting requirements. This takes place in cooperation with local organisations and international bodies. We raise awareness among the general public, such as via the media, to influence and change attitudes.



We disseminate our knowledge to the people who influence conditions for children. By increasing this knowledge, we will create engagement in the issues with which we work.

We provide direct support to children, especially during humanitarian disasters. We also work directly with children and young people as active citizens. This gives us more knowledge about problems and ideas for solutions, so that we can develop our methods.

#### Quick facts about Save the Children Sweden

Organisation form: NGO.

Save the Children Sweden was founded in 1919.

The number of members in Sweden is 75,028.

Revenue 2016: MSEK 1,169.

Costs 2016: MSEK 1,174.

Number of permanent employees in Sweden: 252.

Save the Children Sweden operates in the majority of Sweden's municipalities.

The global Save the Children Association consists of 29 member organisations from just as many countries.

## 1.4 Save the Children Sweden is a membership movement

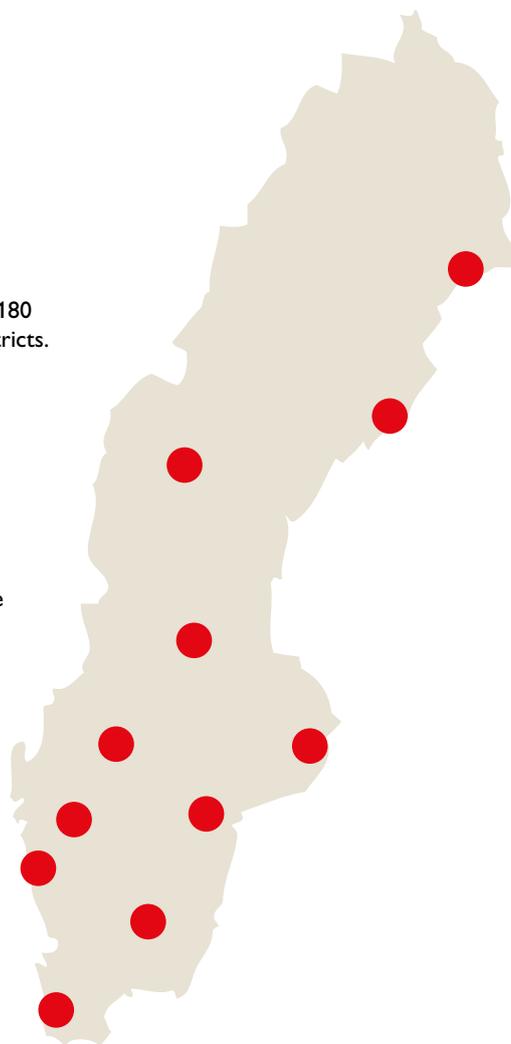
Save the Children Sweden is a democratic membership movement, independent of all political and religious affiliations. Membership commitment to Save the Children's work is fundamental to operations. Local and regional branches in Sweden work actively with and for the children in their municipalities and regions, and are also involved in campaigns and humanitarian action.



75,028 members are part of 180 local associations and 25 districts.

The General Assembly, districts and local associations are separate legal entities with their own economic responsibility. The business and financial years follow the calendar year.

Eleven offices in four regions support the local associations with training, method development and by providing advice on how to lobby for political influence. The four large regional offices also run clinical operations with counsellors who receive children and young people in need of support.



Activities are operated in a majority of Sweden's municipalities.

175 municipalities in Sweden.

The General Assembly represents Save the Children Sweden at national and international level.



The General Assembly leads, develops and coordinates the activities.



The General Assembly, which is held every second year, is the highest decision-making body. 120 representatives decide policy questions and select the Board of Trustees and the chair. The districts nominate General Assembly representatives. The next General Assembly will be held in 2018.

The General Assembly's office in Sundbyberg is responsible for the performance of activities as decided by the General Assembly and the Board of Trustees. The office supports regions, districts and local associations.

The Save the Children Sweden Youth Association (RBUF) is part of the Save the Children movement, but is an independent organisation for children and young people up to the age of 25. RBUF is a vital collaboration partner for Save the Children Sweden.

Every second year, between General Assemblies, members and the Board of Trustees meet at a conference to exchange experience and discuss important issues concerning the future development of the activities and organisation. The previous year's result in the Annual Report and the Operational Report are reported on, as well as the achievement of the decisions of the General Assembly. The next conference will be held in Stockholm in September 2017.

### 2016 General Assembly

At Save the Children Sweden's General Assembly on 16–18 September 2016 in Karlstad the member organisation decided on 23 proposals and approved the Board of Trustees' proposal for a new Operational Focus, new statutes and a revised Compass – Guide for Save the Children Sweden. A new Board of Trustees was elected, as well as a new chair for the next two years: Lise Bergh.

**IN 2016  
MEMBER COSTS:**  
MSEK 23.7 (22.5).

### Members and local activities

Key figures, members	2013	2014	2015	2016
Fundraising by district and local associations	MSEK 4.0	MSEK 3.3	MSEK 4.4	MSEK 3.0
Member fees	MSEK 12.8	MSEK 12.4	MSEK 12.0	MSEK 11.8
Number of members	75,851	75,955	76,492	75,028

Members' commitment to active measures for refugee children continued to be strong during the year. The efforts of civil society are vital to supporting the reception of refugees. During the year, 260 activities were operated by district and local organisations throughout the country. The focus is on psychosocial support for children and families. Examples of the district and local associations' activities are child-friendly places, support for homework and studies, leisure activities, dialogue groups and meeting places. New forms of engagement and activities have been tested, to attract new groups of activists. Especially the work of supporting asylum seekers' own organisation has been important and new activists come from this group.

Lectures have been given all over Sweden by the 20 volunteers who went to Greece to help to receive refugees who had crossed the Mediterranean. The international work was supported at meetings attended by members, and during open seminars all over Sweden.

## 1.5 Save the Children is a global movement

There are 29 Save the Children organisations in as many countries of the world and together we are one of the world's leading non-governmental human rights operatives. We conduct joint activities in more than half of the world's countries. Our cooperation ensures that our work is more effective and easier to evaluate. Together we have greater clout and achieve more results for children. With money, staff and methods, Save the Children Sweden supports the achievement of the shared vision and of our goals within the areas of child rights governance, security and protection, education, children's health and nutrition, and humanitarian work. We also make a contribution through long-term change work and humanitarian initiatives, primarily within the areas of child rights governance, security and protection.

We share the responsibility for leadership of the work on various prioritised issues. Save the Children Sweden leads the global work for:

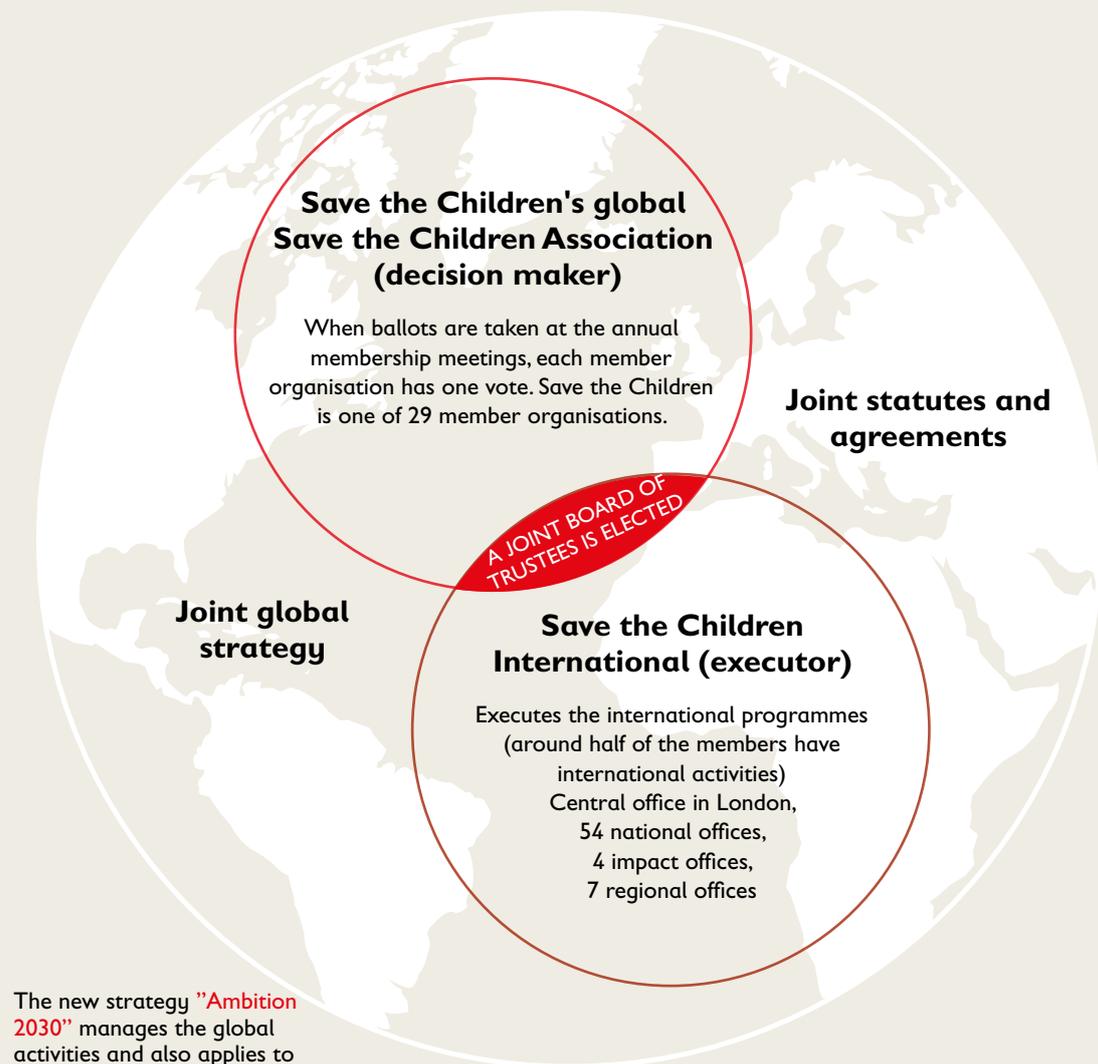
- Children's right to security and protection, and especially protecting children from physical punishment and other degrading treatment.
- Influencing companies to advocate the rights of children.

In the global work of bringing societies and states to devote public resources to children, to ensure that their rights are recognised, Sweden provides support in the form of methods and knowledge.

Save the Children Sweden in particular supports the sister organisation in South Africa in different ways. Save the Children's Secretary General Elisabeth Dahlin is also a member of the Board of Trustees of Save the Children South Africa.



The **membership meeting** for all organisations in Save the Children's global Save the Children Association creates the shared global strategy, objective, vision, tasks and evaluations. It decides how Save the Children's name is to be used, and decides on new members and changes to statutes and regulations. The membership meeting draws up joint standpoints on issues that affect all member organisations.



The new strategy "**Ambition 2030**" manages the global activities and also applies to all member organisations' strategies and operational focus.

International activities are operated through **Save the Children International**. The work is managed by the Secretary General. The national offices coordinate programme activities in their various countries, while the regional offices coordinate the national offices' activities in a region. Advocacy offices in Addis Ababa, Brussels, Geneva and New York coordinate multilateral political lobbying towards the African Union, the EU and the UN.

## 1.6 Save the Children Sweden's partnership

Respect, openness  
and shared values.

Developed cooperation  
with a major partner.

Save the Children cooperates with the civil society, the public sector and the business community in Sweden and internationally, so that together we can achieve better and more sustainable results for children. We do this because we have a shared responsibility to achieve greater sustainability in accordance with the UN's global development goals and Agenda 2030. We always take responsibility for the quality of the cooperation and evaluate the results. The foundation for Save the Children's cooperation with others is respect, openness and shared evaluations.

### GOAL: Protecting children's rights

In dialogue we agree on goals and methods for the work of becoming effective and achieving our goals more quickly. We learn from each other's experience.

#### SAVE THE CHILDREN SWEDEN'S PARTNERSHIP



##### CIVIL SOCIETY

We cooperate with organisations, including children's own organisations, and networks.



##### PUBLIC INSTITUTIONS

We cooperate with national authorities, such as Sida, and also with international bodies such as the EU, UN bodies and regional bodies, and the African Union (AU).



##### PRIVATE SECTOR

Partnership with private companies is increasing and becoming ever more important. We also cooperate with the university and the media.

We are in constant dialogue with children in the company so that children can exert an influence and to make sure that our message is relevant.

Save the Children's activities would be impossible without the willingness of private donors, public institutions and companies to finance our activities for the good of the child. During the year, cooperation with major partners was developed in order to ensure financing of Save the Children's activities in Sweden and internationally. We have created a whole new department that focuses solely on the cooperation with major partners that together account for 70% of Save the Children's business revenue. This concerns companies, foundations, municipalities, state authorities, Sida, the EU and the UN. Together we are helping to change the life situation of children living in vulnerable circumstances.

### Cooperation:

Many companies are interested in long-term, in-depth collaboration with Save the Children. They wish to take greater responsibility for the society in which they are active, in social, economic and environmental terms. We wish to address this. This cooperation can take place within the programme activities, but may also concern specific trademark cooperation, financial support or support with resources.

### Child rights and Business is expanding

A global strategy for how the work concerning the company's responsibility for children's rights is to grow was adopted during 2016. The methods and tools to support companies in integrating children's rights in their core activities have been in demand not only from companies in Sweden, but also from member organisations within the global Save the Children Association and their business partners. Close collaboration with both member organisations and national offices of Save the Children International was also developed.<sup>1</sup>

One of the major Swedish assignments during the year was to support Telia in commencing the work of fulfilling the principles of the rights of the child. This is also the first cooperation with a stated-owned company in Sweden. The principles concerning the rights of the child for companies has been developed by Save the Children together with the UN Global Compact and UNICEF.

During the year, funds from Sida were secured to continue the work of strengthening civil society's knowledge and capacity to drive issues concerning the rights of the child and the private sector. To achieve the change that we seek, from both the private and government sectors, the civil society is a key player.

Save the Children Sweden is spreading its method of working with companies to other Save the Children organisations in the world.

The work of supporting companies to work with children's rights began in China. The Save the Children Sweden Centre for Children's Rights and Corporate Social Responsibility (CCR CSR) in China continues to influence, train and give advice to international and local companies on how to implement child rights principles in their activities. The centre works especially on questions concerning migrant worker parents' and young people's rights, as well as child labour. During the year, this work was expanded in the region and projects are now ongoing in both Southeast and South Asia.

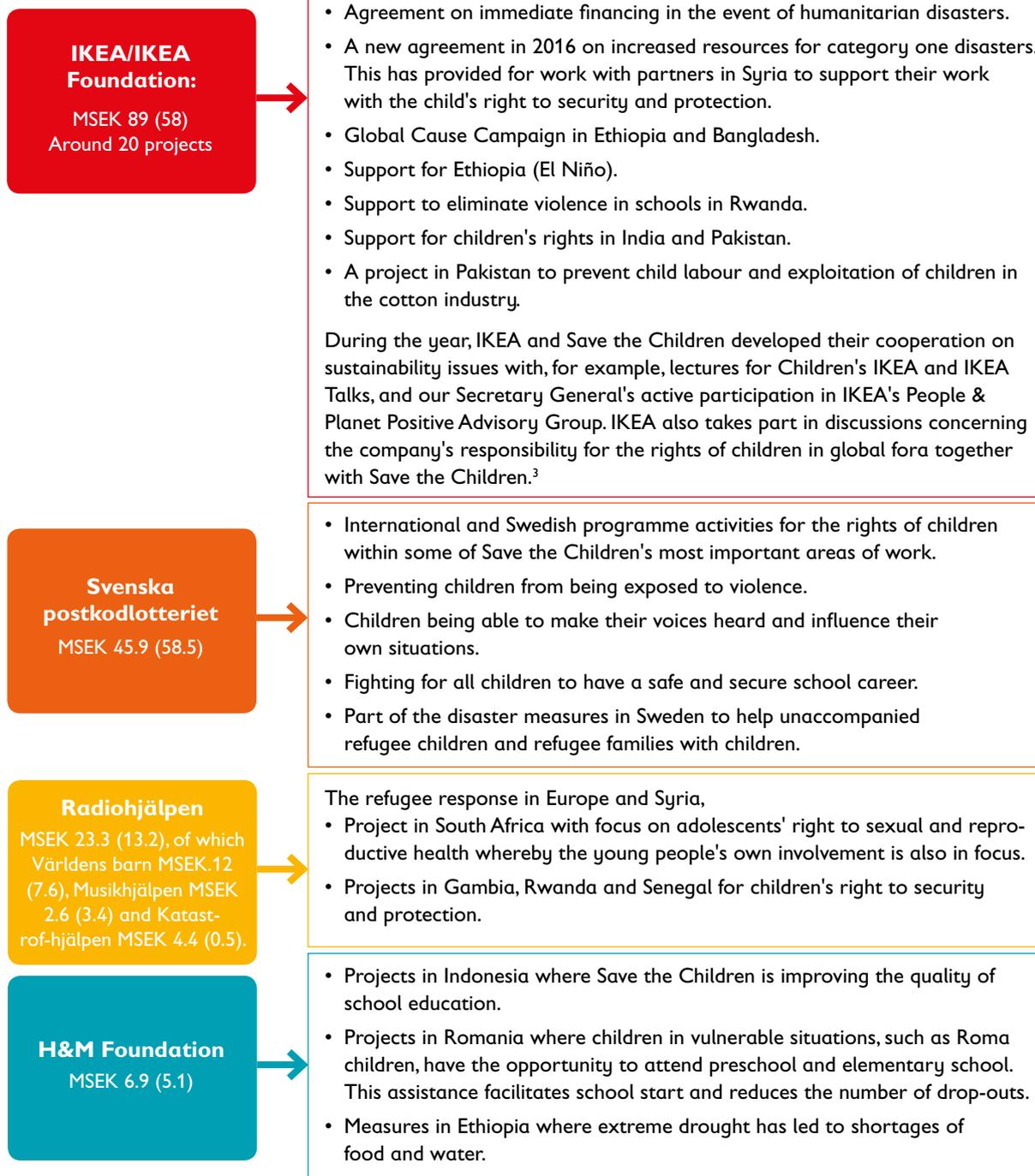


<sup>1</sup> Save the Children's company Save the Children Service AB is a consultant for companies wishing to reduce their negative impacts on children's rights and increase the positive effect.

1. ABOUT THE COMPANY IN GENERAL

Main partner company<sup>2</sup>

Examples in 2016:



**Accenture:** Support for the On Equal Terms project, for example by developing methods and models to measure effects.

**Clas Ohlson:** Projects in China to safeguard young workers' rights and support migrant families and their children. We do this by among other things training factory managements and parents, and ensuring that children can go to school when they accompany their parents to industrial areas.

**Folkspel:** Supports the High Five sports project – for sports free of bullying and discrimination.

<sup>2</sup> Income in 2016 per donor.

<sup>3</sup> Since the cooperation commenced over 20 years ago, IKEA has contributed around MSEK 960 to Save the Children's activities.

**God EU/God fond:** Supports disaster measures.

**IKANO group:** Supports and takes part in the On Equal Terms project.

**Santa Maria:** Supports work with children's rights in India.

**Skandia:** Supports and takes part in our work in the On Equal Terms project, as well as High Five – sport for everyone.

**Willys:** Supports the High Five sports project – for sports free of bullying and discrimination, and to enable customers to contribute to our disaster work via shops' bottle recycling machines.

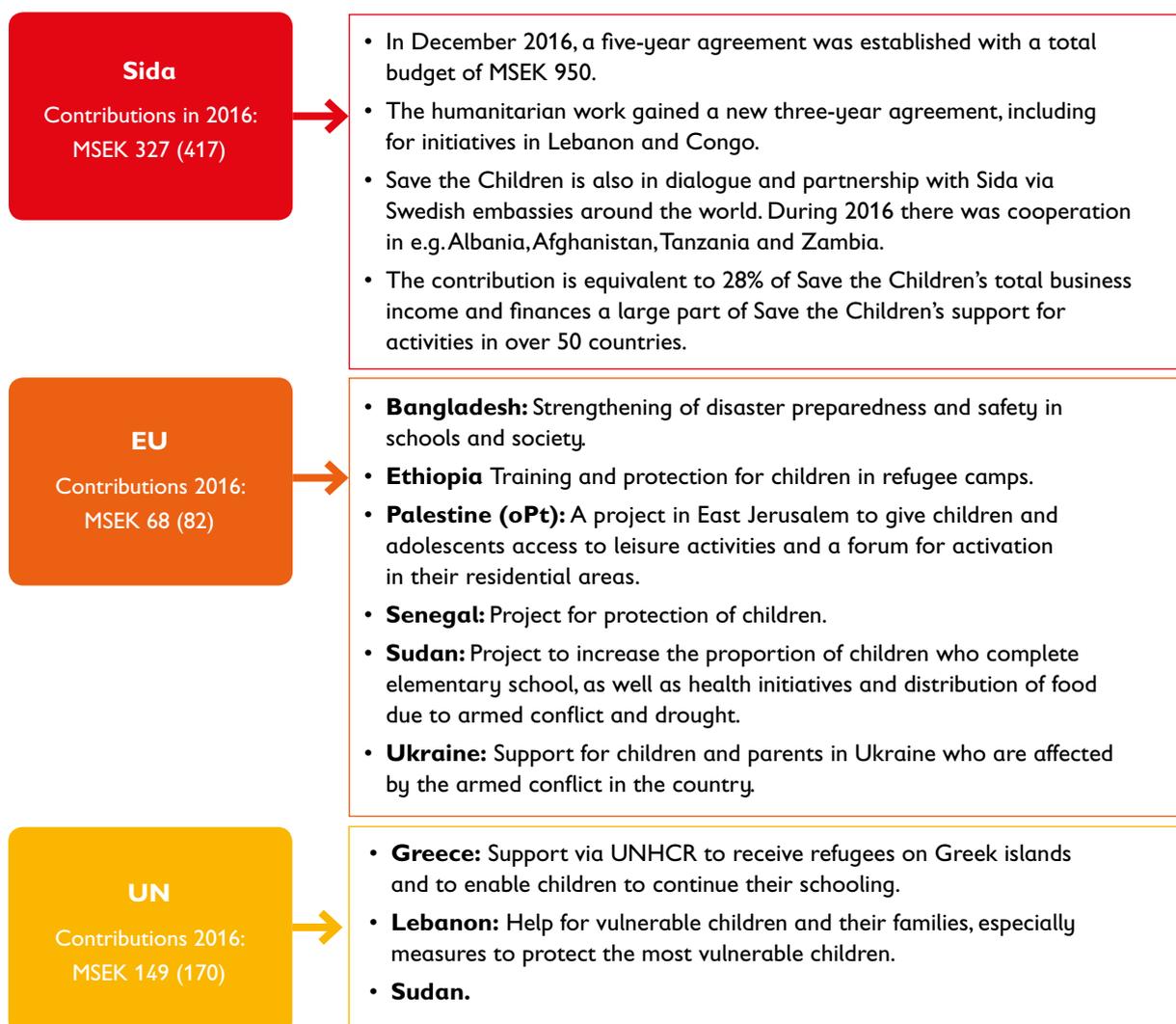
**Vinge law firm:** Pro bono legal support to improve the quality of our negotiations and agreement drafting.

Save the Children cooperates closely with another around 20 companies.

### Public institutions:

Save the Children works in close dialogue with institutional donors at national and global level, such as Sida, the EU and the UN. This cooperation concerns financing our activities, as well as ensuring that the focus is on children's rights when donors draw up their own strategies and priorities. Together we develop content and shared methods in the company. Our cooperation includes humanitarian campaigns and long-term development cooperation.

### Examples in 2016:



1. ABOUT THE COMPANY IN GENERAL

**Civil society:**

We work together with civil society both in Sweden and internationally. Partner organisations in programme countries conduct activities together with Save the Children International, and in Sweden the collaboration is with other organisations, locally, regionally and nationally. Civil society, of which Save the Children is part, is a strong force for change, and we always seek collaboration where there are common areas to address.

**Collaboration projects in Sweden:**

**Non-profit organisations, county administrative boards, the business community, the police authority and the social services.**

**It's about love, and Love is free**

The project aims to increase awareness of rights and to discuss honour-related violence and oppression with young people.

Save the Children is part of a network of voluntary organisations to set up a support forum for children and young people who are exposed to honour-related violence and oppression.

**Accenture, Apoteket, civil society, researchers, IKANO group, IKEA, public sector, Skandia and Svenska Bostäder.**

**On equal terms**

The aim is to have a combined long-term impact on conditions for children and young people who are growing up in socio-economically vulnerable residential areas in Sweden. Almost a quarter of a million children live in socially and economically vulnerable areas with poverty, unemployment, a low educational level, cramped housing and other social challenges. The key is to take the child's own needs as the starting point. All sectors, including fellow citizens, must be involved in defining the problems and solutions and together must set up shared targets.

**Folkspel, sports associations, municipalities Skandia and Willys.**

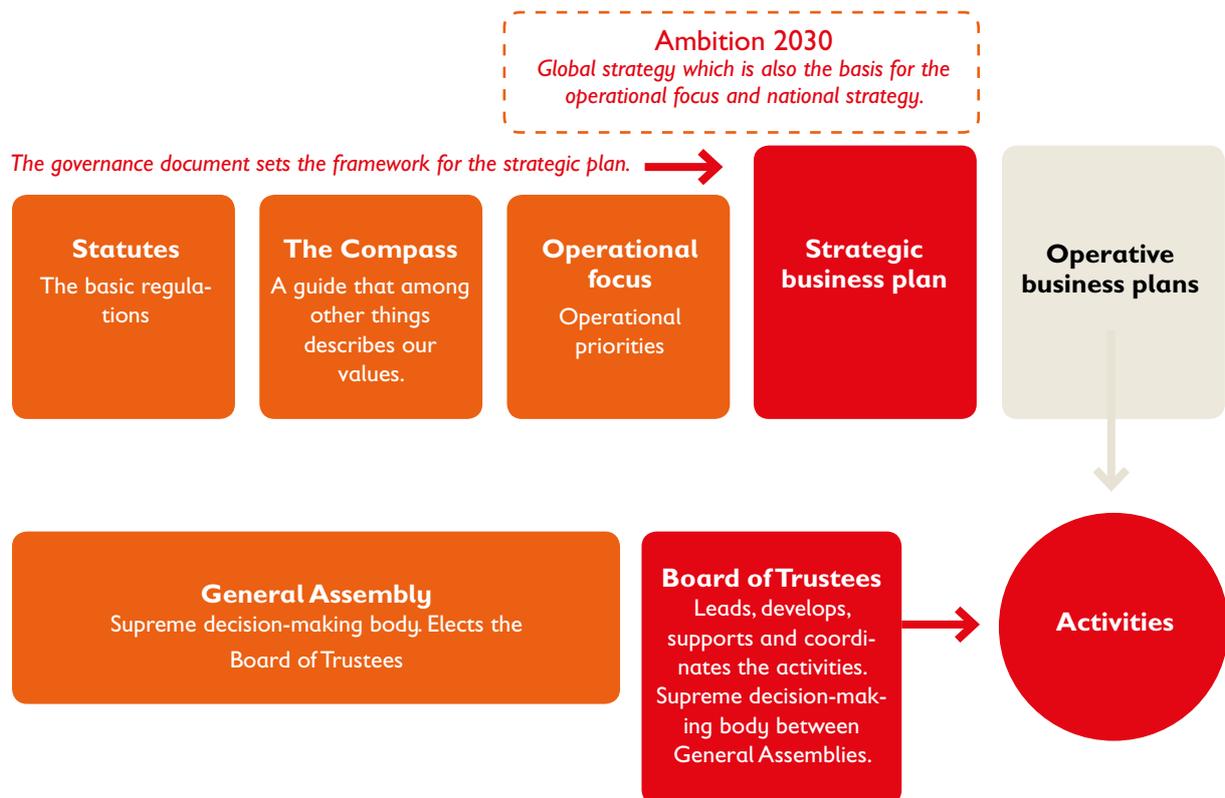
**High five**

Activities to counter discrimination and violations within sport with the following support. Through planning support, training initiatives and local collaboration projects, during the year 46 sports associations set up action plans for a safe sporting environment, and 36 training initiatives to increase the knowledge of sports leaders took place, with local projects for new arrivals starting up at eight locations.



## 1.7 Governance and organisation of Save the Children Sweden

### GOVERNING DOCUMENTS AND BODIES



#### Board of Trustees

The Board of Trustees tasks are to:

- Promote Save the Children Sweden's development in line with its by-laws and the decisions of the General Assembly.
- Responsibility for the planning, execution and evaluation of all of Save the Children Sweden's activities.
- Responsible for collaboration in the Global Save the Children Association and Save the Children International.
- Annually draw up a budget and Operations Plan for the National Association.

The Board of Trustees held ten minuted meetings in 2016. The Board of Trustees' composition was changed as from 18 September. The Board of Trustees up to 18 September held six meetings. The Board of Trustees as from 18 September held four meetings.

## 1. ABOUT THE COMPANY IN GENERAL

**New Board of Trustees as from 2016-09-18**

The National Association Board of Trustees consists of a Chair, Deputy Chair and other members. One member and a personal substitute are appointed by Save the Children Sweden Youth Council. Two additional members, who have rights of attendance and expression, are appointed by the unions.

Name	Function	Background	Attendance
Lise Bergh, Stockholm	Chair	Lawyer. Former Secretary General of Amnesty International Swedish section.	4/4
Cecilia Abrahamsson, Stockholm	Deputy Chair	Communicator	4/4
Lars Axelsson, Stockholm	Member	Market Head	3/4
Åsa Ekman, Gothenburg	Member	Development sociologist, Childcare strategist	4/4
Oliwer Karlsson, Malmö	Member	Gender studies researcher, democracy developer	4/4
Birgitta Lahti Nordström, Luleå	Member	Education consultant	3/4
Veronica Palm, Stockholm	Member	Children's nurse	2/4
Fredrik Rosengren, Stockholm	Member	Finance Director	1/4
Tomas Rydsmo, Ljungskile	Member	Rector	3/4
Ingela Schmidt, Solna	Member	IT Security Officer	4/4
Madeleine Sultán Sjöqvist, Uppsala	Member	Doctor of Theology in the sociology of religion, consultant without social sustainability	4/4
Vinje Tornberg, Gällivare	Member	Save the Children Sweden Youth Association	2/4
Olivia Wijkander, Stockholm	Substitute	Save the Children Sweden Youth Association	1/4
Sofia Zackrisson, Stockholm	Member	Democracy developer	4/4
Sebastian Derle, Ylva Åkerblom	Co-opted members	Staff representatives, the trade unions Unionen and Akademikerföreningen	-

**The Board of Trustees up to 2016-09-18 (the old Board of Trustees)**

Inger Ashing, Stockholm	Chair	National coordinator for young people who do not work and are not students	6/6
Cecilia Abrahamsson, Stockholm	Member	Communicator	6/6
Lise Bergh, Stockholm	Deputy Chair	Lawyer, previously Secretary General	6/6
Åsa Ekman, Gothenburg	Member	Development sociologist, Childcare strategist	6/6
Oliwer Karlsson, Malmö	Member	Save the Children Sweden Youth Association	3/6
Martin Kvist, Malmö	Member	Social worker and PhD	3/6
Bengt Lagerkvist, Umeå	Member	Paediatrician, author	5/6
Birgitta Lahti Nordström, Luleå	Member	Education consultant	6/6
Lisa Lundgren, Borås	Member	Democracy developer	6/6
Gustavo Nazar Toro, Lund	Member	Sociologist	3/6
Sona Rashid, Stockholm	Personal deputy for Sara Thiringer	Economics student	5/6
Fredrik Rosengren, Stockholm	Member	Finance Director	6/6
Tomas Rydsmo, Ljungskile	Member	Rector	6/6
Anna Sivilér, Luleå	Member	Judge	4/6
Sara Thiringer, Stockholm	Member	Save the Children Sweden Youth Association	-
Sofia Zackrisson, Stockholm	Member	Democracy developer	6/6
Delvin Arsan, Samron Dawit	Co-opted members	Staff representative, trade unions Unionen, Akademikerföreningen	-

## Remuneration

Chair: SEK 20,000/month. Deputy Chair SEK 10,000/month. Officer responsible for international collaboration: SEK 10,000/month. Members of the Executive Committee and committee chairs of the Board of Trustees' committees: SEK 1,000/month. The other members and deputy members of the Board of Trustees do not receive any remuneration. All members, with the exception of the Chair and Deputy Chair, can receive compensation for loss of earnings. No pension provision is made for members of the Board.

## Committees

### The Executive Committee

The primary task of the Executive Committee is to prepare the meetings of the Board. Members up to and including 2016-09-18:

Inger Ashing, Lise Bergh, Tomas Rydsmo and Åsa Ekman.

Members as from 2016-09-18: Lise Bergh, Cecilia Abrahamsson, Åsa Ekman and Tomas Rydsmo. In 2016 the Executive Committee held eight meetings.

### Remuneration Committee

The primary tasks of the Remuneration Committee are to regularly review the salary terms, employment contracts and remuneration principles for senior officers of Save the Children Sweden.

Members up to and including 2016-09-18: Inger Ashing (Chair), Lise Bergh, Tomas Rydsmo and Åsa Ekman. Members as from 2016-09-18: Lise Bergh (Chair), Cecilia Abrahamsson, Åsa Ekman and Tomas Rydsmo. In 2016 the Executive Committee held one meeting.

### Audit Committee

The primary tasks of the Committee are to ensure that Save the Children Sweden's accounting policies comply with accepted accounting principles and are applied in a proper manner. The Committee must also ensure that internal control of financial management is conducted in a satisfactory manner and monitor how the auditors' findings and recommendations are addressed in the organisation.

Members up to and including 2016-09-18: Lise Bergh (Chair), Fredrik Rosengren and Åsa Ekman. Members as from 2016-09-18: Cecilia Abrahamsson (Chair), Fredrik Rosengren and Ingela Schmidt. In 2016 the Audit Committee held six meetings.

### The Asset Management Committee

The purpose of this Committee is to provide direct support to the organisation in questions of management of funds, both long-term assets and short-term liquidity management. The Committee is to review the management policy for funds management and evaluate management performance. It is also to conduct an ethical review and evaluate whether the management of funds complies with management policy. Members up to and including 2016-09-18: Lise Bergh (Chair) and Fredrik Rosengren. Members as from 2016-09-18: Fredrik Rosengren (Chair) and Lars Axelsson. Other members are Hans de Geer and Kari Lotsberg (not Board representatives). In 2016 the Asset Management Committee held three meetings.

### The Membership Committee

The Committee works to improve communication between the membership and the Board of Trustees, and to strengthen the democratic process and the sense of community within the organisation. Members of the Committee participate as Board representatives at Regional Council and other similar regional meetings.

Members up to and including 2016-09-18: Birgitta Lahti Nordström (Chair), Martin Kvist, Bengt Lagerkvist and Sofia Zackrisson. Members as from 2016-09-18: Åsa Ekman (Chair), Birgitta Lahti Nordström, Oliwer Karlsson, Veronica Palm, Sofia Zackrisson, Vinje Tornberg (RBUF) and Olivia Wijkander (deputy RBUF). In 2016 the Executive Committee held eight meetings.

## 1. ABOUT THE COMPANY IN GENERAL

### **Collaboration Group: Save the Children Sweden – Save the Children Sweden Youth Council**

The purpose of the Collaboration Group is to strengthen and continuously improve, the relationship between Save the Children Sweden and Save the Children Sweden Youth Council (RBUF), and review whether written agreements and accords are adhered to, and to assess the forms of collaboration. As Save the Children Sweden and Save the Children Sweden Youth Council have entered into a new collaboration agreement which means that the Collaboration Group is no longer required, it was discontinued in the autumn of 2016. Members: Cecilia Abrahamsson (convener), Gustavo Nazar Toro, Oliwer Karlsson and Sona Rashid. The Collaboration Group held seven meetings on 2016, of which three by telephone.

### **The Committee for Strategic Collaboration with Save the Children International**

The primary task of this Committee is to provide support to the Board of Trustees of Save the Children Sweden in the collaboration with the Save the Children Association and Save the Children International. In the autumn of 2016 the committee changed its name to the International Committee.

Members up to and including 2016-09-18: Inger Ashing (Chair), Lise Bergh, Tomas Rydsmo, Lisa Lundgren and Cecilia Abrahamsson. Members as from 2016-09-18: Lise Bergh (Chair), Cecilia Abrahamsson, Tomas Rydsmo and Madeleine Sultan Sjöqvist. Former Chair Inger Ashing is co-opted into the Committee. In 2016 the Committee held five meetings.

### **Child Safeguarding**

The task includes to ensure that all decisions taken by the Board of Trustees are in line with Save the Children's Child Safeguarding policy, and that the framework and policy are implemented and maintained by the membership. Åsa Ekman is the member of the Board of Trustees responsible for Child Safeguarding.

### **The Nominations Committee**

Members up to and including 2016-09-18: Rolla Akkache (Chair), Stockholm; Monica Ekström, Karlstad; Carin Johansson, Luleå; Lina Alberius, Stockholm, and Ewa Hägglund, Sollefteå. Members as from 2016-09-18: Marianne Omne-Pontén (Chair), Dalarna; Sona Rashid, Stockholm; Inger Ashing, Stockholm; Mathias Casserlund, Värmland and Anneli Ivarsson, Västerbotten.

### **Auditors**

Ordinary auditors: Jonas Grahn, Authorised Public Accountant, PwC AB and Torbjörn Englund, elected auditor. Substitute auditors are: Authorised Public Accountant, PwC AB and Marie Rosengren Engström, elected substitute.

### **Secretariat**

The Secretariat of Save the Children Sweden is located in Sundbyberg, Stockholm. The Secretariat has been led by Secretary General Elisabeth Dahlin since September 2008.

*Senior Management Team 2016:* Elisabeth Dahlin, Secretary General, Charlotta Sterky, Deputy Secretary General and Head of Child Rights and Business, Ulf Rickardsson, Head of Secretariat, replaced in August by Patrik Schröder, Acting Head of Secretariat. Anniken Elisson Tydén, Head of the International Programme, Ola Mattsson, Head of the Sweden Programme, Jesper Nilsson, Head of Communications and Fundraising, replaced in October by Malin Morell, current Head of Communications and Fundraising. Christine Engdahl, Head of the Administrative Department. Sofia Skoog, (as from 1 September) Head of the new Financing and Partnership Department. Carolina Widlund, coordinator and secretary to the Senior Management Team, was replaced in October by administrator Sara Tonhammar Löf.

### **Rädda Barnen Service AB**

Rädda Barnen Service AB is owned by the Save the Children Sweden National Association. The company operates consulting activities in Sweden and abroad with children's rights and sustainability issues. Today there are two subsidiaries (CCR CSR) in China – one in Beijing and one in Hong Kong. A new Board was elected during the year, with both Swedish and international members.

Foreign branches/regional offices

Save the Children holds legal responsibility for one office abroad – in Sudan. The Sudan office is responsible for its own financial reporting, which is subject to ongoing consolidation with the National Association's report.

The number of local employees abroad at the Sudan office was 171 at the end of the year.

Employees 2016<sup>4</sup>

Save the Children Sweden's employees comprise:

*Assistants:* administrators, assistants, receptionists and caretakers.

*Administrators:* advisers, therapists, programme officials, contributions managers, key account managers, business developers, communicators, marketers, editors, project managers, IT technicians, financial staff, HR business partners, etc.

*Managers with employee responsibilities:* heads of department, section managers and group managers.

*Managers without employee responsibilities:* assistant department managers, assistant regional managers, press managers, area directors, competence development managers and operations managers.

Clear remuneration policy

Save the Children Sweden seeks to have a clear remuneration policy which includes principles and criteria for salaries and instructions for salary appraisals. The salary structure is at the level of similar organisations in Sweden.

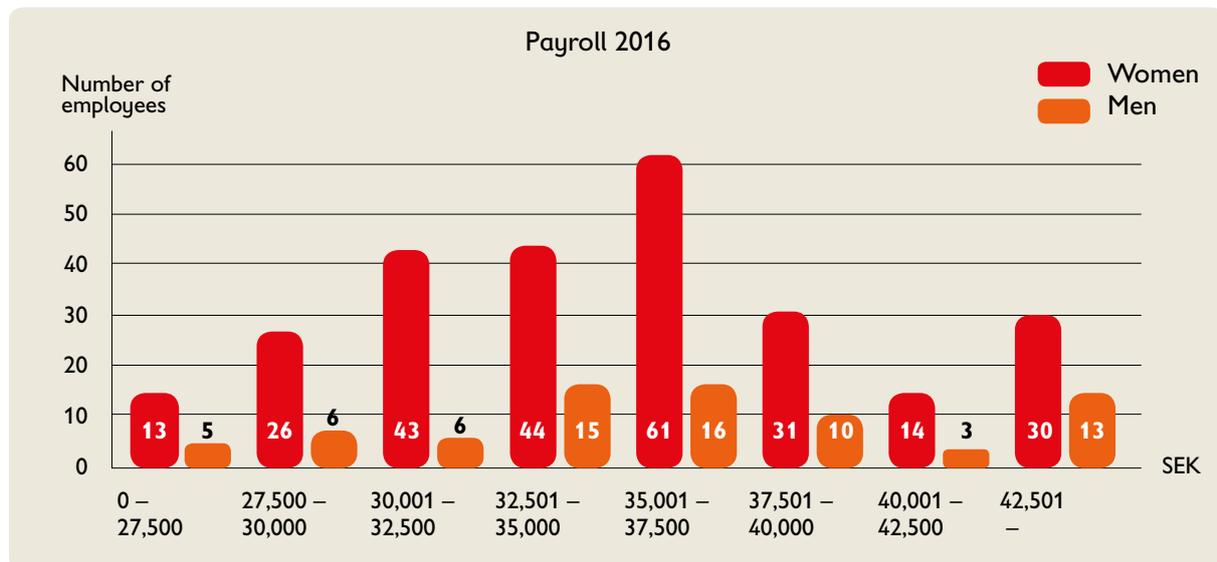
The Secretary General's monthly salary: SEK 95,500. The Secretary General has a term of five years, with a notice period of 12 months.

In the event of notice of termination with no obligation to work, deductions are made if other employment is gained during the period of notice. Costs for occupational pension provisions under collective agreements amounted to SEK 485,870 in 2016. No further benefits or pension commitments in addition to the opportunity for salary transfer other than those which apply under the collective agreement are paid.

312 EMPLOYEES

- 252 permanent employees (of whom 58 men)
- 60 fixed-term employees (of whom 17 men)

Save the Children seeks to achieve an even gender distribution and works actively to increase the number of men in the organisation.



The payroll structure at Save the Children's secretariat, including the Swedish regional offices, for permanent employees and their substitutes (non-fixed term appointments) at the end of 2016.

<sup>4</sup> See Note 7 for further details of salaries, remuneration, social security expenses and average number of employees.

1. ABOUT THE COMPANY IN GENERAL

Save the Children Sweden reports on how contributions are used in various reports, but also on the website radd-abarnen.se

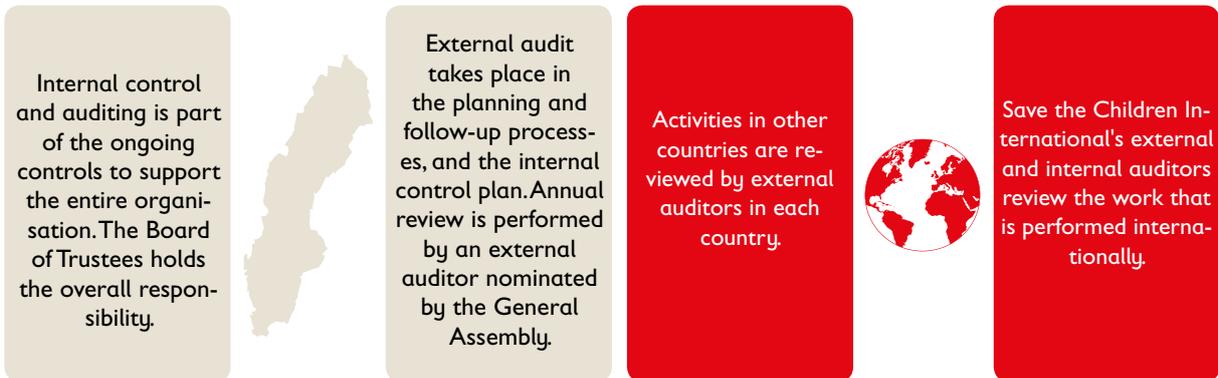
The Secretary General of Save the Children Sweden, Elisabeth Dahlin, also undertakes the following assignments:

- Chair of Children of the World.
- Member of the Board of Radiohjälpen.
- Member of the Swedish Press Council (PO).
- Member of the Swedish Association of International Affairs.
- Member of New Wave Group's Advisory Board.
- Member of IKEA People & Planet Positive Advisory Group.
- Member of supervisory council at the Swedish Intercountry Adoptions Authority (MIA).
- Member of New Wave Group's Advisory Board for CSR issues.

Of these the following are remunerated: Swedish Press Council (SEK 1,051 per meeting attended), MIA (SEK 975 per meeting attended) New Wave Group's Advisory Board (SEK 150,000 annually). After taxation and settlement of travel expenses and costs the remuneration from New Wave Group falls to Save the Children Sweden. When Elisabeth Dahlin serves as a member of New Wave Group's Advisory Board she is on leave from her role as Secretary General.

CONTROL AND AUDIT

Save the Children's activities are reviewed at all levels, from local plans to international activities.



Internal control

Internal control is an element of financial and operational management. It is undertaken by the Board of Trustees, management and other staff to give a reasonable assurance of how well the goals are achieved, of reporting and of how acts and regulations are followed. The Board of Trustees' separate Audit Committee ensures that the internal control takes place on a satisfactory basis.

The main aim of the audit<sup>5</sup> of Save the Children Sweden is to assure the organisation's stakeholders that its financial reporting provides a true and

<sup>5</sup> Auditing of Save the Children Sweden takes place in accordance with the definition of good auditing practices by FAR (the Swedish Society of Authorised Public Accountants)

fair view of operations. When other members of Save the Children International or partners of Save the Children International undertake activities on behalf of Save the Children Sweden, an extra audit is performed if the activity exceeds a threshold value of SEK 284,000. This does not apply to cases where Swedish partners undertake activities or to Save the Children International's activities, as they conduct their own annual audits. The principle is that monitoring and audit should take place in all subsequent stages. Save the Children Sweden applies the quality code developed by the Swedish Voluntary Organisations' Fundraising Council (FRIL) and reports in accordance with the FRIL Guidelines for code reporting 2016.

### Anti-abuse policy

All employees and others who represent Save the Children Sweden in any way are obliged to protect children from discrimination, abuse and exploitation, and to ensure that Save the Children is a safe and secure organisation for children. Save the Children's anti-abuse policy to protect children from exploitation is based on Save the Children's global Child Safeguarding Protocol.

It describes the policies and procedures that all Save the Children organisations must have, in order to ensure that all of the children with whom we are in contact are respected and are not exposed to injury, discrimination, abuse and exploitation in the organisation's activities,

In 2016 we initiated work to strengthen procedures and increase knowledge and awareness of this. This applies to employees and active members, and also to volunteers. We have improved the reporting procedures and built up our capacity to handle any incidents. We have also initiated work to implement the policy in the member organisation.

All children must be respected and no child may be exposed to danger, discrimination, abuse or exploitation in Save the Children's activities.

### Anti-corruption

Save the Children conducts operations in several environments that are exposed to corruption. It is necessary to be aware of the risk of corruption and to have the tools to handle these risks, both in Sweden and internationally. We are therefore working continuously to develop strong systems and guidelines to prevent and combat corruption and irregularities,

Save the Children has an anti-corruption policy based on zero tolerance. It describes our approach to corruption: never accept, always act, and always inform.

### Save the Children's employees, elected representatives and activists:

- Sign the ethical guidelines.
- Show extracts from the criminal records.
- Obtain introductory training with an anti-corruption training package.
- Have access to training films on the intranet.
- Be subject to a whistleblowing policy.
- Credit information is submitted for persons elected to key positions.

Never accept, always act and always inform.

Save the Children investigates any suspected or claimed fraud or corruption.<sup>6</sup> Incident reporting is followed up annually.

Our partner organisations are also encouraged to have a clear strategy and a clear system to prevent corruption and fraud. There is a supplier control procedure.

We work with internal and external audits, and risk analyse, and have an internal control plan. Save the Children must work in accordance with COSO's framework for internal steering and control. In the autumn of 2016, internal control was investigated to identify areas for improvement.

<sup>6</sup> During 2017 we will perform a review and update of the anti-corruption policy and the whistleblowing policy, which have existed for seven years.

Save the Children Sweden has postal giro accounts beginning with 90 (90-accounts) which means that it meets the requirements of the Swedish Fundraising Council (SIK) for how fundraising organisations use their income.

Save the Children Sweden applies the quality code developed by the Swedish Voluntary Organisations' Fundraising Council (FRII) and reports in accordance with the FRII Guidelines for code reporting 2016.

**SAVE THE CHILDREN SWEDEN** has built up a capital buffer for unforeseen events and to guarantee long-term work for children. The management of this capital is governed by a policy with strict requirements of ethics, low risk and cost-effective management.

The Asset Management Policy has been developed in accordance with the guidelines for design of investment policies which FRII (Swedish Voluntary Organisations' Fundraising Council) has prepared for fundraising organisations. It is also reviewed by Charity Rating<sup>7</sup>. The policy is drawn up by Save the Children Sweden's National Board of Trustees and is annually reviewed by the Asset Management Committee.

**The asset management policy specifies:**

- That the long-term asset management must have an expected total real rate of return of 3% per annum
- (after inflation) over a rolling five-year period.
- That the total risk level concerning e.g. currency and credit risks managed must also be low. This must be achieved through global diversification, a relatively low equities ratio, and strict limits for operative management.
- The proportion of the capital that may be invested in equities, interest-bearing securities and alternative products. The share portfolio is to be managed in indexed funds with passive management, as far as possible.

Save the Children Sweden must seek to be a responsible investor. The companies in which Save the Children Sweden invests must be characterised by:

- ensuring a good environment
- reasonable social conditions
- good ownership management.

The companies included in the funds must operate in accordance with the international conventions which Sweden has signed. Save the Children Sweden adheres to the FRII guidelines that the management policy's ethical aspects must be linked to Save the Children Sweden's objective and purpose with the activities, that the goals must be measurable, and can be followed up, and the investment policy is public.

Save the Children Sweden also has the ambition to exert as much influence as possible via its asset management. On the basis of the placement policy, Save the Children Sweden chooses investment alternatives and thereby has an indirect market impact. Via its investments, Save the Children Sweden can also influence companies on matters within the organisation's core area.

The ambition is for the companies found in Save the Children Sweden's investment portfolio to be fossil-free (not trading in or producing fossil fuels) to the greatest possible extent.

Today, more than 70% of the portfolio is completely fossil-free. The aim is to successively increase this share. Companies within the fossil fuel industry constitute a smaller proportion of the remaining 30% as a result of index exposure on global markets.

<sup>7</sup> Organisation which reviews how non-profit organisations work and use their donations.



Save the Children Sweden only invests in companies which receive less than 5% of their revenue from operations that involve alcohol, pornography, tobacco or weapons. The aim is to successively reduce the total exposure to these areas.

Assets are managed by external managers. Save the Children Sweden places great responsibility on asset managers who are commissioned by the organisation, and conducts regular reviews of their performance. The asset manager is responsible for ensuring that asset management is carried out in accordance with the ethical criteria established by Save the Children Sweden. The asset manager may use external parties or internal resources to ensure that the management complies with these criteria. In the event that management does not meet the criteria in significant respects, Save the Children Sweden will dispose of the holding in question.

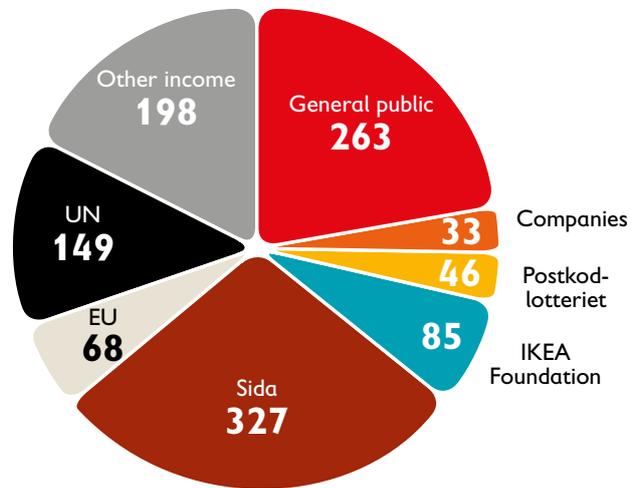
A special report on long-term asset management performance and any deviations from established mandates and limits is followed up by the Committee and presented to the Board of Trustees together with the overall financial reporting.

3. INCOME AND FINANCIAL POSITION

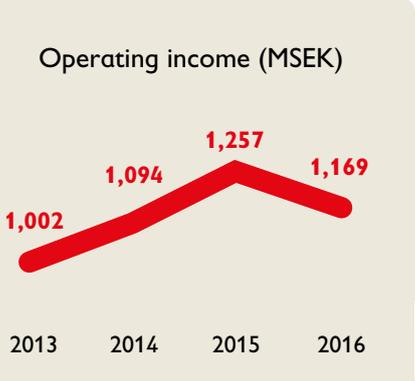
**SAVE THE CHILDREN** follows up its operations on a regular basis in the form of reports, such as the Management Report, the Annual Report, annual and four-month reports, annual staff reports, internal control, sustainability reports, impact reports and the FRII Quality Code. The reporting basis is the annual and four-month reports from various areas of our activities, and through indicators of our long-term goals. We also have instruments to evaluate our impact work, and methods to assess how many people we reach in our international work.

### 3.1 Income

**MSEK 1,168.8 (1,257.3) (-7%).**



Income in 2016 per donor (MSEK)



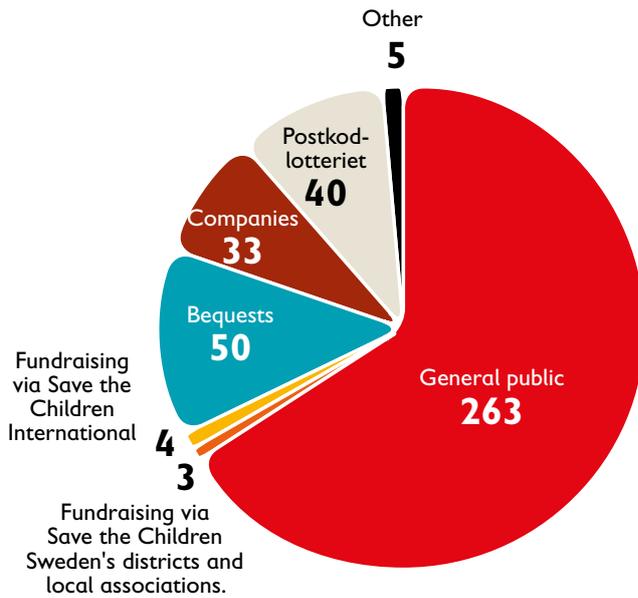
The income reduction is related to fewer donations from companies, as well as a reduction of public contributions. The great attention paid to refugees in 2015 generated a strong increase in donations during the year, which was not repeated in 2016.

Income consisted of: contributions, donations, member fees, net revenue and other income.



**Donations**

**MSEK 398 (436) (-9%)<sup>8</sup>.**



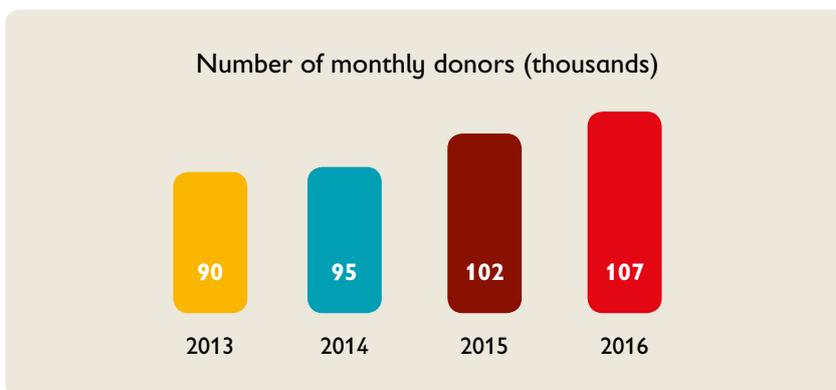
The number of monthly donors increased, together with bequests and gifts.

*Donations in 2016 per donor*

Company donations fell by 40% compared to 2015, which was an unusual year since the circumstances of refugees led to a strong increase in donations to disaster funds. Donations from the general public decreased by only 4%. The year's Christmas campaign was successful and overall generated income of MSEK 47<sup>9</sup>, a result that was mainly related to our increased sales of gift tokens. Overall during the year, four times more gift tokens were sold compared to the previous year, which generated more than MSEK 19 (4). Donations as bequests were higher than ever, at MSEK 50 (43), representing an increase by 18%.

The number of monthly donors increased by 5% to 107,323 (102,284). Save the Children Sweden has focused on recruiting additional monthly donors, which has resulted in an increase in income from monthly donors of around MSEK 30 over two years. Income from monthly donors was MSEK 190 (178), representing an increase by 7%. From mid-April to mid-May, we lost almost 1,300 monthly donors as a consequence of the criticism in the wake of the focus on the Nomination Committee's proposed Board fees. The proposal was withdrawn and the fees were not increased.

The interest in starting up own fundraising campaigns has declined, which generated around MSEK 1 (4)



<sup>8</sup> Note 4.

<sup>9</sup> The campaign ran across 2016-2017, so that some of the income concerns 2017.

## 3. INCOME AND FINANCIAL POSITION

**Donations in kind**

Donations in kind for a value of MSEK 20.2 (131.2) were received in 2016, in collaboration with Unicef, UNHCR and the World Food Program. A collaboration programme with World Food Program and Unicef, which included donations in kind, was completed during the year.

**Contributions**

**MSEK 755.1 (807.3)<sup>10</sup> (-6%).**

- Sida: MSEK 327.4 (416.7) or 28% of Save the Children Sweden's total operating income. Sida's contributions finance a large proportion of Save the Children Sweden's support for activities in more than 50 countries.
- EU: MSEK 67.6 (82.3) The EU has financed, for example, initiatives in Bangladesh, Ethiopia, the Palestinian Occupied Territories (oPt), Senegal, Sudan and Ukraine.
- UN: MSEK 149.4 (170.5), of which the largest share of MSEK 98.3 was devoted to initiatives in Greece, Lebanon and Sudan.
- Radiohjälpen: MSEK 23.3 (13.2) The increase in the contribution was largely due to initiatives in Ethiopia, Lebanon and Senegal.

**Membership fees**

**MSEK 11.9 (12.0)**

Membership fees have been relatively constant over the past year.

**Net revenue and other income**

**MSEK 0.8 (0.7)**

Concerns net sales (the sale of goods and services) and other income.

Key figures for contributions received	2013	2014	2015	2016
Contributions received/operating income	61.1%	66.1%	64.2%	64.6%

Key figures for fundraising	2013	2014	2015	2016
Fundraising costs/Funds raised	13.7%	15.4%	11.3%	13.6%
Funds raised/Operating income	49.3%	41.1%	52.2%	46.1%

<sup>10</sup> Not 4.

## 3.2 Costs

### **MSEK 1,174.2 (1,213.1) (-3%).**

Costs cover project costs and fundraising and administration costs.

#### **Project costs**

MSEK 1,052.1 (1,098.9)

Project costs are Save the Children Sweden's costs of achieving concrete results for children. They consist of programme costs to operate activities in Sweden and abroad, as well as member costs – support to member organisations.

#### **Distribution of the programme costs**

The map on the next page shows where our operations were located in 2016 and how these costs are allocated regionally and by prioritised operational area. Save the Children operations cover both humanitarian inputs and long-term development. The prioritised operating areas are:

#### **Children's right to good governance MSEK 110.2 (135.5)**

Activities to ensure that states do what is required to fulfil the rights of all children. This is based on the UN Convention on the Rights of the Child and Save the Children endeavours to ensure that governments develop and strengthen structures that enable them to live up to the Convention. We encourage states to submit reports to the UN Committee for Children's Rights and support the submission of supplementary reports by local organisations in other countries. Save the Children Sweden submits a supplementary report that cites implementation weaknesses concerning the Convention in Sweden.

We measure impact by examining how many statutory amendments are actually enacted, and also any concrete modifications of budget processes applying a child rights perspective. In addition, we monitor the extent to which children's rights are fulfilled in accordance with the Convention and the extent to which countries comply with recommendations from the UN Committee. The children's own experiences and opinions are a self-evident factor in the measurement process.

48% of the total programme costs in 2016 concerned humanitarian actions.

#### **Children's right to protection MSEK 303.0 (246.8)**

This involves operations to prevent violence against children and to protect children exposed to violence or abuse, and to provide the protection, support and rehabilitation to which they are entitled, for example via national social security systems, child safety places and places adapted for adolescents in areas where humanitarian actions take place.

Example of operations:

- Support for children who have witnessed violence in the home.
- Support for unaccompanied children who come to Sweden.
- Support for children who are refugees or who are internally displaced in their own country.
- Working for children's right to psychosocial support.
- Working to prevent children from being exposed to sexual abuse and violence.
- Ensuring that children can be with their families or other adults whom they trust.
- Save the Children Sweden measures impact by examining how many statutory amendments are enacted to improve the protection of children and the extent to which violence against children is actually reduced. We monitor how well public institutions and civil society function, as well as the effects of education in alternative methods of bringing up children.

# Save the Children works for children all over the world

Under each region we list the countries where activities took place during 2016 and state the total costs rounded to the nearest MSEK.

The coloured circles show the countries in which programmes are operated within Save the Children Sweden's prioritised areas of activity, which in total received more than an estimated SEK 500,000 during 2016.

The prioritised operating areas are:

- Children's right to protection
- Children's right to good governance
- Children's right to education

★ The figures show the countries in which humanitarian and disaster relief inputs took place in 2016.

## SWEDEN

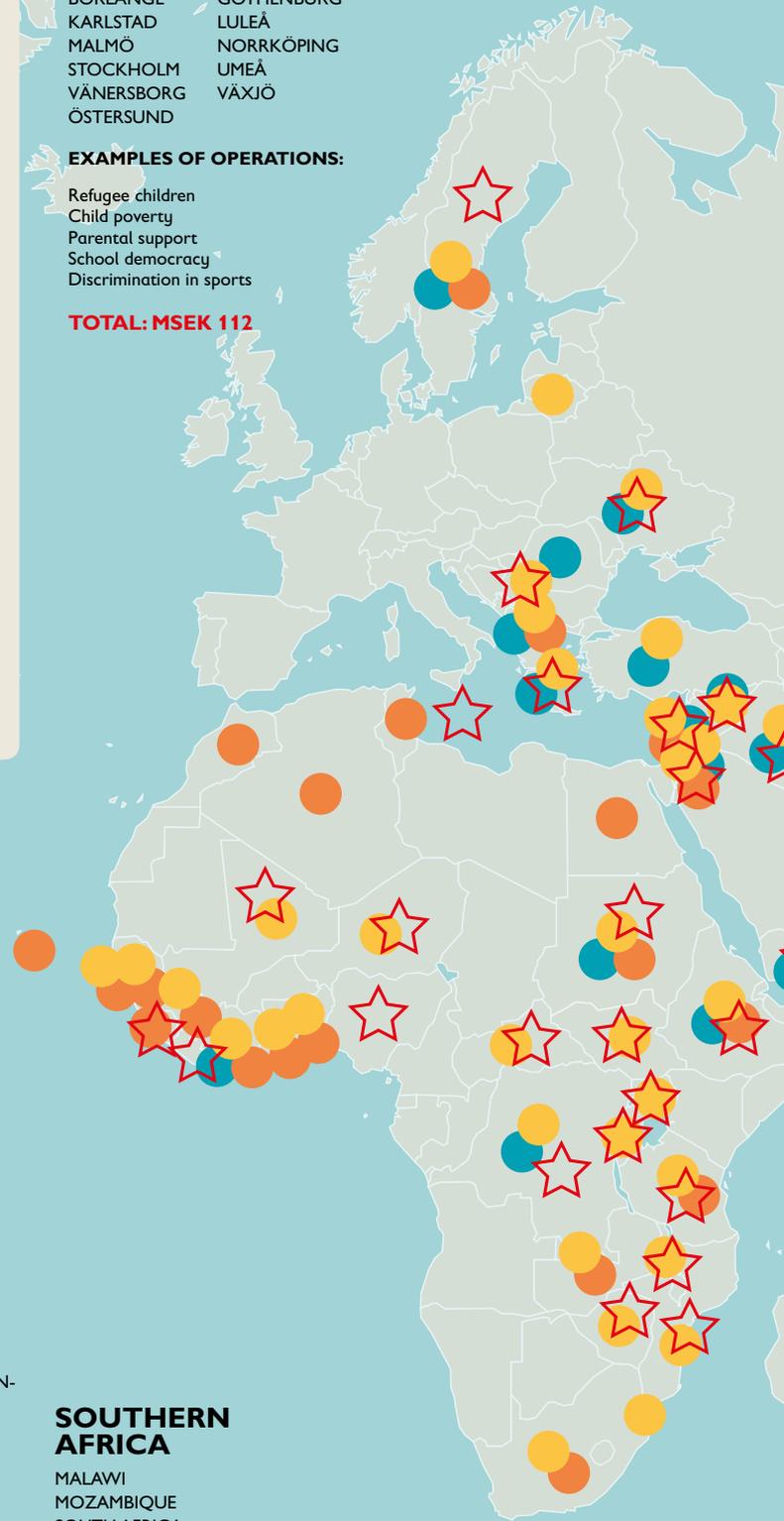
### REGIONAL OFFICES

BORLÄNGE	GOTHENBURG
KARLSTAD	LULEÅ
MALMÖ	NORRKÖPING
STOCKHOLM	UMEÅ
VÄNERSBORG	VÄXJÖ
ÖSTERSUND	

### EXAMPLES OF OPERATIONS:

- Refugee children
- Child poverty
- Parental support
- School democracy
- Discrimination in sports

**TOTAL: MSEK 112**



## LATIN AMERICA

ARGENTINA  
BRAZIL  
COSTA RICA  
EL SALVADOR  
HAITI  
PARAGUAY  
PERU  
VENEZUELA

### EXAMPLES OF OPERATIONS

Continued strengthening of the work to prevent corporal punishment.

Work to influence the countries' ratification of the third supplementary protocol to the Convention on the Rights of the Child, giving children the opportunity to raise grievances to the UN Committee for Children's Rights.

**TOTAL MSEK 19**

## WESTERN AND CENTRAL AFRICA

CENTRAL AFRICAN REPUBLIC  
DEMOCRATIC REPUBLIC OF THE CONGO  
IVORY COAST  
GAMBIA  
GHANA  
GUINEA  
GUINEA BISSAU  
CAPEVERDE  
MALI  
NIGER  
SENEGAL  
TOGO  
UGANDA

### EXAMPLES OF OPERATIONS

Strengthening civil society and child-led organisations.

Humanitarian support in countries affected by conflict and with child refugees.

Strengthening of national and local systems to better protect children from violence and exploitation.

**TOTAL MSEK 75**

## SOUTHERN AFRICA

MALAWI  
MOZAMBIQUE  
SOUTH AFRICA  
SWAZILAND  
ZAMBIA  
ZIMBABWE

### EXAMPLES OF OPERATIONS

Supporting the safe migration of children moving to the region.

Strengthening the authorities' capacity to allocate resources for children and young people.

Support for children and their guardians to monitor how the printed and electronic media report on children and children's issues. Support for greater focus on children's rights among journalists.

**TOTAL MSEK 52**

## OVERALL REGIONAL PROGRAMME

**TOTAL MSEK 197**

## INCOME

Membership fees	12
Donations	398
Contributions	755:
Net sales	3
Other income	1
<b>TOTAL INCOME</b>	<b>1,169</b>

Of programme costs have been **48%** devoted to humanitarian and disaster relief inputs. This work is also largely conducted within the prioritised operating areas.

## COSTS Per area

Children's right to protection	303
Children's right to education	86
Children's right to good governance	110
Health, HIV/AIDS, nutrition, livelihood	82
Humanitarian: inputs and coordination	65
Multi-thematic	100
Programme support: Disaster response, management and coordination; abroad locally/regionally	239
<b>TOTAL PROGRAMME OPERATIONS</b>	<b>985</b>
<i>(Same as the total costs for regions on the map)</i>	
Distributed costs (see Note 6)	43
Membership costs	24
Fundraising costs	76
Administration	46
<b>TOTAL COSTS</b>	<b>1,174</b>



## SOUTHERN AND CENTRAL ASIA

AFGHANISTAN  
BANGLADESH  
INDIA  
NEPAL  
PAKISTAN

### EXAMPLES OF OPERATIONS:

Support to families affected by an earthquake.

Influencing changes to laws and attitudes to prevent children from being exposed to violence.

Working to reduce the risk that children are involved in armed conflict.

**TOTAL MSEK 53**

## EAST AFRICA

ETHIOPIA  
RWANDA  
SOMALIA  
SOUTH SUDAN  
SUDAN  
TANZANIA

### EXAMPLES OF OPERATIONS

Support to create a regional policy for the rights of children.

Disaster relief for children's right to protection, security and education in countries subject to drought, conflict and refugees.

Educating and influencing regional response forces and training centres for military and peacekeeping forces to ensure an understanding of children's rights.

**TOTAL MSEK 195**

## EURASIA

GREECE  
KOSOVO  
LITHUANIA  
MOLDAVIA  
ROMANIA  
SERBIA  
UKRAINE

### EXAMPLES OF OPERATIONS

Promote all children's right to attend school by working for Roma children and children with functional impairments.

Humanitarian response to help refugees crossing the Mediterranean and those affected by the armed conflict in Ukraine.

**TOTAL MSEK 89**

## MIDDLE EAST

ALGERIA  
EGYPT  
IRAQ  
YEMEN  
LEBANON  
MOROCCO  
PALESTINE (OPT)  
SYRIA  
TUNISIA  
TURKEY

### EXAMPLES OF OPERATIONS

Disaster relief focuses on strengthening local organisations' involvement and capacity.

Child rights analyses for children's right to security and protection and to strengthen good child rights governance for children.

Working for and with detailed adolescents to strengthen their rights and support their re-integration.

**TOTAL MSEK 127**

## SOUTHEAST ASIA AND THE PACIFIC REGION

FIJI  
PHILIPPINES  
INDONESIA  
CAMBODIA  
CHINA  
MONGOLIA  
MYANMAR  
NORTH KOREA  
THAILAND  
VIETNAM

### EXAMPLES OF OPERATIONS

Influencing the authorities to take account of children's special needs in the event of disasters.

Strengthening local organisations' work for children's rights.

Training teachers to work with functionally disabled children in order to promote all children's right to attend school.

**TOTAL MSEK 66**

3. INCOME AND FINANCIAL POSITION

- We train and support local partners in their humanitarian work in wars and disaster zones, so that these initiatives really meet the needs of children and young people.

Operating costs



**Children’s right to education: MSEK 86.5 (86.1)**

Save the Children Sweden works to further the right of all children to receive a satisfactory education and to ensure that states invest sufficient resources in education. Work is underway to reduce violence and abuse in the school environment and to ensure that education is available to children in war or armed conflicts. In Europe, support is also given to Roma children's right to education as part of the work to prevent discrimination of children in particularly vulnerable circumstances. Save the Children is endeavouring to ensure that the rights of all children in Sweden – especially the most vulnerable – are fulfilled.

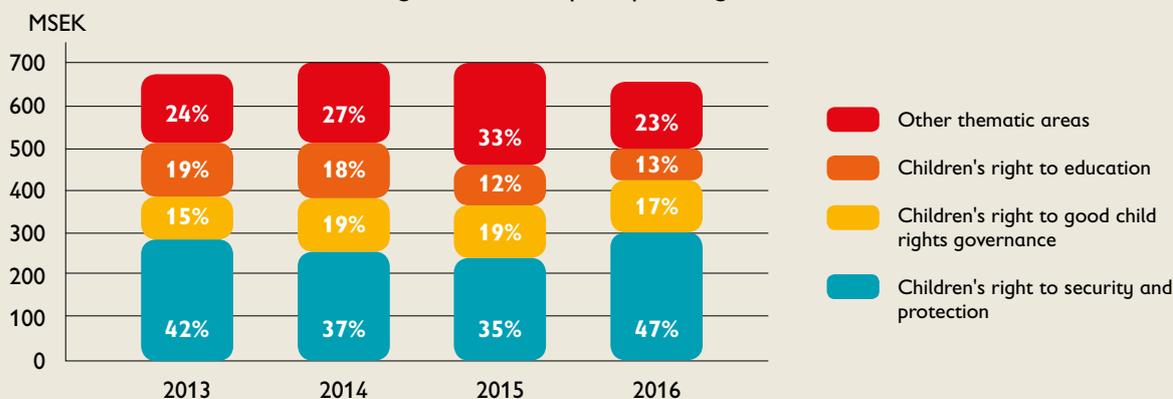
We measure impact by considering the extent to which the municipalities fulfil Save the Children’s mandatory requirements and whether politicians and civil servants operate in accordance with our impact goals. We follow up on how well countries follow the recommendations from the UN Committee for Children's Rights within the education area.

**Humanitarian inputs**

48% of total programme costs were devoted to humanitarian inputs in 39 countries all over the world. The largest initiatives were in Ethiopia, Greece, Lebanon and Sudan.

Save the Children in Sweden also contributes to Save the Children International's central Seed fund for disaster relief (specifically for category 3 and category 4 disasters). In Sweden too, Save the Children has provided humanitarian assistance to refugee children.

Programme costs per operating area



Costs by operating area (MSEK)	2013	2014	2015	2016
Project costs: Programme	876.3	965.9	1,076.4	1,028.2
Project costs: Members	20.5	23.8	22.5	23.7
Fundraising costs	68.8	69.1	74.2	75.9
Administration costs	40.8	38.8	40.0	46.3
<b>Total costs</b>	<b>1,006.3</b>	<b>1,097.6</b>	<b>1,213.1</b>	<b>1,174.1</b>
<b>Total income</b>	<b>1,032.0</b>	<b>1,100.5</b>	<b>1,269.3</b>	<b>1,177.0</b>
Fundraising & Administration/Total income	11%	10%	9%	10%

\*The total income for 2013 has been adjusted in accordance with new reporting principles to allow for comparison with 2014.

In terms of humanitarian measures, we also supported other areas besides the three that are prioritised. We adapt our support according to a needs-based analysis that is performed if a humanitarian disaster occurs.

Save the Children's team of humanitarian advisers (the Surge team) heads up the assistance given to refugees in the Mediterranean and contributes to ensuring children's right to security and protection in refugee situations in e.g. Ethiopia, Greece, Iraq, Nigeria, Syria and South Sudan.

An important contribution was an improved system for quality assurance and follow-up, for example to get feedback from children on how they experience Save the Children's activities.

### Regional distribution

Greatest cost increases at regional level:

Eurasian region: refugee situation in Greece (UNHCR).

East Africa: humanitarian work to combat the extensive drought in Ethiopia, disaster preparedness in Rwanda and Mozambique. West and Central Africa: initiatives to counter violence against children in the Democratic Republic of Congo.

Supra-regional initiative; response to the refugee crisis and other humanitarian preparatory measures. In Sweden, the costs of helping refugees increased from MSEK 11 to 40 during 2016.

### Costs: Refugee children

Approximately MSEK 130 (100) The work is financed by contributions from the general public, the EU, UN, companies, Radiohjälpen and Sida. Save the Children has been involved with refugee children in, for example, Greece, Iraq, Yemen, Lebanon, Serbia, Syria and Ukraine.

MSEK 40.3 (11.3) has been devoted to efforts in Sweden to help refugee children.

### International examples:

- Child friendly spaces that provide a secure area for children where they can play, and receive education and psychosocial support. The work on child friendly spaces has developed to now also include mobile devices and has been adapted so as to also support adolescents, where relevant.
- Tracking and reuniting children and parents who have become separated.
- Mother/child facilities where pregnant women and nursing mothers can receive information and support. Education for children
- Distribution of food and water
- Preparation for winter – warm blankets and clothes.

### Sweden as an example:

- Child friendly spaces all over the country at refugee centres for families with children.
- Mobile teams have arranged activities for both unaccompanied children and families with children. Language lessons, leisure, sports and cultural activities.
- In collaboration with IKEA, rucksacks with age-adjusted material have been handed out to newly arriving children. The support line for newly arriving children received around 1,500 calls.
- More than 8,000 people were trained in trauma care to prepare them to meet children who may have been exposed to traumatic events.

### Fundraising and administration costs

Fundraising costs MSEK 75.9 (74.2) Administration costs: MSEK 46.3 (40.0)

These costs together amount to 10% (9%) of the total income. Since the ambition is a significant increase in operations in the coming years, primarily fundraising costs will increase as an effect of this. It is therefore assessed that these costs in combination will amount to up to 10-12% of the total income in the coming years. Save the Children's ambition is to keep these costs at a reasonable level in relation to the amount of money devoted to this project. The costs will ensure that we can comply with internal and external rules, guidelines and requirements of good internal control and reporting, and must be related to the value they create for Save the Children's mission.

### 3.3 Result

#### **MSEK 4.9 (6.8)<sup>9</sup>.**

Reduction of the result for the year is related to the reduced income from operating collaboration and reduced public contributions.

#### **Reservation of appropriated funds**

##### **MSEK 53.4 (70.7)**

This e.g. concerns donations, primarily bequests that have not yet been used in operations, amounting to MSEK 18.5 (29.1). The reservation also includes free provisions according to the Board decision of MSEK 33.0 (40.6), including MSEK 5 of the campaign income we received during 2016 for continued work with refugee children during 2017. MSEK 5 is allocated to unrestricted equity (i.e. the Save the Children fund). MSEK 15 is allocated for strategic initiatives.

#### **Use of appropriated funds from previous years**

##### **MSEK 55.5 (21.4).**

This mainly comprises funds raised in previous years from Katastroffonden and the Barn på flykt campaign.

#### **Unrestricted equity**

##### **MSEK 285.4 (275.5).**

Save the Children's ambition is to work for equity to be equivalent to at least one year's operating costs, in accordance with the FRIL guidelines.

### 3.4 Yield income, long term capital management

The market value of the long-term managed capital as of the end of 2016: MSEK 363.5 (334.4) of which MSEK 5.2 in liquid assets.

The objective is for the long-term portfolio is to fulfil an annual yield target of 3% in real terms over a rolling five-year period for all asset classes<sup>10</sup>.

Capital management is to be achieved mainly as external management and the share portfolio is to be roughly in line with index. Capital managed is to be placed in one of the three following types of assets: shares, interest-bearing or alternative investments.

The trends in long-term capital management operations were relatively modest in 2016, with a total yield of only 5.2%.

Viewed in relation to the comparative index for the component asset classes, the portfolio gave a return that was somewhat weaker than the index, but in terms of the yield expectation of 3% in real terms, the portfolio performed well. This is mainly due to equities positions, which gave an overall return of 7.5% as a consequence of good global differentiation of the portfolio and also rising prices in domestic and global equities markets.

Fixed-income positions gave an overall return of 3.0%, in line with expectations, which be considered to be very good in view of the negative repo rate during the year.

The alternative positions gave an overall return of more than 2.0%, which is somewhat below the expected return and the comparative index.

<sup>9</sup> After distribution of the result for the year.

<sup>10</sup> In accordance with Save the Children Sweden's asset management policy.

During the year, the Investment Committee reduced exposure within the fixed-income mandate in favour of an increase in equities holdings and new investments within the alternative mandate.

The change in the alternative mandate will take place during Q1 2017. This will only have an impact on the annual report for 2017.

The management cost mainly consists of a fixed percentage based on the volume managed rather than the yield amount. This cost has been relatively stable in recent years. The average total fixed management cost for 2016 amounted to 0.33% in terms of the value of the total investment portfolio at the end of 2016.

The long-term investment portfolio amounts to 30.7 (26.6)% of Save the Children's income and 76.3 (71.6)% of equity (market value).

In addition to its long-term investment portfolio, Save the Children also uses short-term liquidity management to manage liquidity risks and maintain satisfactory payment reserves. These funds mainly consist of bank holdings.

### 3.5 Foundations managed

Save the Children managed six foundations in 2016, whose restricted capital amounted to a book value of MSEK 25.0 at year-end. Market value and cash and cash equivalents amounted to MSEK 39.1.



## 4. IMPORTANT DECISIONS AND EVENTS DURING 2016

**Save the Children Sweden's new Operational Focus**

A new Operational Focus for Save the Children Sweden was adopted at the General Assembly in Karlstad. The Operational Focus applies to the next eight years, from 2017 to 2024, in contrast to the previous period of four years.

The new Operational Focus is based on the shared ambition that we have formulated and adopted together with the entire global Save the Children movement: Ambition for Children 2030

Ambition for Children 2030 explains Save the Children's global and joint focus on achieving three historic breakthroughs for children and children's rights:

- No child dies from preventable causes before their fifth birthday.
- All children learn from basic education of good quality.
- Violence against children is no longer tolerated.

We must in particular work for the children living in the most marginalised and vulnerable circumstances.

The Operational Focus for Save the Children Sweden sets out how we can best contribute to the global ambition through our work in Sweden and our contribution to the global organisation. The focus of Save the Children Sweden's work is to create conditions to ensure that:

- The rights of Children in Migration and Displacement are upheld.
- Violence against children is reduced.
- Good social governance strengthens children's rights.
- We conduct activities with and for children of high quality.
- We inspire and engage many actors

**Lise Bergh is the new chair**

The General Assembly in September elected Lise Bergh as the new chair of Save the Children Sweden. She succeeds Inger Ashing who held the position for eight years. Lise Bergh is a former Secretary General of Amnesty International Swedish section and a State Secretary, most recently at the Swedish Ministry of Justice.

**Global partnership to stop violence against children**

One of the most important priorities is to stop violence against children. To succeed, we must work together with others. During the year, a global partnership to stop violence against children was established. This is a mobilisation of strength to achieve the UN's Sustainable Development Goal number 16.2 which concerns violence against children. Especially through our Secretary General Elisabeth Dahlin, Save the Children Sweden has been engaged at an early stage in the discussions to create commitment and the preconditions for the work. Staff from Save the Children Sweden have been seconded to UNICEF prior to launching the partnership and Secretary General Elisabeth Dahlin is a member of the global Board of the partnership.

**Save the Children Sweden's new strategy for 2017-2021**

On the basis of the Operational Focus adopted by the General Assembly, the Board of Trustees of Save the Children Sweden adopted a new strategic plan for 2017-2021. Extensive trend and intelligence analyses were undertaken in preparation for the new strategy, both within the global Save the Children movement's Ambition for Children 2030 and Save the Children Sweden's Operational Focus 2017-2024.

The conclusion of the intelligence analysis is that Save the Children Sweden must make five strategic transitions during the next five years, in order to succeed with the changes we wish to achieve for children and children's rights.

Good social governance concerns seeking to ensure that good decisions for children are taken at every level of society.

Together as **ONE** Save the Children,  
**1** closer to children's reality and through  
**2** proven knowledge, we will create **greater** **3**  
**4** tangible improvements in children's lives.  
 We will do this for and **with children** and in **4**  
**5** active partnership with others.

The 2017-2021 Strategic Plan is not just a strategy for international activities that are performed operationally by other parts of the global Save the Children movement, but also a national strategy for Save the Children Sweden.

Our international operation and our operation in Sweden are dependent on and strengthen each other, and they are governed by a shared Strategic Plan.

The 2017-2021 strategy period is divided into two phases. In the first two years, we lay the foundation for change and growth, and in years three to five we begin to reap the fruits of this, and can then increase our programme activity.

Via this structure, including a half-way review in 2019, we also synchronise our work with the current 2016-2018 strategy period and the coming 2019-2021 strategy period for the global activities.

#### **Changes in the secretariat organisation**

In various stages, the secretariat organisation was changed during 2016. International programmes were re-organised, to increase their quality and strengthen the programme work in the field. For example, thematically integrated programmes must be created which include both humanitarian response measures and long-term development work.

Save the Children Sweden is still legally responsible for the national office in Sudan. However, during the year the handling of the activities was to a great extent assigned to Save the Children International, which has established a handling agreement with the member organisations, including Sweden, to safeguard the activities. As from March 2016, operative management takes place via Save the Children International.

Within the Sweden programme, changes have commenced to increase the support from the secretariat organisation to the member organisation in terms of activities for the children who are most marginalised and vulnerable. For district and local associations, the change was most apparent in how the secretariat's support is reduced or eliminated completely for activities that are not prioritised in the Operational Focus, but is increased for such areas as "refugee and migrant children". General support from operations developers is reduced, while support to conduct operations increases.

During the year, the Financing and Partnership Department was established to gather the responsibility for income from institutional donors, companies and foundations, in order to develop the work.

The Child Right and Business activities became part of Rädna Barnen Service AB, as this work is to be developed. During the year, the company adopted new statutes and appointed a new global Board of Trustees with both internal and external members.

During the autumn of 2016, furthermore adjustment and streamlining measures took place, which entered into force as from 1 January 2017, to ensure the basis for the new strategic plan. Rationalisation of 35 services took place, while seven new services were established. This provides scope for initiatives and the

development of directly supporting activities and collaboration models concerning non-governmental welfare in Sweden, and of increased fundraising and growth in partnerships with both institutional donors and companies.

### Secure operations for children

Save the Children Sweden's work to create a safe and secure organisation for children intensified during 2016. A project was started up during the autumn to ensure that Child Safeguarding is applied in the member organisation. A full-time project manager was employed and the project group has worked actively to support the district and local associations in creating procedures, training and communication material, and reporting systems, and in updating the policy to make it more easily accessible. The work continued during 2017.

### New global responsibility

During the year, Save the Children Sweden was made responsible for leading the global work for Child Rights and Business within the global Save the Children movement. Save the Children International also adopted a three-year global expansion strategy for the activities.

### Campaigns and influencing opinion

In the campaign to influence opinion called "Not Afraid", via digital channels Save the Children Sweden engaged hundred of people on behalf of child refugees and their rights. A strategic and new working method for the organisation used digital mobilisation to put pressure on politicians to act for children's rights.

The year's Christmas campaign was successful and even exceeded the good result in 2015, when awareness of the refugee crisis increased the willingness to donate.

### Awards

Save the Children Sweden received an honourable mention for its annual report for 2015 at PwC's nomination of the Report for the year in autumn 2016. One of Save the Children Sweden's factors for success is to command a strong position and to show in concrete terms how working for children's rights leads to better conditions for children. The grounds for the honourable mention emphasised our work on the Impact Report and on integrated reporting.



## 5. EXTERNAL FACTORS AFFECTING THE ORGANISATION

**EXTREME POVERTY** still burdens many low-income countries, predominantly countries with war and conflicts, and countries that are affected by the more and more serious consequences of global warming. Millions of people are forced to flee, with major consequences for children and children's vulnerability.

During the autumn and winter of 2016, the drought on the Horn of Africa became exacerbated, resulting in a failing harvest and a shortage of food and water. Prior to the disaster, Save the Children Sweden warned of the consequences if sufficient action was not taken at an early stage. Despite the warnings and appeals made by the Save the Children and other organisations to the international community, preventive measures in 2016 were inadequate, and there is still an enormous need.

The war in Yemen continues under the shadow of other crises in which hungry children are suffering. The war in Syria has gone into its seventh year. Save the Children Sweden is continuing its efforts for children and parents and, together with operators in Syria, has been able to plan and perform campaigns to strengthen organisation's capacity to work for children's right to security and protection, even in situations where they are extremely vulnerable.

The world's poverty map has changed. Even countries that have progressed from low-income to middle-income countries still have large pockets of high poverty and greater inequality, as well as new forms of socioeconomic exclusion. Health, opportunities for work and livelihoods are affected.

This also applies to high-income countries such as Sweden. Public institutions are giving up and reducing their presence in entire city areas. Confidence in public services is declining strongly among particularly vulnerable groups. Sweden has fallen far behind the most equal countries, ranking 23rd among 35 countries, according to UNICEF statistics. The gap between the most vulnerable children and the average is greater than in e.g. the USA, Romania and Spain. The division of roles between the public, private and NGO sectors is changing. Public agencies in Sweden are increasingly expecting organisations such as Save the Children Sweden not only to point out problems, but also to help resolve them.

The EU migration policy was tightened in 2016 in order to discourage people from coming to Europe and to return people to countries where they are exposed to war, persecution and abuse. The right of asylum and the protection of refugees have been weakened. The political success of nationalistic, xenophobic and isolationist forces in different parts of the world in 2016 also challenges human rights and freedom in a broader perspective.

In many countries, civil society's opportunity to take action continued to be curtailed in 2016, in terms of long-term development work and humanitarian campaigns. Rights that were previously a matter of course, such as protection of the civil population and respect for hospitals, are increasingly being ignored and humanitarian aid organisations' employees are the targets in these disputes.

In Sweden, the introduction of temporary resident permits has made family reunification more difficult, and increased concerns and the mental instability of children coming here. The children and young people who call Save the Children Sweden's support line express great concern about the risk of being sent back. Both unaccompanied children and families have been moved around the country, which has increased the insecurity of children who are deprived of the opportunity to become attached to new locations and contexts. Direct support for refugee children affected operations in Sweden during the year and will probably continue to do so in the future.

We are not only expected to identify anomalies, but also to act to address them.

We must know what functions well and strengthen and develop these methods.

**WITH A NEW** Operational Focus and strategic plan (see chapter 4) Save the Children Sweden has embarked on a number of major changes and initiatives in the coming years, which are necessary in order to achieve the changes we will see for children and children's rights, in Sweden and globally.

**We will:**

- Achieve results and secure the rights of the children who suffer the greatest marginalisation, poverty and deprivation.
- Increase our direct interventions in order to achieve change for children in the most deprived environments, including in conflict and humanitarian situations, and also for the most deprived children in Sweden.
- Obtain knowledge from direct initiatives, in order to understand which actions and methods lead to sustainable results for children, and in order to influence politicians and decision-makers clearly and successfully.

Strengthen the work and develop initiatives for migrant children.

- Improve methods to build up resilience and recovery capacity in local communities that are affected by the consequences of global warming.
- Increase our readiness and flexibility to respond robustly and effectively to crises and rapidly evolving situations.
- Improve our capacity to identify and resolve problems together with other stakeholders, and together with children.
- build up cooperation on equal terms with operators that can influence children's circumstances and rights: companies, civil society, academic institutions and public institutions.
- Meet companies' demands in their sustainability work in order to leverage the strength and influence that companies can exert on children's conditions.
- Build models of cooperation together with others in order to coordinate all of society's initiatives to improve the situation of children in socioeconomically deprived areas of Sweden.
- Develop and operate NGO welfare in Sweden together with others, in order to safeguard children's rights.
- Increase opportunities for involvement and participation in our activities and increase diversity in every part of the organisation.
- Further develop our methods for children's participation, influence and agency.

Our interventions must be based on systematically documented and proven knowledge that is rooted in established research. We must know what functions well and strengthen and develop these methods.

To succeed with all of this, we need to grow financially. This is not an end in itself, but expresses how we believe that we can achieve a great deal, and that Save the Children Sweden is a relevant stakeholder in the future. We believe that Save the Children Sweden can double its revenue for its activities to between SEK 2 and 2.5 billion in 2021.



## INCOME STATEMENT

Income Statement		2016	2015
Amounts in SEK 1,000			
<b>Operating income</b>			
Membership fees	Note 3	11,882	12,003
Donations	Note 4	398,322	436,283
Contributions	Note 4	755,133	807,296
Net turnover		2,657	1,076
Other income		824	664
<b>Total operating income</b>		<b>1,168,818</b>	<b>1,257,322</b>
<b>Operating costs</b>			
<b>Project costs</b>			
Programme costs		-1,028,284	-1,076,428
Membership costs		-23,710	-22,485
		-1,051,994	-1,098,913
<b>Fundraising and administration costs</b>			
Fundraising costs	Notes 5,6	-75,881	-74,232
Administration costs	Notes 5,6	-46,293	-39,998
		-122,174	-114,230
<b>Total operating costs</b>		<b>-1,174,168</b>	<b>-1,213,143</b>
<b>Operating profit/loss</b>		<b>-5,350</b>	<b>44,179</b>
Earnings from financial investments	Note 7	8,147	12,025
<b>Profit/loss for the year</b>		<b>2,797</b>	<b>56,204</b>
<b>Appropriation of the profit/loss for the year</b>			
Profit/loss for the year according to the Income Statement		2,797	56,204
Utilisation of project funds from previous year		55,478	21,351
Reserves of project funds unused during the year plus unrestricted provisions according to Board decision		-53,401	-70,714
<b>Amount remaining for the year/changes to capital brought forward</b>		<b>4,874</b>	<b>6,841</b>

Balance Sheet		2016-12-31	2015-12-31
Amounts in SEK 1,000			
<b>ASSETS</b>			
<b>Fixed assets</b>			
<i>Intangible fixed assets</i>			
Software	Note 8	590	745
		590	745
<i>Tangible fixed assets</i>			
Inventory items and fixtures	Note 9	798	759
		798	759
<i>Financial fixed assets</i>			
Shares in Rädda Barnens Serviceaktiebolag	Note 10	908	908
Investments held as fixed assets	Note 11	294,941	279,729
Other long-term receivables	Note 12	23,653	20,313
		319,502	300,950
<b>Total fixed assets</b>		<b>320,890</b>	<b>302,454</b>
<b>Current assets</b>			
<i>Current receivables</i>			
Accounts receivable		4,797	3,448
Receivables from Rädda Barnens Serviceaktiebolag		114	0
Other receivables	Note 13	162,173	98,216
Prepaid costs and accrued income	Note 14	84,532	76,013
		251,616	177,677
Property etc. intended for sale		1,307	878
Investments	Note 15	1,549	420
Cash and bank balances		234,873	393,802
<b>Total current assets</b>		<b>489,345</b>	<b>572,777</b>
<b>TOTAL ASSETS</b>		<b>810,235</b>	<b>875,231</b>

<i>Balance Sheet, contd.</i>		2016-12-31	2015-12-31
Amounts in SEK 1,000			
<b>EQUITY AND LIABILITIES</b>			
<i>Equity</i>			
Funds managed		15,734	13,803
Rädda Barnen-fonden		125,000	120,000
Value adjustment fund		25,000	25,000
Project capital		143,744	152,752
Capital brought forward		160,397	155,523
		469,875	467,078
<i>Provisions</i>			
	Note 16		
Provisions for employees abroad		4,738	4,729
		4,738	4,729
<i>Current liabilities</i>			
Accounts payable		24,780	32,283
Debts, received unutilised contributions	Note 17	264,653	325,497
Debt to Rädda Barnens Serviceaktiebolag		0	46
Other debt		14,779	14,909
Accrued costs and prepaid income	Note 18	31,410	30,689
		335,622	403,424
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>810,235</b>	<b>875,231</b>

## Changes to equity

Amounts in SEK 1,000

### EQUITY

	Funds managed	RB-fonden	Value adjustment fund	Project capital	Capital brought forward	Total equity
Opening balance 2016-01-01	13,803	120,000	25,000	152,752	155,523	467,078
Projects determined by donor	1,931	-	-	18,478	-	20,409
Projects determined by the Board	-	5,000	-	27,992	-	32,992
Utilised	-	-	-	-55,478	-	-55,478
Remaining amount	-	-	-	-	4,874	4,874
<b>Closing balance 2016-12-31</b>	<b>15,734</b>	<b>125,000</b>	<b>25,000</b>	<b>143,744</b>	<b>160,397</b>	<b>469,875</b>

Specification of project capital	Opening balance 2016-01-01	Utilisation of previous year's reserves/ provisions	Year's reserves/ provisions	Closing balance 2016-12-31
<i>Projects determined by the donor</i>				
Thematic	70,968	-34,643	6,084	42,409
Region and country	7,379	-4,302	10,125	13,202
Special projects	12,566	-6,115	2,269	8,720
<b>Total projects determined by the donor</b>	<b>90,913</b>	<b>-45,060</b>	<b>18,478</b>	<b>64,331</b>
<i>Projects determined by the Board</i>				
Decommissioning costs - offices abroad	13,109	-4,109	0	9,000
Refugee children	20,000	-5,581	5,000	19,419
Strategic initiatives	0	0	15,000	15,000
Currency hedge reserve	26,100	0	3,992	30,092
Other	2,630	-728	4,000	5,902
<b>Total projects determined by the Board</b>	<b>61,839</b>	<b>-10,418</b>	<b>27,992</b>	<b>79,413</b>
<b>Total project capital</b>	<b>152,752</b>	<b>-55,478</b>	<b>46,470</b>	<b>143,744</b>

## CASH FLOW STATEMENT

Cash Flow Statement	2016	2015
Amounts in SEK 1,000		
<b>Operating activities</b>		
Payments from donors and members etc.	1,031,793	1,192,119
Payments to partners, employees and suppliers, etc.	-1,178,337	-1,273,277
<b>Cash flow from operating activities before interest and income tax</b>	<b>-146,544</b>	<b>-81,158</b>
Interest received	3,284	3,882
Dividends received	3,610	4,106
Interest paid	-20	-11
<b>Cash flow from operating activities</b>	<b>-139,670</b>	<b>-73,181</b>
<b>Investment activities</b>		
Investments in intangible fixed assets	-588	0
Investments in tangible fixed assets	-515	-417
Investments in financial fixed assets	-60,297	-49,879
Disposal of financial fixed assets	43,316	160,111
Reduction of current financial investments	-5,199	-467
<b>Cash flow from investment activities</b>	<b>-23,283</b>	<b>109,348</b>
<b>Financing activities</b>		
Reduction of long-term liabilities	-46	-54
<b>Cash flow from financing activities</b>	<b>-46</b>	<b>-54</b>
<b>Year's cash flow</b>	<b>-162,999</b>	<b>36,113</b>
Cash equivalents at year start	393,802	356,945
Exchange rate differences in cash equivalents	4,070	744
<b>Cash equivalents at year end</b>	<b>234,873</b>	<b>393,802</b>

## Note 1 Accounting and valuation principles

Save the Children's accounting and valuation principles comply with the Swedish Annual Accounts Act, BFAR 2012: 1 (K3) and FRIL Guidelines for Annual Reports. Financial accounting and valuation principles are unchanged compared with the previous year.

### OPERATING INCOME

Income is valued, unless stated otherwise below, at the actual value realised or to be realised.

#### Membership fees

Membership fees concern payments made for membership of Save the Children Sweden and are reported when they are paid and recognised in the time period they concern.

#### Donations

A transaction where Save the Children receives an asset or a service that has value without returning the equivalent value in exchange is a gift or a donation. If the asset or service is obtained because Save the Children has met or will meet certain conditions and has an obligation to repay to the counterparty if the conditions are not met, it is a contribution. If it is not a contribution, it is a gift.

As a general rule, gifts are reported as income when received. As a general rule they are assessed at actual value.

Gifts in the form of equipment and supplies that are donated forward are not reported as income, but are reported in Note 4.

#### Contributions

Contributions are recognised as income when the conditions for their receipt have been fulfilled. Contributions received are reported as debts until the conditions for their receipt have been fulfilled. They are valued according to the actual value that Save the Children has received or will receive.

#### Net turnover

Net turnover concerns sales of goods and services. Income from sales of goods is normally reported at the point in time of the sale.

#### Other income

Primarily rental income. This is recognised over the time period it refers to.

### OPERATING COSTS

Save the Children Sweden operating expenses are reported in accordance with FRIL guidelines as project, fundraising or administration costs. Project costs are divided into programme or membership costs. In addition to direct costs for these operations, costs also consist of distributed costs for Board and management, communications, HR, financial administration, IT, internal and customer services. These are distributed according to a distribution key and are added to the direct costs for project, fundraising or administration costs.

#### Project costs

Project costs concern costs that Save the Children Sweden incurs to implement its tasks in accordance with its by-laws. Distribution is made between costs for programme operations in Sweden and abroad plus membership activities. Advocacy belongs to programme operations.

#### Fundraising costs

These are costs that occur in order to generate contributions from private individuals and companies and take the form of material, printing costs, ads and HR costs for those working with these operations.

#### Administration costs

Administration costs are the costs necessary to administer the organisation such as costs for Board meetings, parts of the audit, rent, administrative systems and employee costs.

### ASSETS, LIABILITIES AND PROVISIONS

Assets, liabilities and provisions are valued at acquisition value unless otherwise stated below.

Accounts receivable and payable in foreign currency are valued at Balance Sheet date exchange rate.

#### Tangible and intangible fixed assets

These are valued at acquisition value less depreciation according to plan. Depreciation is linear across the asset's estimated lifetime. The following depreciation periods are used: software and systems development costs: 3 years; computer inventory: 3 years; other inventory: 5 years.

**Financial assets**

The securities that are part of Save the Children Sweden's long-term capital management are classified as fixed assets while those that are part of short-term financial management are classified as current assets. Depreciation of fixed assets is made if the market value of the entire portfolio is less than its acquisition value and this decrease is assessed as long-term. Securities classified as current assets are valued at the lower of actual value or acquisition value on Balance Sheet date.

**Donated assets**

Real estate property and tenant-owner apartments bequeathed to Save the Children Sweden are valued at their market value on the date they are received. They are recognised as current assets as the intention is to divest as soon as possible. Securities are reported as current investments. Listed securities are reported at the market value at the point in time they are registered in the name of Save the Children Sweden.

**Provisions for employees abroad**

Funds for pensions or redundancy pay or similar for Save the Children local employees, in accordance with employment conditions and relevant local legislation.

**Debts for received unutilised contributions**

If Save the Children Sweden has received contributions, but does not yet fulfil the conditions, these are reported as debt.

**EQUITY**

Equity concerns the funds that are made available to Save the Children in order to fulfil its aims and that have not been paid out on Balance Sheet date. Funds earmarked by donors in permanent donation funds for special purposes are reported separately. The Restricted Capital item reports not yet utilised donations and other earmarked funds.

Please refer to Equity Report. Normally these restricted funds are utilised during the following operating year. The RB Fond and the value adjustment fund consist of underlying capital reserved by the Board to cover value changes in invested assets. Unrestricted capital is funds transferred to Save the Children Sweden without restrictions.

The result for the year in the Income Statement concerns the difference between costs and funds received during the year. Changes to non-earmarked capital concerns the amount after utilisation or reservation from/to parts of equity.

**Contingent liabilities**

Save the Children Sweden discloses a contingent liability when it has a possible obligation that as a consequence of actual events, of which the occurrence will only be confirmed by one or several future uncertain events which lie outside Save the Children's control, occurs or fails to occur; or if Save the Children has an existing obligation as a consequence of actual events, but which is not reported as a debt or provision, as it is not likely that an outflow of resources will be required to regulate the obligation, or the size of the obligation cannot be calculated with sufficient reliability.

**CASH FLOW STATEMENT**

The Cash Flow Statement has been established using the direct method.

**REGIONAL OFFICE ABROAD**

Save the Children holds legal responsibility for one office abroad. This office is responsible for its own financial accounting in accordance with directives from the Secretariat in Stockholm. Consolidation occurs on a continuous basis in the National Association accounts.

**NATIONAL ASSOCIATION, DISTRICT AND LOCAL BRANCHES**

The districts and local branches perform their own accounting which is not consolidated into the National Association accounting as there is no subsidiary/parent company relationship.

**CONSOLIDATED ACCOUNTING**

Save the Children Sweden owns 100% of the shares of Räd Barnens Serviceaktiebolag. Company turnover (including subsidiaries) was MSEK 7.8 (11.0) as compared to Save the Children Sweden's operating income of MSEK 1,168.8 (MSEK 1,257.3) so that no consolidated accounting has been established.

**Note 2 Estimates and assessments**

Save the Children makes estimates and assessments concerning the future. The estimates are used for accounting of the actual outcomes purposes and, consequently, are seldom the exact equivalent.

<b>Note 3 Membership fees</b>	<b>2016</b>	<b>2015</b>
Amounts in SEK 1,000		
Membership fees range from SEK 75 per member to SEK 300 per household. General Assembly decision states that 25% of membership fees go to Save the Children Sweden local branches. Of membership fees reported here, SEK 2,969,000 was paid to branches in accordance with the number of paying members stated on membership lists as of 31 December 2016.	11,882	12,003

<b>Not 4 Fundraising</b>	<b>2016</b>	<b>2015</b>
<b>Donations recognised in Income Statement</b>		
<i>Funds raised</i>		
General public	263,021	273,580
Collected via Save the Children Sweden districts and local branches	3,033	4,399
Collected via Save the Children International	4,258	3,449
Bequests	50,180	43,291
Companies	32,516	53,924
Postkodlotteriet	39,998	53,000
Other	5,316	4,640
<b>Total donations in the Income Statement</b>	<b>398,322</b>	<b>436,283</b>
<b>Donations not recognised in the Income Statement</b>		
<i>Funds raised – estimated amount</i>		
Donations passed on	20,216	131,244
<b>Total donations not recognised in the Income Statement</b>	<b>20,216</b>	<b>131,244</b>

The major programmes in the Sudan during 2015, with the distribution of food and nutrition in collaboration with Unicef and WFP, was completed in this year. Besides the above, donations were received of which the value in SEK is not recorded. This e.g. concerns pro bono services, provision of premises and advertising discounts.

<b>Donations recognised in the Income Statement</b>		
<i>Funds raised</i>		
IKEA Foundation	85,104	54,294
Radiohjälpen	23,295	13,169
Other foundations	12,946	10,596
Postkodlotteriet	5,944	5,459
Other companies	1,403	1,703
Other	11,339	2,954
<b>Total funds raised (contributions)</b>	<b>140,031</b>	<b>88,175</b>

<b>Note 4 Fundraising</b> <i>Continued</i>	<b>2016</b>	<b>2015</b>
Amounts in SEK 1,000		
<i>Public sector contributions</i>		
Sida	327,362	416,733
Other Swedish government agencies	30,882	20,312
EU	67,627	82,333
UN	149,383	170,473
Other foreign/international authorities	39,848	29,270
<b>Total public sector contributions</b>	<b>615,102</b>	<b>719,121</b>
<b>Total contributions</b>	<b>755,133</b>	<b>807,296</b>
<b>Total funds raised:</b>		
Donations recognised in the Income Statement	398,322	436,283
Donations not recognised in the Income Statement	20,216	131,244
Contributions recognised in the Income Statement (excl. public sector contributions)	140,031	88,175
<b>Total funds raised</b>	<b>558,569</b>	<b>655,702</b>

<b>Note 5 Average no. of employees, HR costs and Board fees</b>	<b>2016</b>	<b>2016</b>	<b>2015</b>	<b>2015</b>
	Number of employees	of whom men	Number of employees	of whom men
<i>Average number of employees</i>				
Permanent employees, Secretariat	192	46	194	45
Permanent employees, regional offices in Sweden	60	12	58	13
Fixed-term contract employees, Secretariat	24	8	18	2
Fixed-term contract employees, regional offices in Sweden	36	9	17	4
Contract employees abroad	16	10	16	9
EU employees	5	2	7	1
	<b>333</b>	<b>87</b>	<b>310</b>	<b>74</b>

Number of local employees employed abroad at year end 171 (245) of whom men 131 (189). Average number of national employees posted to Save the Children International was 8 (8) of whom men 3 (4).

**Note 5 Average no. of employees, HR costs and Board fees** *Continued*

	2016	2016	2015	2015
Amounts in SEK 1,000	Number on the Balance Sheet date	Of whom men	Number on the Balance Sheet date	of whom men
<i>Gender balance, Board members and senior management</i>				
Board members	13	4	14	6
Management Team	8	2	7	3

	2016	2015
<i>Salaries, remuneration and social insurance charges</i>		
Board and Secretary General	1,386	1,687
Other employees	141,645	122,910
<b>Total salaries and remuneration</b>	<b>143,031</b>	<b>124,597</b>
Social insurance charges (of which pension costs excluding salary tax)	64,981 (16,278)	56,088 (12,029)
<b>Total for Sweden</b>	<b>208,012</b>	<b>180,685</b>
Contract employees abroad (including social insurance charges, accompanying family members and salary cost increments)	15,540	15,077
Local employees abroad	28,958	28,365

See Management Report Section 1.7 concerning Board fees and pension costs and the current Secretary General's employment terms and pension costs.

<b>Note 6 Leasing</b>	<b>2016</b>	<b>2015</b>
Amounts in SEK 1,000		
Save the Children Sweden primarily leases office premises and office equipment. Leasing charges entered as costs amount to SEK 16,854,000 (17,813,000).		
Future leases come due as follows:		
Within 1 year	16,915	14,251
1-5 years	16,121	18,468
Later than 5 years	0	0
<b>Total</b>	<b>33,036</b>	<b>32,719</b>

The contract for rental of premises for the head office in Sundbyberg lasts till 2018 with an option to prolong until 2021.

<b>Note 7 Outcome from financial investments</b>	<b>2016</b>	<b>2015</b>
<i>Outcome from securities and receivables that are fixed assets</i>		
Dividends	3,610	4,106
Interest	3,059	3,380
Capital gains from sales	1,571	4,528
	<b>8,240</b>	<b>12,014</b>
<i>Outcome from securities and receivables that are current assets</i>		
Interest	93	189
	<b>93</b>	<b>189</b>
Interest expenses and similar items	-20	-11
Management costs	-166	-167
<b>Total</b>	<b>8,147</b>	<b>12,025</b>

<b>Note 8 Software</b>	<b>2016-12-31</b>	<b>2015-12-31</b>
Amounts in SEK 1,000		
Opening acquisition value	14,239	14,239
The year's capitalised expenses	588	0
Sales and disposals	-132	0
<b>Closing accumulated acquisition value</b>	<b>14,695</b>	<b>14,239</b>
Opening depreciation	-13,494	-12,849
The year's depreciation	-743	-645
Sales and disposals	132	0
<b>Closing accumulated depreciation</b>	<b>-14,105</b>	<b>-13,494</b>
<b>Closing residual value according to plan</b>	<b>590</b>	<b>745</b>
<b>Note 9 Inventory and fixtures</b>	<b>2016-12-31</b>	<b>2015-12-31</b>
Opening acquisition value	12,631	14,477
The year's purchases	515	417
Sales and disposals	-3,592	-2,263
<b>Closing accumulated acquisition value</b>	<b>9,554</b>	<b>12,631</b>
Opening depreciation	-11,872	-13,755
The year's depreciation	-476	-380
Sales and disposals	3,592	2,263
<b>Closing accumulated depreciation</b>	<b>-8,756</b>	<b>-11,872</b>
<b>Closing residual value according to plan</b>	<b>798</b>	<b>759</b>

<b>Note 10 Shares in Rädda Barnens Serviceaktiebolag</b>	<b>2016-12-31</b>	<b>2015-12-31</b>
Amounts in SEK 1,000		
Opening acquisition value	3,108	3,108
<b>Closing acquisition value</b>	<b>3,108</b>	<b>3,108</b>
Opening accumulated write-downs	-2,200	-2,200
<b>Closing accumulated depreciation</b>	<b>-2,200</b>	<b>-2,200</b>
<b>Closing book value</b>	<b>908</b>	<b>908</b>

Rädda Barnens Serviceaktiebolag's (organisation number 556559-9643) equity amounts to SEK 842,000 (859,000) and the outcome for the year to SEK -17,000 (SEK -54,000).

<b>Note 11 Investments held as fixed assets</b>	<b>2016-12-31</b>	<b>2015-12-31</b>
Opening acquisition value	279,729	292,310
Acquisitions	55,619	49,879
Sales	-40,407	-62,460
<b>Closing acquisition value</b>	<b>294,941</b>	<b>279,729</b>

	<b>2016-12-31</b>	<b>2016-12-31</b>	<b>2015-12-31</b>
	Book value	Market value	Book value
Handelsbanken Sverige Index Criteria	14,728	29,059	14,616
Handelsbanken Global Index Criteria *)	59,483	96,470	59,169
SEB Etisk Global Indexfond	7,930	13,931	17,834
Nordea Institutionella Aktiefonden Stabil	30,808	31,546	0
<b>Total equities funds</b>	<b>112,949</b>	<b>171,006</b>	<b>91,619</b>
SEB Räntor Sverige	109,891	111,376	116,063
SPP Företagsobligationsfond	42,980	45,390	42,926
<b>Total fixed-income securities</b>	<b>152,871</b>	<b>156,766</b>	<b>158,989</b>
Excalibur hedge fund	29,121	30,563	29,121
<b>Total alternative investments</b>	<b>29,121</b>	<b>30,563</b>	<b>29,121</b>
<b>Total **)</b>	<b>294,941</b>	<b>358,335</b>	<b>279,729</b>

\*) The fund includes currency hedging as a 3-month rolling forward exchange rate contract.  
As of 2016-12-31 the forward exchange rate contract's value was SEK 199,000 (SEK 214,000).

\*\*) The total market value as of 2015-12-31 was SEK 334,428,000.

<b>Note 12 Other long-term receivables</b>	<b>2016-12-31</b>	<b>2015-12-31</b>
Amounts in SEK 1,000		
Opening acquisition value	20,313	113,436
The year's change in receivables	3,340	-93,123
<b>Closing book value</b>	<b>23,653</b>	<b>20,313</b>

The item mainly concerns receivables from Save the Children International.

<b>Note 13 Other receivables</b>	<b>2016-12-31</b>	<b>2015-12-31</b>
Partners, local and members within Save the Children International	57,546	30,826
Save the Children International	97,781	53,745
Personnel	146	112
Donors	0	10,720
Other receivables	6,700	2,813
<b>Total</b>	<b>162,173</b>	<b>98,216</b>

<b>Note 14 Prepaid expenses and accrued income</b>	<b>2016-12-31</b>	<b>2015-12-31</b>
Accrued contributions	63,847	57,222
Accrued interest income	1,356	1,488
Other accrued income	3,023	1,454
Prepaid expenses	16,306	15,849
<b>Total</b>	<b>84,532</b>	<b>76,013</b>

<b>Note 15 Current investments</b>	<b>2016-12-31</b>	<b>2016-12-31</b>	<b>2015-12-31</b>
	Book value	Market value	Book value
Equities and funds	1,549	1,713	267
Fixed-income securities	0	0	153
<b>Total</b>	<b>1,549</b>	<b>1,713</b>	<b>420</b>

<b>Note 16 Provisions</b>	<b>2016-12-31</b>	<b>2015-12-31</b>
Amounts in SEK 1,000		
Provisions for employees abroad	4,738	4,729
<b>Total</b>	<b>4,738</b>	<b>4,729</b>

<b>Note 17 Debts, received not yet utilised donations</b>	<b>2016-12-31</b>	<b>2015-12-31</b>
Foundations, companies and organisations	133,350	150,346
Swedish government agencies	105,666	124,350
EU, UN and other foreign authorities	25,637	50,801
<b>Total</b>	<b>264,653</b>	<b>325,497</b>

The debt primarily consists of prepaid contributions for multi-year operations where the donor often pays in advance. Operations will be implemented in 2017 or later in accordance with individual agreements. This amount includes SEK 4,233,000 (SEK 3,091,000) which will be repaid to donors and concerns completed operations in which costs were less than the amount paid out.

<b>Note 18 Accrued expenses and prepaid income</b>	<b>2016-12-31</b>	<b>2015-12-31</b>
Membership fees following year	8,784	9,658
Accrued salaries and social insurance charges	18,314	16,256
Other	4,312	4,775
<b>Total</b>	<b>31,410</b>	<b>30,689</b>

<b>Note 19 Pledged assets</b>	<b>2016-12-31</b>	<b>2015-12-31</b>
Pledged assets	0	0

<b>Note 20 Contingent liabilities and contingent assets</b>	<b>2016-12-31</b>	<b>2015-12-31</b>
Guarantees Save the Children International	12,642	14,057

**Note 21 Significant events after the close of the financial year**

At the beginning of 2017, the drought on the Horn of Africa, and in parts of Ethiopia and Kenya, of which Save the Children warned during the autumn and winter 2016, led to a situation with an immediate lack of food and water for 12 million people, and to almost half a million children being affected by acute malnutrition. In February, Save the Children Sweden decided in the first instance to contribute MSEK 10 to the global Save the Children movement's joint disaster response in the region.

Two major framework agreements with Sida were in place after year-end. An agreement comprises MSEK 950 over a five-year period (2017-2021) and is intended to strengthen civil society organisations that in various ways work to protect children's rights in various countries. The second agreement concerns humanitarian measures in 2017-2019 and comprises at least MSEK 165.

In January, the new administration in the USA decided to reintroduce the Mexico City-Policy (MCP). It stops American aid to foreign organisations working with or providing information on abortion as part of their work with children's and mother's health, and sexual and reproductive healthcare rights.

As a global movement, Save the Children is critical of MCP and its effects. The policy presents obvious risks of increased child and maternal mortality and limits the freedom of action and expression of both Save the Children and our partners.

In March, the Board of Trustees of Save the Children's global Save the Children Association decided that Save the Children International must adhere to MCP since healthcare programmes with American federal financing in 37 countries, for 14 million children and 6 million women, would otherwise have to be terminated immediately. The decision solely applies to Save the Children International, and not to national members such as Save the Children.

This does not mean that we cannot express our opinion and be critical of the risks which Save the Children as a global organisation considers MCP to present. National members of Save the Children can both continue and strengthen programme activities for children's and mothers' health, and sexual and reproductive healthcare rights, outside Save the Children International.

The effects of MCP for Save the Children globally must be monitored closely and the decision may be changed if we receive new knowledge of how MCP is applied, or if we update the analysis of consequences for other reasons.

Save the Children Sweden will not follow MCP as it entails excessive fundamental challenges for an independent child rights organisation. Instead, we will find alternative financing of the programme activities that are under threat. We also have great understanding of the fundamental challenges faced by our American sister organisation.



**Board of Trustees**

Stockholm den 27 april 2017

  
Lise Bergh  
ordförande

  
Cecilia Abrahamsson

  
Lars Axelsson

  
Asa Ekman

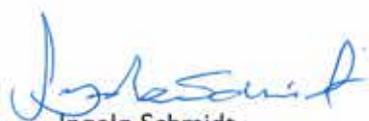
Oliwer Karlsson

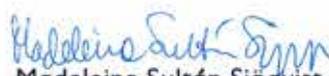
  
Birgitta Lahti-Nordström

  
Veronica Palm

  
Fredrik Rosengren

Tomas Rydsmo

  
Ingela Schmidt

  
Madeleine Sultán Sjöqvist

  
Vinje Tornberg

  
Sofia Zackrisson

  
Elisabeth Dahlin  
Generalsekreterare

Vår revisionsberättelse har lämnats 2017-05-05



Jonas Grahn  
Auktoriserad revisor



Torbjörn Englund  
Förtroendevald revisor

## Auditor's report

To the General Assembly of Save the Children Sweden National Association, corporate identity number 802002-8638

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### Report on the annual accounts

#### *Opinions*

We have audited the annual accounts of Save the Children Sweden National Association for 2016.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the national association as of 31 December 2016 and of its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts.

#### *Basis for Opinions*

We conducted our audit in accordance with generally accepted auditing standards in Sweden. The auditors' responsibility according to these standards are described in detail in the sections, *Auditor's Responsibility* and *The elected representative auditor*.

We are independent of the association in accordance with professional ethics for accountants in Sweden. As authorised auditor, I have otherwise fulfilled my ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

#### *Responsibilities of the Board of Directors and the Secretary General*

The Board of Directors and Secretary General are responsible for the preparation of the annual accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The Board of Directors and the Secretary General are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, The Board of Directors and the Secretary General are responsible for the assessment of the national association's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and the use of the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Secretary General intend to liquidate the national association, to cease operations, or have no realistic alternative but to do so.

#### *The authorised public accountant's responsibility*

I have executed the audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing practice in Sweden. My objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As a part of my audit according to ISA, I undertake professional judgments and have a professionally sceptical approach during the entire audit. In addition, I execute the following activities:

- I identify and assess the risk of material misstatement in the annual accounts, whether due to fraud or error, design and execute audit measures based, amongst other things, on these risks and obtain audit evidence which is sufficient and appropriate to comprise the basis of my opinion. The risk for failing to identify material misstatements arising due to fraud is greater as regards a material misstatement due to error, as fraud can include engagement in collusion, forgery, intentional omission, incorrect information or disregard of internal control.

- I obtain an understanding of that portion of the national association's internal control having significance to my audit to design audit measures which are appropriate with regard to the circumstances but I do not express an opinion on the effectiveness of the internal control.
- I evaluate the appropriateness of the accounting policies applied and the reasonability of the Board of Director's and Secretary General's estimations in the accounts and associated disclosures.
- I test the appropriateness of the Board and Directors' and General Secretary's application of the assumption of going concern in preparing the annual accounts. I test, based on the audit evidence obtained, whether there are significant factors of uncertainty referring to such events or circumstances that can lead to significant doubt as to the national association's capacity to continue its operations. If I come to the conclusion that there are significant factors of uncertainty, I am required to provide a statement in the Auditor's Report, noting that the disclosures in the annual accounts involve factors of uncertainty, provided that such information is insufficient, modifying my opinion regarding the annual accounts. My conclusions are based on the auditor's evidence obtained up until the date of the Auditor's Report. However, future events or circumstances can imply that an association can no longer continue its operations.
- I evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and if the annual reflect the underlying transactions and events in a manner providing a true and fair view.

I am required to inform the Board of Directors of, amongst other things, the planned scope of the audit and its focus, and the time schedule for the audit. I am also required to inform on any significant observations made during the audit, including identified significant deficiencies in the internal control.

#### *The elected representative auditor's responsibility*

My responsibility is to execute an audit according to the Swedish Auditing Act and generally accepted auditing practice in Sweden. My objection is to achieve a reasonable degree of assurance as to whether the annual accounts have been prepared in accordance with the Annual Accounts Act and if the annual accounts provide a fair view of the national association's results and financial position.

## **Report on other legal and regulatory requirements**

### *Opinion*

In addition to our audit of the annual accounts, we have also audited the administration of the Board of Directors of Save the Children Sweden National Association for 2016.

We recommend that the meeting of the national association grant the members of the Board discharge from liability for the financial year.

### *Basis for Opinions*

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of the national association in accordance with professional ethics for accountants in Sweden. As an authorised public accountant, I have otherwise fulfilled my ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

### *Responsibilities of the Board of Directors*

The Board of Directors is responsible for the administration.

### *Auditor's responsibility*

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors in any material respect has undertaken any action or been guilty of any omission which can give rise to liability to the national association.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the national association.

As part of an audit in accordance with generally accepted auditing standards in Sweden, the authorized public accountant exercises professional judgment and maintains professional skepticism throughout the audit. The examination of the administration is based primarily on the audit of the accounts. Additional audit procedures performed are based on the authorized public accountant's professional judgement with the starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the national association's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion regarding discharge from liability.

Stockholm, 5 May 2017

Jonas Grahn  
Authorised Public Accountant  
PwC

Stockholm, 5 May 2017

Torbjörn Englund

