

# Save the Children Sweden

## Annual Report 2014



**Save the Children**  
Sweden

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# Management Report

## I. General - operations

### I.1 This is Save the Children Sweden

Save the Children Sweden is a children's rights organisation. We fight for children's rights and we listen to children's voices in everything we do.

Save the Children Sweden has fought for the rights of all children for almost a century and works to improve their living conditions, globally and locally. Together with our sister affiliated organisations in our global network, Save the Children Association (Save the Children) is the leading children's rights organisation in the world.

Our long experience of listening to, and fighting for, children in a world run by adults has made us extremely skilful. We know what it takes to create lasting change for children in vulnerable situations. Our breadth and depth of knowledge has made us effective. We know what it takes to navigate a course among decision-makers and policy makers - at home and abroad.

Save the Children Sweden's work leads to change. It is about working long term, using facts and knowledge and working together with children. This is how to create arguments that influence decision-makers and change legislation and systems so that more children will have a better life.

Everyone who is involved with, and supports, Save the Children's work is a child rights activist and together we achieve real results.

#### Quick facts on Save the Children Sweden

Organisational type: non-profit

Save the Children Sweden was founded in 1919

Number of members in Sweden: 75 955

Revenue in 2014: MSEK 1 100

Costs in 2014: MSEK 1 097

Number of permanent employees in Sweden: 227

Save the Children Sweden operates in 203 municipalities in Sweden

Save the Children Association (Save the Children): a membership organisation consisting of 30 national members, of which Save the Children Sweden is one. Members implement international programme activities through the implementing organisation Save the Children International which operates in 120 countries.

#### Save the Children's long history

Save the Children always, in all its activities, assumes that all the children in the world are entitled to the same rights: the right to life and development, the right to safety and protection and the right to participation.

When Save the Children was founded in 1919 in Britain, many children were in great need of help after the horrors of WWI. Children in war-torn Europe had been hit hard and the British activist Eglantyne Jebb created an organisation that dealt exclusively with their needs. A little later the same year, Save the Children Sweden was founded.

Over the course of almost one hundred years, Save the Children has never lost its original vision of creating a safe world for all children. Early work was concentrated in Europe, but over time

Save the Children became a modern development assistance and child rights organisation and also worked to change the situation of children in developing countries.

Save the Children is, and always has been, politically and religiously independent. But the organisation has always worked to *change* policies and legislation to fulfil the best interest of children. For example, Save the Children Sweden pushed for Sweden to become the first country in the world to ban physical punishment. In 1979 the law against physical punishment of children was passed in Sweden and, to date, 42 countries have followed suit with their own legislation.

Save the Children was also very active in the work that brought about the UN Convention on the Rights of the Child (UNCRC). In 1989 the UN General Assembly adopted the UNCRC as a complement to the Universal Declaration on Human Rights. Now each child's rights, regardless of origin, was a global concern.

### **Save the Children engages people all over the world**

Both in Sweden and around the world, Save the Children is a strong movement and a force to be reckoned with when it comes to making changes in children's living conditions. Save the Children Sweden is part of an international movement of 30 member organisations called Save the Children. Save the Children Sweden focuses its work on strengthening children's right to good governance and children's right to safety and protection. This applies to their work in Sweden, to international development work and humanitarian actions in conflicts and disasters. In humanitarian operations internationally, the initial priority is life support but even here there is a clear rights perspective. Not least in terms of education and freedom from violence and abuse. Operations in Sweden also prioritise children's right to education.

Save the Children cooperates with local and national organisations, especially with the children's own organisations. In order to truly achieve long-term improvement for children political changes alone are not enough, a strong civil society is an important prerequisite, businesses shouldering their responsibility is another.

## **1.2 This is what Save the Children Sweden wants**

All children have equal value and the same rights no matter where they are born or what background they have. This is Save the Children's fundamental value platform based on the UN Declaration on Human Rights and the UN Convention on the Rights of the Child in which it states that all people have equal value and that children have special rights. Everyone bears responsibility - but states have binding obligations.

Save the Children Sweden fights for children's rights - in Sweden and around the world. Save the Children Sweden's task is to provide constant support for children in distress and advocate for serious improvements to ensure children can exercise their rights. Our mission is to inspire breakthroughs in the way the world treats children, and to achieve immediate and lasting change in their lives.

### **Save the Children Sweden's vision and objectives**

Save the Children Sweden's vision is a world in which every child attains the right to survival, protection, development and participation. This is based on the UN Convention on the Rights of the Child (UNCRC):

- That children are not subjected to discrimination, exploitation, violence or other abuse.
- That children can make their voices heard and influence their own situation.
- That children enjoy a safe and healthy childhood and an education that promotes self-reliance

and provides relevant knowledge.

### **Save the Children Sweden's Operational focus**

In order to move forwards towards these overall objectives, Save the Children Sweden prioritises the most vulnerable children and concentrates its resources on a few areas in order to achieve the greatest impact. The objectives in these fields are described in the Save the Children Sweden's Operational Emphases for 2013-2016. This applies to both international and Swedish programming.

#### **Within children's right to good governance (Child Rights Governance) Save the Children Sweden wants:**

- The rights of more children are respected in accordance with the UN Convention on the Rights of the Child.
- More civil society organisations and companies become strong, competent actors for children's rights.

#### **Within children's right to safety and protection (Child Protection), Save the Children Sweden wants:**

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

#### **Within children's right to education Save the Children Sweden wants:**

- More children are able to access good-quality, equal education.

Each field has been broken down into even more specific targets in Save the Children Sweden's Strategic Plan. Through key performance indicators (KPI) connected to these objectives, we demonstrate to which degree we are achieving our objectives.

#### **Success factors**

In order to succeed in achieving these objectives, Save the Children Sweden has identified eight success factors. These mean that the organisation:

- can show that our work leads to better conditions for children.
- is a strong popular movement for children's rights in Sweden.
- and our partner organisations possess the competence and capacity required.
- well-defined leadership at all levels of the organisation.
- 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 Association.
- contributes to extending children's participation and influence.



### **1.3 This is how Save the Children Sweden works**

In Sweden, operations are undertaken under the name Rädde Barnen, while outside Sweden the organisation acts as a part of Save the Children.

The task of the Rädde Barnen National Association is, in accordance with the organisation's by-laws and the operational focus adopted by the General Assembly, to represent Save the Children Sweden at national and international levels.

At home, Save the Children Sweden's 189 local branches and 25 districts play a vital role in the actual work with and for children, locally and regionally. They also invest their efforts in advocacy towards local and regional authorities and institutions. Save the Children Sweden's Youth Council is an independent organisation and an important cooperating partner with its own local organisations that cooperate with Save the Children Sweden's branches around the country.

Save the Children Sweden's local branches are supported by the National Association's four regional offices and the headquarters in Sundbyberg. Regional offices support, promote and develop the voluntary activities that members undertake. This may involve training, methodology development or information on how to, for example, influence public policy. Regional offices also organise clinical treatment consisting of counsellors who receive children and youth in need of help.

Save the Children Sweden cooperates with other organisations, in Sweden and internationally, in order to enhance programme efficiency and to achieve better results. Save the Children always takes responsibility for the quality of operations and evaluates results.

The basis of Save the Children Sweden's cooperation with others is respect, openness, and common values. By maintaining an equal dialogue all partners can agree on objectives and methods for work supported by Save the Children Sweden.

The values that Save the Children Sweden brings to all its operations are: responsibility, ambition, cooperation, creativity and integrity. Briefly, these are defined as:

**ACCOUNTABILITY:** We take personal responsibility for using our resources efficiently, achieving measurable results, and being accountable to supporters, partners and, most of all, children.

**AMBITION:** We are demanding of ourselves and our colleagues, set high goals and are committed to improving the quality of everything we do for children.

**COLLABORATION:** We respect and value each other, thrive on our diversity, and work with partners to leverage our global strength in making a difference for children.

**CREATIVITY:** We are open to new ideas, embrace change, and take disciplined risks to develop sustainable solutions for and with children.

**INTEGRITY:** We aspire to live to the highest standards of personal honesty and behaviour; we never compromise our reputation and always act in the best interests of children.

Save the Children Sweden strives to be committed and courageous, competent and persistent. This should be reflected in all the work that Save the Children Sweden undertakes.

#### **Save the Children Sweden's strategy**

Save the Children Sweden works for lasting change, which is often a long time coming. Both knowledge and perseverance are required in order to influence and effect change .

Our strategy is to work with four methods which may be combined to achieve the best results:

- *Fact gathering and analysis:*

We actively find the facts and listen to what the children themselves say. In order to maintain credibility, we must know what we are talking about and maintain a common knowledge base. We collaborate with researchers, documenting experience and testing methods and tools.

- *Knowledge transfer and skills development:*

We disseminate knowledge to individuals who are able to influence children's living conditions. By increasing awareness of Save the Children Sweden's operations, we attempt to create commitment to our issues.

- *Direct interventions for children:*

We provide direct assistance to children, especially during disasters. We work directly with children and youth to gain more knowledge about their problems, ideas for solutions and in order to develop methods.

- *Advocacy:*

We work to raise public awareness and influence decision-makers. Our work to influence public opinion is carried out in close collaboration with members, local organisations and international bodies. We maintain a dialogue with, and make demands on, decision-makers and work to influence public opinion. Media is one of our most important tools for forming public opinion, advocacy, changing attitudes and strengthening the Save the Children Sweden brand.

### **This is how we want to effect change**

The members of Save the Children International have agreed on a common Theory of Change which explains how we work to improve conditions for children. It states that:

- *Save the Children will be the voice:* We will advocate and campaign for better practises and policies to fulfil children's rights and to ensure that children's voices are heard (particularly those of children most marginalised or living in poverty).
- *Save the Children will be an innovator:* We will develop and prove evidence-based replicable breakthrough solutions to problems facing children.
- *Save the Children will achieve results at scale:* We will support effective implementation of best practises, programmes and policies for children leveraging our knowledge to ensure sustainable impact at scale.
- *Save the Children will build partnerships:* We will collaborate with children, civil society organisations, communities, governments and the private sector to share knowledge, influence others and build capacity to ensure children's rights are met.

Save the Children International has set goals for results to be achieved by 2016 in the areas of health and nutrition, child rights governance, child protection, education and humanitarian operations. Save the Children Sweden will contribute to these results through long-term change activities and humanitarian action, in particularly in the areas of child rights governance and child protection.

## **2. Save the Children Sweden is a member's movement**

Save the Children Sweden is a strong popular movement in Sweden for children's rights. We want to continue being a popular movement as it is a key success factor. Membership involvement is its foundation and an essential element. The local branches in the country work actively with and for children in their neighbourhoods and municipalities, and they are also involved in campaigns and humanitarian actions. Save the Children Sweden has 75 955 members (2014) in 189 active local associations, which are organised into 25 districts. Operations are conducted in 203 municipalities in Sweden.

The National Association, the districts and the local branches are all separate legal entities with their own financial responsibility. Their operating and financial year is the calendar year. There are 11 offices in four regions: South, West, East and North tasked to support local efforts.

Members' representatives meet every year at membership meetings to discuss how Save the Children Sweden's work will develop and improve. The highest decision-making body is the General Assembly that takes place every other year.

The General Assembly gathers together 118 delegates consisting of 100 representatives elected by membership, five representatives elected by Save the Children Sweden's Youth Council and the Board with its 13 members. The General Assembly appoints the Board, Secretary-General and Deputy Secretary-General. In the year between General Assemblies, a membership meeting is arranged. At this Conference, the previous year's Annual Report and Management Report, plus a report on the status of implementation of the previous year's General Assembly decisions, are presented. This meeting also provides an opportunity to discuss operational and organisational development.

### **General Assembly 2014**

On 19-21 September 2014, Save the Children Sweden held its General Assembly in Visby in collaboration with Gotland District. Nearly 250 people participated for three intensive days. 43 motions were discussed in the advocacy squares and in plenary sessions.

Membership priorities and strategies for the future were discussed as well as how Save the Children Sweden can continue to be a vibrant, relevant popular movement.

The General Assembly also published two position statements: one on the dilution of development assistance and one on growing xenophobic trends in Swedish politics.

At the General Assembly, decisions were taken on a revision of the by-laws and the guidelines for voluntary work, internal controls and the Election Committee. General Assembly delegates also reviewed the Management Report for 2013.

Guests who visited the General Assembly included Save the Children South Africa's President and Secretary-General. The next General Assembly will be held in Karlstad in 2016.

### **Membership development**

At the end of 2014 there were 75 955 members, an increase of 104 as compared to 2013. In 2014, 6 951 new members were recruited, the corresponding figure for 2013 was 5 426 members.



Over the course of the last few years Save the Children Sweden has invested in strengthening support to membership in order to primarily stimulate local branch work for children's rights. In 2014, membership costs amounted to approximately MSEK 23.8 (2013: MSEK 20.5).

In 2014 the number of active members was 6 434 (as compared to 6 520 active members in 2013), a decrease of 86 members.

In 2014, local branches collected approximately MSEK 3.3 for operations which is a decrease of 18.2% compared with 2013. In recent years local branches have placed greater focus on local rights work which has left less time for fundraising.

Commitment among members to making active efforts has increased. It is possible for them to work practically at local level and be part of thematic working groups and regional networks.

As support to local branches, in order to offer their members opportunities to get involved, a tool called the Branch Development Process (BDP) has been developed. The goal is to provide members who are interested with rewarding activities when they join a local branch. Headquarters has also supported local associations with digital tools to measure, monitor and document operations.

<b>Key ratios membership</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Funds raised from local branches	MSEK 7.3	MSEK 5.4	MSEK 3.8	MSEK 4.0	MSEK 3.3
Membership costs /Membership fees	145.6%	172.9%	178.2%	159.6%	192.0%
Number of members	80 143	75 477	79 363	75 851	75 955
New members	2 447	2 695	7 358	5 426	6 951

### **3. Save the Children International**

Save the Children Sweden is a member of Save the Children Association (Save the Children) which consists of 30 member organisations in different countries. This is a worldwide movement that operates in 120 countries.

The headquarters is in London and Save the Children Sweden has a seat on its Board. International programmes are coordinated by Save the Children International in order to make programmes more effective, easier to evaluate and generate results. The primary goal is that all activities will have a significant impact on, and provide lasting results for, children. Sweden supports these programmes with funding, personnel and methodological development.

Via Save the Children, its 30 member organisations also operate joint advocacy offices in Geneva, New York, Brussels and Addis Ababa in order to more effectively influence child rights political processes within the UN system, the EU and the African Union.

The Chair of the Save the Children Sweden Board is a member of the Save the Children Board and the Secretary-General and Save the Children Sweden's management are in very close contact with the leadership of Save the Children International. As part of Save the Children Sweden's ambition to create more member organisations, its Secretary-General is also on the boards of Save the Children South Africa and Save the Children Brazil.

Save the Children Sweden coordinates Save the Children's global Child Protection operations. This also applies to the global effort to protect children against physical punishment and degrading treatment which has gained successes during the year as several countries have either legislated against physical punishment, or are well on their way to doing so. During the autumn, a meeting was held in Stockholm where Save the Children jointly discussed how operations to support children who, for various reasons, are refugees or migrants, can be strengthened.

Save the Children in Sweden, Denmark and Norway jointly coordinate Save the Children's global Child Rights Governance operations. The focus is on convincing societies and states to invest public resources in children in order to ensure that their rights are respected. For example implementing courses to improve knowledge of how to analyse whether the rights of the child in a particular country are fulfilled. These analyses are part of the operational planning of Save the Children's country offices around the world.

Save the Children Sweden also contributes actively to coordinating and developing Save the Children's humanitarian action. One important issue we, along with other member organisations emphasise is the importance of maintaining a minimum standard concerning children's right to protection during humanitarian action. This includes special measures for vulnerable children as well as integrating children's rights to safety and protection into other sectors such as education, health and nutrition.

#### **4. Save the Children Sweden works with others**

In order to improve life for children and to ensure their rights are respected, Save the Children Sweden collaborates with organisations, actors and networks locally, regionally, nationally and internationally. Through exchange of experience and cooperation with others, operations can be more effective and goals achieved more rapidly. This is a vital factor for success.

Networks may deal with various themes such as refugee issues, school, UNCRC or health, include organisations that consist of, and are led by, children and youth. Save the Children Sweden also cooperates with government agencies, parliamentarians, UN agencies, universities, journalists, media and private companies.

Save the Children Sweden supports campaigns within the framework of Save the Children, for example the campaign entitled *Everyone* about children's right to survival. Save the Children Sweden also works with UNICEF and Plan International to strengthen rights-based protection systems in eight countries, and to prevent physical punishment.

##### **Collaboration with companies**

Companies are key actors in children's rights and Save the Children Sweden creates, together with these companies, lasting improvement in children's lives. Our corporate partnerships may relate to programme activities, our brand, financial or resource support.

Many companies have shown interest in long-term, enhanced cooperation with Save the Children Sweden. An increasing number of them wish to take greater responsibility for the communities they operate in, both socially and environmentally. Save the Children Sweden takes full advantage of this as companies are also important actors when changing children's lives.

Save the Children Sweden has, as tasked by Save the Children's member organisations, jointly with Global Compact and UNICEF, developed the Children's Rights and Business Principles

(CRBP). Save the Children Sweden's advocacy work to encourage companies to become actors for children's rights based on these principles has developed strongly, and the organisation now plays a clear leading role within Save the Children in these issues.

Companies and private actors, in Sweden and internationally, have been influenced by Save the Children Sweden's involvement in business networks, trade associations and other platforms. The organisation has, together with these companies, developed methods and tools to support them in their integration of children's rights into their core businesses. The Principles have been used by a number of companies in different business areas.

### **Key Partners**

IKEA/IKEA Foundation and Save the Children Sweden have collaborated since 1994 and today this collaboration encompasses the entire Save the Children organisation. Global cooperation with the IKEA Foundation includes some 20 projects. Donations from the annual Soft Toy Campaign in IKEA stores around the world go to programme activities in Asia and Eastern Europe. The IKEA Foundation also supports the Save the Children programme for children's rights in India and Pakistan, where child labour is a major problem.

In July 2014, the second phase of a cotton programme in Pakistan, started in 2009, was initiated.

In the autumn 2014, the IKEA Foundation and Save the Children extended their agreement to include immediate funding for humanitarian disasters. During the year, the IKEA Foundation took a decision to fund Save the Children Sweden programme activities with a total of MSEK 64.1 million for projects lasting 3-4 years.

Save the Children Sweden is a beneficiary of the Swedish Postcode Lottery and has, since 2005, received a total of MSEK 430. General support, which the Swedish Postcode Lottery determines on an annual basis, was MSEK 53 in 2014. This has been used for both international and Swedish programme activities and has made a significant contribution to Save the Children Sweden's work for children's rights in some of its most important operating areas: preventing children from being exposed to violence, giving children the opportunity to make their voices heard and influence their situation and ensuring that all children receive a safe and secure school education. During the year, the Swedish Postcode Lottery also contributed SEK 8 to the special project entitled *Meeting place where anything can happen*. This project is in collaboration with the Red Cross and extends over 3 years.

In 2014, Save the Children Sweden developed collaboration with the H&M Conscious Foundation, which is now one of the organisation's key partners. The H&M Conscious Foundation is an independent, non-profit foundation which contributes to long-term change for people and communities, using means such as investment in education.

Collaboration with the H&M Conscious Foundation covers a project in Indonesia, where Save the Children is improving the quality of school education, as well as a project in Romania where marginalised and vulnerable children have the opportunity to attend preschool and elementary school. The Foundation has also provided support for disaster relief in India, Nepal and Bangladesh this year. In total, the Foundation will provide MSEK 9.6 over a three-year period.

During the year, the Radiohjälpen contributed MSEK 8.5 to support Save the Children Sweden operations. This includes MSEK 5.9 from the Children of the World Campaign, MSEK 1.8 million from Musikhjälpen and MSEK 0.8 from Katastrofhjälpen. Funds from the Children of the World Campaign have financed various projects in West Africa dealing with children's rights to safety and protection. Musikhjälpen has financed a project in Peru aimed at improving maternal health and reducing maternal mortality. Katastrofhjälpen funds went to activities in Serbia and Gaza.

By saving in the Swedbank Robur Human Fund, Swedbank's customers make a valuable contribution as 2% of client assets under management go to a non-profit organisation, such as Save the Children Sweden. Swedbank Robur has, together with Save the Children Sweden, developed a position statement on children's rights. Today, this aspect is always included in the analyses Swedbank Robur carries out before deciding to invest in a company.

Save the Children Sweden has a number of other key partners: Accenture, Axfood, Clas Ohlson, Ericsson, God El/God Fond, Santa Maria, Skandia, Willys and Vinge advokatbyrå. In addition to key partners, the organisation also works closely with some 20 other companies.

In 2014, Save the Children Sweden received pro bono support from Vinge who, through its legal services, creates better quality in the wording of negotiations and agreements and from Accenture, who have supported Save the Children Sweden with the development of methods and models.

### **Collaboration with other actors**

The Save the Children Sweden Youth Council (RBUF) is an independent organisation supported by Save the Children Sweden. RBUF issues its own annual report and its relationship with Save the Children Sweden is regulated by agreement. RBUF priority issues include age power relations, norm criticism and children's right to play, rest and leisure time. Certain projects, such as *Allan and Ellen*, are operated as collaborations between RBUF and Save the Children Sweden. Board members from Save the Children Sweden and an official from the headquarters in Sundbyberg attended the RBUF General Assembly held in Stenungsund in 2014.

Save the Children Sweden cooperates with organisations such as county administrative boards, police authorities, social services, NGOs and business and industry in a number of projects. Projects entitled *It's about love* and *Love is Free* are intended to increase awareness and to discuss rights and honour-related violence and oppression with young people. In this context there is also a cooperative project with the Folk Theatre in Gävleborg. In 2014, a network of NGOs was initiated by Save the Children Sweden aimed at organising a support forum for children and young people who are victims of honour-related violence or oppression.

Within the framework of operations in the *On Equal Terms* project for social and economically vulnerable areas, Save the Children works with local organisations, businesses and district councils in suburbs around major cities. Partners include the Megafon youth association in Husby, Accenture and IKEA, Studieförbundet and Folkets hus och parker.

*High Five* is a Save the Children collaboration to combat discrimination and offensive behaviour in sport. During the initial years, work has been supported by Axfood and Skandia among others. In 2014, operations have developed and become country-wide. In *High Five*, Save the Children cooperates with SISU sports trainers, municipalities and local sports clubs.

In collaboration with Studieförbundet Näringsliv och Samhälle (SNS), Save the Children participates in reference groups for the research project entitled *Investment in equal life chances* and for a number of publications dealing with unemployment and health, among other issues. This year a report entitled *Better to be rich and healthy* was presented.

Employees from the Centre for Vulnerable Children and Young People are members of the Swedish Civil Contingencies Agency (MSB) support force.

When speaking of cooperation with other actors, all the individual donors who support Save the Children Sweden's operations with their anonymous, regular monthly or one-off donations must

not be forgotten. They constitute the cornerstone of all operations and are one of Save the Children Sweden's most important key partners.

## 5. This is how Save the Children Sweden is governed

The General Assembly - Save the Children Sweden's highest decision-making body - appoints a Nominations Committee which in turn proposes a National Board. Their proposal must ensure a Board that provides broad competence and a balance between renewal and continuity. Guidelines for the Nominations Committee have been established within Save the Children Sweden.

Save the Children Sweden has established governing documents that all operations are based on. These include by-laws, guidelines for the period 2008-2016, *The Compass* which describes the organisation's value platform and success factors, and the Operational Focus which establishes priorities.

These form the frameworks within which the General Assembly makes its decisions and the Board sets organisational priorities. Based on the governing documents, a Strategic Plan for four years and an Operating Plan for one year are established. Currently the strategic planning period 2013-2016 is underway.

### 5.1 The Board of Trustees

The National Association Board of Trustees consists of a Chair, Deputy Chair and members. They are appointed by the General Assembly. One member, plus a personal replacement for him/her, is appointed by Save the Children Sweden's Youth Council. Two co-opted members who have rights of attendance and expression are appointed by the unions.

The Board of Trustees is responsible for leading, developing, supporting and coordinating Save the Children Sweden's operations and be the organisation's highest decision-making body in the period between annual membership meetings. The main tasks of the Board are to:

- Work to ensure Save the Children Sweden development in accordance with its by-laws and the decisions of its membership meetings.
- Bear responsibility for the planning, implementation and evaluation of all Save the Children Sweden operations.
- Bear responsibility for cooperation with Save the Children International.
- Annually establish a Plan of Operations and Budget for the National Association.

In 2014, the Board consisted of the following:

<i>Name, City</i>	<i>Function</i>	<i>Profile</i>	<i>Attendance</i>	<i>Gen. Ass. 2014</i>
Inger Ashing, Stockholm	Chair	Degrees in political science and economics. CEO Global Child Forum, previously acting Director-General of Swedish National Board for Youth Affairs.	6/6, 2/2	Re-elected 2 years
Cecilia Abrahamsson, Stockholm.	Member	Communications Specialist, We Effect.	1/2	Elected

Inga Britt Ahlenius, Danderyd.	Member	Economist, previously UN Deputy Secretary-General for Internal Audit.	0/6	Resigned
Kojo Ansah-Pewudie, Göteborg.	Deputy-Chair	Systems analyst, Process Manager Ung & Trygg, Gothenburg City.	4/6	Resigned
Delvin Arsan, Sundbyberg	Co-opted Member	Union representative, Unionen.	2/4	Elected
Lise Bergh, Stockholm.	Deputy-Chair	Attorney-at-Law, previously Secretary-General of Amnesty International Swedish Section.	1/2	Elected
Samron Dawit, Sundbyberg.	Co-opted Member	Union representative, Akademikerföreningen.	1/4	Elected
Åsa Ekman, Göteborg	Member	Development sociologist Children's Services Jönköping Municipality.	6/6, 2/2	Re-elected
Martin Kvist, Malmö	Member	Social worker and doctoral candidate, Malmö University.	5/6, 2/2	Re-elected
Bengt Lagerkvist, Umeå	Member	Lecturer, retired paediatrician, author.	6/6, 2/2	Re-elected
Birgitta Lahti Nordström, Luleå	Member	Educational consultant.	6/6, 2/2	Re-elected
Åsa Lindhagen f.d. Jernberg, Stockholm	Member	Master of Science in Engineering, Political Party group leader.	5/6	Resigned
Kari Lotsberg, Enebyberg	Member	Economist, CEO of own company, previously State Secretary at Ministry of Finance.	6/6	Resigned
Lisa Lundgren, Borås.	Member	Democracy developer, previously representative of Save the Children Sweden in Southern Asia.	2/2	Elected
Gustavo Nazar Toro, Lund.	Member	Sociologist, Centre for Pedagogical Inspiration, Malmö City.	1/2	Elected
Niclas Persson, Stockholm.	Personal replacement for Sara Thiringer	Representative of Save the Children Sweden's Youth Council, Deputy Chair of LSU.	2/6	Resigned



Sona Rashid, Stockholm.	Personal replacement for Sara Thiringer	Student: Business and medical studies.	1/2	Elected
Fredrik Rosengren, Stockholm.	Member	Head of Finance at Swedish Tax Agency.	1/2	Elected
Tomas Rydsmo, Ljungskile	Member	Political scientist within international development assistance. Principal, Ljungskile Folk High School.	5/6, 2/2	Re- elected
Anna Sivlér, Luleå	Member	Judge, Administrative Court in Luleå.	6/6, 1/2	Re- elected
Johan Sohlberg, Västerås.	Member	Cathedral Clerk, Västerås Diocese. Previously worked for International Red Cross Committee.	4/6	Resigne d
Sara Thiringer, Stockholm	Member	Chair of Save the Children Sweden Youth Council.	5/6, 1/2	Re- elected
Sofia Zackrisson, Stockholm.	Member	Operational developer, Democracy Academy	2/2	Elected

The Chair's fees are SEK 20 000 per month. The Deputy Chair, prior to the General Assembly in 2014 received a fee of SEK 5 000 per month which was increased to SEK 10 000 per month after the meeting. The member responsible for international cooperation is remunerated with SEK 10 000 per month. Members of the Executive Committee, in addition to Chair and Deputy Chair, receive SEK 1 000 per month, this also applies to the chairs of the Asset Management Committee and the Audit Committee.

No additional fee is paid if the Committee Chair is simultaneously the Chair, Deputy Chair or the member responsible for contacts with Save the Children International. The other Board members and deputy members receive no remuneration. Members receive compensation for lost earnings. There is no pension provision for Board members.

The Board held eight meetings in 2014, of which one was a telephone meeting, and took an additional two decisions by correspondence.

### **The Executive Committee**

The Executive Committee's primary task is to prepare Board meetings. The committee consisted, prior to the General Assembly in 2014, of Chair Inger Ashing (Committee Chair), Deputy Chair Kojo Anseh-Pewudie and Åsa Lindhagen. After the General Assembly 2014, the Committee consists of Chair Inger Ashing (Committee Chair), Deputy Chair Lise Bergh, Tomas Rydsmo and Åsa Ekman. In 2014, the Executive Committee held five meetings.

### **The Remuneration Committee**

The Remuneration Committee's main task is to regularly review the Secretary-General's salary terms and employment contract and salary setting policies for senior positions within Save the Children Sweden. The committee consisted, prior to the General Assembly in 2014, of Chair Inger Ashing, Deputy Chair Kojo Anseh-Pewudie (Committee Chair) and Johan Sohlberg. After

the General Assembly 2014, the Committee consists of Inger Ashing (Committee Chair), Lise Bergh, Tomas Rydsmo and Åsa Ekman. In 2014, the Remuneration Committee held two meetings.

### **The Audit Committee**

The Audit Committee's primary task is to ensure that Save the Children Sweden's accounting policies follow generally-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 that the auditor's observations and recommendations are dealt with within the organisation. The Audit Committee consisted, prior to the General Assembly in 2014, of the Deputy Chair Kojo Ansah-Pewudie (Committee Chair) and Kari Lotsberg and Åsa Ekman. After the General Assembly 2014, the Committee consists of Deputy Chair Lise Bergh (Committee Chair) and Board members Fredrik Rosengren and Åsa Ekman. In 2014 the Audit Committee held five meetings.

### **The Asset Management Committee**

The Asset Management Committee's purpose is to provide direct support to the organisation as concerns the management of funds, both long-term assets and short-term liquidity management. The Committee is to initiate reviews of management policy for funds management, evaluate management performance, conduct ethical reviews and assess whether financial management complies with management policy. The Asset Management Committee consisted, prior to the General Assembly in 2014, of two representatives of the Board: Kari Lotsberg (Committee Chair) and Åsa Lindhagen. Other members this year were Hans de Geer and Hans Tholsby. In 2014, the Committee held four meetings. After the General Assembly 2014, the Committee consists of Lise Bergh (Committee Chair) and Fredrik Rosengren.

### **The Membership Committee**

The Membership Committee works to improve communication between the membership and the Board and to strengthen the democratic process and the sense of community within the organisation. The members of the Committee participate as the Board's representatives at the Regional Council and other similar regional meetings. The Membership Committee consisted, prior to the General Assembly in 2014, of Lahti Birgitta Nordström (Committee Chair), Martin Lindquist, Bengt Lagerquist and Åsa Ekman. After the General Assembly 2014, the Committee consists of Birgitta Lahti Nordström (Committee Chair), Martin Kvist, Bengt Lagerkvist and Sofia Zackrisson. In 2014 the Committee met on four occasions. In addition, the committee participated in several meetings where the members represented the Board.

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

The Collaboration Council's main task is to, through review and evaluation, strengthen and continuously improve the relationship between the Boards of Save the Children Sweden and Save the Children Sweden Youth Council (RBUF). This includes ensuring compliance with contracts and agreements, reviewing and evaluating forms of collaboration. Save the Children Sweden cooperates with RBUF in, for example, the Allan and Ellen Project (discussion groups for and with young people). Prior to the General Assembly in 2014 this Council consisted of Sara Thiringer, Niclas Persson and Martin Kvist (Convener). After the General Assembly it consists of Martin Kvist (Convener), Cecilia Abrahamsson, Sara Thiringer and Sona Rashid. In 2014 the Council held one meeting.

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

The Committee's primary task is to act as support to the Board of Trustees by monitoring the work of the Save the Children International Board. Prior to the General Assembly in 2014 this Committee consisted of Chair Inger Ashing (Committee Chair), Deputy Chair Kojo Ansah-

Pewudie, Tomas Rydsmo and Johan Sohlberg. After the General Assembly the Committee consists of Chair Inger Ashing (Committee Chair), Deputy Chair Lise Bergh, Tomas Rydsmo, Lisa Lundgren and Cecilia Abrahamsson. Two meetings were held in 2014.

### **The Election Committee**

The Election Committee, prior to the General Assembly in 2014, consisted of Chair Rolla Akkache, Uppsala; Linus Bengtsson, Malmö; Monica Ekström, Karlstad; Carin Johansson, Luleå; Jenny Malmsten, Malmö. After the General Assembly the Committee consists of Chair Rolla Akkache, Halmstad; Monica Ekström, Karlstad; Carin Johansson, Luleå; Lina Alberius, Stockholm, Ewa Hägglund, Sollefteå.

### **5.2 Auditors**

Prior to the General Assembly in 2014, auditors were Jonas Grahn, Authorised Public Accountant, PwC AB and Anders Öberg, elected auditor. Deputy auditors were: Marie Welin, Authorised Public Accountant, PwC AB and Torbjörn Englund, deputy elected auditor.

After the General Assembly auditors are Jonas Grahn, Authorised Public Accountant, PwC AB and Torbjörn Englund, elected auditor. Deputy auditors are: Erik Albenius, Authorised Public Accountant, PwC AB and Marie Rosengren Engström, elected deputy.

### **5.3 The Headquarters Secretariat**

The Save the Children Sweden secretariat are located in Sundbyberg, Stockholm County. The Secretariat has been led by Secretary-General Elisabeth Dahlin since September 2008. In 2014, the Senior Management Team consisted of the Secretary-General with Deputy Secretary-General Charlotta Sterky; Anniken Elisson Tydén, Head of the International Programme; Agneta Åhlund, Head of Sweden Programme; Jesper Nilsson, Head of Communications & Fundraising and Christine Engdahl, Head of Administration. Christina Paues was the Secretary of the Senior Management Team until 30 March when she was succeeded by Carolina Widlund.

### **Save the Children Sweden Centre for Children's Rights and Corporate Social Responsibility**

Save the Children Sweden has run a Centre for Children's Rights and Corporate Social Responsibility (CCR CSR) in China since 2010. This centre is registered as a company in China and is wholly owned by Rädda Barnen Service AB, which in turn is owned by the Save the Children Sweden National Association. The Centre also receives support via a project financed by Sida entitled *Companies as actors for children's rights*. The purpose of the centre is to move children's rights towards becoming a more clearly-defined element in companies' Corporate Social Responsibility strategies. The Centre carries out advocacy, training in factories and companies, and provides advice for international and local companies.

### **5.4 Overseas branches/regional offices**

Programme operations in Sudan have not yet been transferred to the Save the Children International. Since 2009, this programme has been managed by Save the Children Sweden. In anticipation of the transition, a joint review of the country office's policies, procedures and systems has been carried out in order to harmonise them with Save the Children International as far as possible. Save the Children Sweden bears legal responsibility for the office in Sudan. The office is responsible for its own financial reporting according to directives from headquarters in Stockholm. Consolidation is carried out on a continuous basis in the National Association accounts. There were 228 overseas local staff employed by the Sudan office at year end.

## 5.5 Employees

The average number of permanent employees in Sweden in 2014 was 227, of whom 58 were men. Save the Children Sweden strives to establish a gender balance and is working actively to increase the number of men in the organisation. See Note 7 for more facts about salaries, benefits, social insurance charges and average number of employees. Average number of fixed-term contract employees at headquarters and regional offices in Sweden was 44, of whom 4 were men. At the end of the year around 40 fixed-term contract positions were transformed into permanent positions.

Save the Children Sweden staff consists of administrative assistants, specialists and managers. The Assistant category consists of administrators, office assistants, receptionists and caretakers. The specialist category includes advisors, therapists, programme officers, grants managers, key account managers, business developers, communicators, marketers, editors, project managers, IT professionals, financial administrators, HR specialists etc. Managers without HR responsibility include assistant heads of departments, the press officer, area directors, competence development manager and operations managers.

### Clearly-stated salary policy

Save the Children Sweden strives to maintain a clearly-stated salary policy including principles and criteria for determining salary levels and guidelines for salary dialogues. The salary structure is in line with similar organisations in Sweden. The Save the Children Sweden Secretariat, including the Swedish regional offices, salary structure for permanent employees and their substitutes (not fixed-term contract employees) is as follows:

<i>Salary SEK per month</i>	<i>Women</i>	<i>Men</i>	<i>Total</i>
<i>20 000 – 29 999</i>	<i>27</i>	<i>5</i>	<i>32</i>
<i>30 000 – 39 999</i>	<i>141</i>	<i>39</i>	<i>180</i>
<i>40 000 – 49 999</i>	<i>32</i>	<i>13</i>	<i>45</i>
<i>50 000 – 64 999</i>	<i>6</i>	<i>2</i>	<i>8</i>
<i>92 500 (GS)</i>	<i>1</i>	<i>-</i>	<i>1</i>
<i>Total</i>	<i>207</i>	<i>59</i>	<i>266</i>

The Secretary-General's monthly salary as of Dec 2014 is SEK 92 500. The appointment period is five years with a notice period of 12 months. During notice of termination of employment without obligation to work, deductions are made to the severance package if other employment is gained during the period of notice. Costs for occupational pension provision through collective agreements amounted to SEK 326 875 in 2014. There are no other benefits or retirement benefits in addition to those stated in the collective agreement.

Save the Children Sweden's Secretary-General, Elisabeth Dahlin also holds the following appointments:

- Chair of Världens Barn
- Board member of Radiohjälpen
- Deputy Board member of Pressens Opinionsnämnd
- Member of IKEA People & Planet Positive Advisory Group
- Member of Advisory Council at the Swedish Intercountry Adoptions Authority
- Member of the New Wave Group Advisory Board for CSR issues

All appointments are pro bono except Pressens Opinionsnämnd and Swedish Intercountry Adoptions Authority. The former pays SEK 1 801 and the latter SEK 975 per meeting attended (payment from Swedish Intercountry Adoptions Authority is donated to Save the Children Sweden).

Health and work environment are strategically important issues for Save the Children Sweden and vigorous, systematic work environment activities are undertaken on a regular basis. During the year a Work Environment Manual has been developed by the Work Environment Committee with the aim of clarifying relevant routines. This Committee consists of representatives of the employer and Unionen and Akademikerföreningen. The responsibility for international security lies with the HR Department and an international Security Council has been established during the year consisting of representatives from each department. The Security Council's mission is to support the organisation's safety activities primarily as concerns international security, but national security aspects may also be taken into account.

## **5.6 Internal controls**

The Board bears overall responsibility for internal controls. The task of organising internal controls has been delegated to the Secretary-General, and then on to the heads of departments. The Board and the Secretary-General retain internal control monitoring responsibilities. Save the Children Sweden has an internal audit function reporting directly to the Board. Internal audit reports on a continuous basis to the Board Audit Committee as well as evaluating internal controls and making proposals for continuous improvements. The internal audit is carried out by Lind Andersson Consulting AB.

Save the Children Sweden commissions external audit firms to carry out audits of their operations overseas. Each country and regional office issues an audit report in accordance with a defined mission statement.

The Save the Children Sweden Board has adopted guidelines for external audit of operations. They describe how the audit should be carried out at different levels. Save the Children Sweden's annual accounts are audited by an authorised public accountant and an elected auditor. Operations conducted overseas are audited by in-country external auditors. The audit of Save the Children International operations is carried out by Save the Children International's external and internal auditors. When other actors perform operations on behalf of Save the Children, an external audit of operations is undertaken if the value of operations exceeds a stated limit, currently set at SEK 284 000. The principle is that follow-up and audit will be undertaken at all subsequent stages.

In 2014 Save the Children Sweden strengthened its internal control and quality activities by expanding and consolidating the function that ensures the introduction of systems, structures and processes for relevant internal control activities. Work performed must comply with current guidelines, agreements and bodies of regulations.

### **Important reporting**

Save the Children Sweden has a plus giro account that begins with the figure 90 which means that the organisation meets the requirements stipulated by the Swedish Fundraising Control Agency for fundraising organisations. Compliance with this code is examined every two years by an authorised public accountant. From 2013, the impact of operations is also reported on an annual basis in accordance with relevant guidelines established by the Swedish Fundraising Control Agency for impact reporting. The code is examined by external auditors every two years, next time is 2015.

Save the Children Sweden reports regularly to members and donors on how operations are conducted and how their contributions are used. This is accomplished via annual reports, the membership magazine Barn and the website [www.raddabarnen.se](http://www.raddabarnen.se).

### **Child Safeguarding Policy**

Save the Children Sweden's commitment to children's rights means that there is an obligation to protect children against abuse and exploitation, particularly the children who come into contact with our operations. In 2011, Save the Children adopted a policy for children's right to protection from abuse and exploitation.

The aim is to ensure that all member organisations within Save the Children take all possible measures to ensure children's right to protection from abuse and exploitation within their organisation and in all their operations. Save the Children Sweden's operations must be safe for children, consequently we are now developing procedures for reporting and building up the organisation's capacity to deal with incidents. Staff training is also underway.

### **Anti-corruption**

Corruption is one of the greatest obstacles to development. For Save the Children, which operates in many environments characterised by corruption, it is necessary to be aware of the risks involved and apply tools to manage them - in Sweden and internationally. Clear systems and guidelines have been established to prevent and combat corruption and irregularities. These are under continuous development.

Risk of corruption must be taken into account in all operational planning and follow-up. This is manifested in Save the Children Sweden's Policy for Combating Corruption and Fraud. The policy also clarifies Save the Children Sweden's approach to corruption, which is never accept, always take action and always notify.

Our partner organisations are also encouraged to establish clearly-stated strategies and systems to combat corruption and fraud.

## **6. Financial instruments**

Save the Children Sweden has built up a capital buffer for unforeseen events in order to secure its operations for children. Since 2006, the management of these resources has been controlled by a policy which imposes strict standards of conduct, low risk and cost effective management.

The Financial Management Policy has been developed in accordance with the guidelines for the design of investment policy SFC prepared for fundraising organisations and has been reviewed



by Charity Rating<sup>1</sup>. This policy has been adopted by the Board of Trustees and is subject to ongoing evaluation and revision.

Results are followed up by the Board, together with the rest of the financial reports, on a quarterly basis. The policy is public and full transparency is applied as concerns its revision.

The Save the Children Sweden Board is responsible for decisions on changes to financial management policy. A special sub-committee of the Board, the Asset Management Committee, is mandated to ensure policy compliance, and prepare proposals for the Board concerning updates to the policy as and when necessary.

The Asset Management Policy states that long-term assets must have an expected return of 3% in real terms per year i.e. after inflation, over a rolling five year period. Meanwhile, the overall level of risk, for example currency or credit risk, must be low which is primarily to be achieved by global diversification, a relatively low proportion of equities, low currency risk and strict limits for operative management. The policy sets the framework for the proportion of capital that may be invested in equities and interest-bearing securities. The share portfolio is largely to be managed close to index.

Save the Children Sweden will, in its asset management, strive to be a responsible investor. The companies invested in must be characterised by care for a healthy environment, decent social conditions and good corporate governance. The companies included in the funds will operate in accordance with the international conventions signed by Sweden. Save the Children Sweden follows the SFC Guidelines that asset management policy ethical aspects be linked to Save the Children Sweden's objectives and purpose, that these objectives are measurable and can be followed up and that the investment policy is fully transparent.

Capital is primarily invested in indexed equity funds, interest funds and alternative products. The companies included in the funds will operate in accordance with the international conventions signed by Sweden. Save the Children Sweden invests only in companies that earn less than 5% of their revenue from operations concerning alcohol, pornography, tobacco or weapons. The aim is to always prioritise investment products with limits lower than 5% that also fulfil the remaining policy stipulations. Indexed low-cost management is the best of these.

Save the Children Sweden influences and supports companies to enable them to work with children's rights through the Children's Rights and Business Principles. Save the Children Sweden may, in this context, interact with companies that it cannot invest in or lend to.

Save the Children Sweden's aim is to exert influence through its asset management. Based on its investment philosophy and the investment options selected, Save the Children Sweden exerts indirect impact on the entire market. Save the Children Sweden is also able, through its investments, to directly affect companies in matters that are within the organisation's core area.

Assets are managed by external managers. Save the Children Sweden places great responsibility on their investment managers. These managers are responsible for ensuring that fund management takes place according to ethical criteria (international conventions and negative criteria) that Save the Children Sweden have set up. The manager may make use of an external party or internal resources to ensure compliance. If management does not meet the criteria stated by Save the Children Sweden in important respects, the holdings in question must be divested.

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<sup>1</sup> Charity Rating is an NGO that examines how NGOs work and use funds raised.

A special report on long-term asset management development is submitted and any deviations from the approved mandate and limits are monitored by the Committee on a monthly basis and presented to the Board with the quarterly financial reports.

The average fixed management cost of the total equity portfolio represented 0.28% at year-end 2014.

## **7. Financial position**

Save the Children Sweden regularly monitors operations through a variety of reports such as the Annual Report, Management Report, tertiary reports, human resources accounting, internal controls, sustainability report, impact report and SFC quality code.

Underlying data for follow-up is obtained via annual and tertiary reports from different parts of operations, follow-up of a sample of SFC key ratios and the indicators attached to the organisation's long-term goals. There are also tools to evaluate advocacy activities, and methods to estimate how many people are reached in the international programmes.

On 1 January 2014, K3 became the regulatory legal framework for the Annual Accounts and must be applied by all larger-scale organisations. Swedish Fundraising Control requires all 90 account holders, such as Save the Children Sweden, to apply the K3 regulations.

A new regulatory system means, among other things, changes in regulations concerning the reporting of donations and grants. Donations are recognised as revenue when they are paid to the Save the Children Sweden. Grants are recognised as revenue when the conditions for obtaining the grant have been met. This means that the grant (revenue) is recognised only when Save the Children Sweden has incurred costs for the operations i.e. when they have been utilised. The K3 regulatory framework implies that certain revenues previously reported as donations must be reclassified as grants. This applies to donations that have a repayment obligation.

These accounting changes will primarily affect parts of the income that Save the Children Sweden has received from the IKEA Foundation, Postcode Lottery and Radiohjälpen. They are now recognised as grants rather than donations.

The Annual Report 2014 is the first to be established under the K3 regulations. The figures from the 2013 Annual Report have been adjusted according to the K3 regulatory framework to facilitate comparison. The figures in brackets are thus consistently K3-adjusted values and all analyses are made using them. However it is then more difficult to compare these values with the figures from previous years, although it is possible to deduce trends.

### **7.1 Save the Children Sweden operations**

The map on the next page shows Save the Children Sweden operations in 2014 and how costs are distributed regionally and by operating area. Save the Children Sweden operations are run and monitored on both financial and qualitative terms within the priority operating areas: Child Rights Governance and Child Protection.

Save the Children Sweden operates both humanitarian and long-term development work in these areas and also supports programmes in other areas such as health. In Sweden there is an additional priority area in children's right to education. The map on the next page marks the areas of activity in various countries.

The map also shows where Save the Children Sweden has been involved in humanitarian inputs during the year. Humanitarian operations largely take place within priority operating areas. In 2014, an estimated 35% of total international programme costs were used in humanitarian operations.

### **Child Rights Governance**

Save the Children Sweden works to ensure that states do what it takes for all children to have their rights respected. The UNCRC forms the foundation and we work to develop and strengthen states' structures to enable them to live up to the UNCRC. Save the Children advocates for governments to report to the UN Committee on Children's Rights, supports local organisations in their efforts to submit a supplementary report and itself submits a supplementary report to call attention to shortcomings in the implementation of the UNCRC in Sweden. Save the Children Sweden also works to encourage agencies to become better at listening to children's voices. Because children's right to survival and development are included in the UNCRC, this also relates to Save the Children Sweden's humanitarian operations.

In our work on Child Rights Governance also includes efforts to convince companies to integrate children's rights into their operations.

### **Child Protection**

Save the Children Sweden works to prevent violence against children and so that children who are exposed to violence or abuse receive the protection and rehabilitation services they are entitled to. There must be national safety systems and all children must be guaranteed their rights. In Sweden, Save the Children focuses on violence against children and children who have witnessed violence in the home, on the situation of children in schools and in institutions and the strengthening of the rights of unaccompanied refugee children. Internationally, Save the Children works with children's right to psychosocial support, to prevent them being subjected to sexual abuse and violence and that children should be with family or other adults they feel secure with in both development inputs and in humanitarian operations.

### **Children's rights to education**

Save the Children Sweden conducts advocacy to ensure that all children are entitled to a good-quality education and for states to invest sufficient resources in education. The organisation works internationally to reduce violence and abuse in the school environment as well making education available to children in war, armed conflicts and natural disasters. In Sweden, Save the Children works to ensure that children - especially the most vulnerable - have their rights to education fulfilled.

## **7.2 Income<sup>2</sup>**

Save the Children Sweden's total income continues to increase in accordance with the Save the Children Sweden vision of expanding operations and thereby strengthening children's rights. In 2014 income increased by approximately 6.6% and amounted to MSEK 1 100.5 (MSEK 1 032.1). Of total income, operating income amounted to MSEK 1093.6 (MSEK 1 017.3) which consisted of membership fees, donations, grants, net sales and other revenues. Totally, operating income increased by around 7.5% in 2014 as compared to 2013. Remaining income came from financial investments and amounted to MSEK 6.9 (MSEK14.8). This sum formed only 0.6% of income.

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<sup>2</sup> Previous year's figures are adjusted in accordance with K3 and reported in brackets

Total income trends over time can be found in the figure below. In order to distinguish trends, the 2013 figures, both under previous accounting principles (red line) and in accordance with the K3 regulations (\* blue line), are shown in the figure.

### **Donations**

Total donations declined in 2014 by about 5.5% and amounted to MSEK 354.9 (MSEK 375.6). Donations are distributed between public fundraising, Save the Children Sweden local branches, Save the Children International, bequests, business partnerships, Postcode Lottery, Radiohjälpen and others.

The decrease compared to the previous year was due to Save the Children Sweden receiving fewer donations, primarily for disaster relief, both from the public and other donors (see Note 4).

Fundraising from the public decreased in 2014 and amounted to MSEK 217.4 (MSEK 226.2). The decrease mainly applies to the Disaster Fund. Save the Children Sweden has actively worked to instead increase monthly donations. This effort has succeeded, and income from this source increased by MSEK 5.4 as compared with 2013.

Fundraising by Save the Children Sweden's local branches decreased slightly in 2014 compared with the previous year and amounted to MSEK 3.3 (MSEK 4.0).

Save the Children Sweden receives income from other members of the Save the Children International who do not carry out their own programming. In 2014, this income amounted to MSEK 13.6 (MSEK 15.3).

Bequests were, compared to 2013, largely unchanged in 2014 and amounted to MSEK 34.6 (MSEK 34.8).

Income from corporate partnerships decreased slightly compared to the previous year and amounted to MSEK 29.8 (MSEK 31.8).

In 2014, the Swedish Postcode Lottery contributed MSEK 53.0 (MSEK 55.3). In addition to the general support from the Postcode Lottery, Save the Children Sweden applied for grants for special projects in specific areas. These funds are reported as grants in accordance with the new accounting regulations (see below under Grants).

The new regulations mean that Save the Children Sweden recognises the value of donations made during the year and donated onwards however these are not recognised in the Income Statement. These are tangible assets and the value of these amounted to MSEK 5.8 (MSEK 10.8). Save the Children Sweden also received other types of donations during the year that have not been valued (e.g. pro bono services, advertising discounts, and provision of conference facilities).

### **Grants**

Grants are divided into grants from foundations, Postcode Lottery, Radiohjälpen, Sida, other Swedish authorities, the EU and the UN, and other foreign/international bodies. The new K3 accounting regulations mean that donations that are repayable are now considered grants and this primarily affects income from collaboration with companies i.e. parts of income previously reported as donations from the IKEA Foundation, Radiohjälpen and Post Code Lottery.

The total grant income increased in 2014 by more than MSEK 100, i.e. 16.2% as compared with 2013, and amounted to MSEK 722.7 (MSEK 622.0). This is due to increased grants from public sector donors.

Grant income from foundations, corporate partnerships and other donors declined overall during the year and amounted to MSEK 88.4 (MSEK 115.6). Grants from foundations decreased and amounted to MSEK 73.7 (MSEK 93.5 million). By far the largest donor in the foundations group was the IKEA Foundation which accounted for 90.5% of these grants and whose contribution amounted to MSEK 67.7 million (MSEK 77.7) in 2014.

In addition to the general support from the Postcode Lottery (see Donations) Save the Children Sweden applied for grants for special projects in specific areas. Grant revenue for special projects increased slightly in 2014 and amounted to MSEK 3.5 (MSEK 3.3). Grants from Radiohjälpen declined in 2014 and amounted to MSEK 8.8 (MSEK 10.8). Also income from other donors decreased and amounted to MSEK 2.4 (MSEK 8) in 2014.

Save the Children Sweden income from public sector donors increased in 2014 by 25.3% and amounted to MSEK 634.3 (MSEK 506.4). These grants represent 87.8% of the 2014 total grant income of MSEK 722.7. The largest donor was Sida whose grants during the year totalled MSEK 399.3 (MSEK 312.2). Grants from the EU, the UN and Swedish government agencies also increased. Grants from the EU and the UN amounted to MSEK 183.9 (MSEK 150) and funding from Swedish government agencies amounted to MSEK 19.1 (MSEK 7.6). Grant income from other foreign/international bodies declined in 2014 and amounted to MSEK 32.0 (MSEK 36.6).

<b>Key ratios, grants</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2013*</b>	<b>2014</b>
Grants/operating income	48.6%	57.5%	55.7%	53.1%	61.1%	66.1%

\*: Total Grants 2013 has been adjusted in accordance with K3 accounting principles in order to facilitate comparison.

## **Funds raised**

As mentioned earlier, the effect of changes to accounting principles is that donations and grants are recognised differently in 2014 as compared to the previous year. Funding subject to conditions relating to the repayment obligation is classified as a grant. With this new system, the reported grant income is dependent on signed grant agreements, and the pace at which operations are completed. Grants from public sector donors are not affected by the changes in accounting principles but income recognition is dependent on signed agreements and the rate at which operations are carried out.

In order to compare key ratios for funds raised and operating income in previous years, 2013 has been adjusted and restated in accordance with the new regulations. Funds raised in 2014 consist of donations reported in the Income Statement, donations passed forward but which are not recognised in the Income Statement and grants that are recognised in the Income Statement (excluding public sector donors). (See also Note 4 on the Income Statement).

<b>Key ratios - funds raised</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2013*</b>	<b>2014</b>
Fundraising costs/Funds raised	14.5%	16.1%	14.9%	15.3%	13.7%	15.4%
Funds raised/Operating income	48.6%	40.1%	41.8%	44.9%	49.3%	41.1%

*\*: Funds raised and Operating income 2013 have been adjusted in accordance with K3 accounting principles in order to facilitate comparison.*

### **Membership fees**

In recent years, membership fees have remained at a fairly constant level. In 2014 they amounted to MSEK 12.4 (MSEK 12.8). The decrease is due to the lower number of individual members, and an increase in the number of household members. There were 75 955 (75 851) members at the end of 2014.

### **Net sales and other income**

In 2014, net sales (goods and services sold) and other income (primarily rental income) amounted to MSEK 3.6 million (MSEK 6.9). The decrease compared with the previous year is due in part to the closing down of the online Save the Children design shop.

### **Earnings from long-term capital management**

According to the Save the Children Sweden Asset Management Policy, the goal of the long-term portfolio is a performance expectation of 3% in real terms per year over a rolling five year period. Fund management will primarily be carried out by external managers and the share portfolio will mostly be managed close to index.

At end 2014, the market value of the long-term funds amounted to MSEK 354.5. The long-term asset earnings in 2014 were 10.0% after costs. The increase is explained by the strong rise in the share portfolio, actually 17.3%, due to the very robust upward trend in world share markets. In the fixed income portfolio and the portfolio of alternative investments, the trend was also positive at 4.4% and 3.5% respectively.

One contributing factor to global equity funds' strong performance in 2014 was the US dollar's rise relative to the Swedish krona. This trend was, however, not fully reflected in Save the Children Sweden's global equity portfolio, since approximately one third of the portfolio is hedged for risk mitigation purposes, mainly against the US dollar.

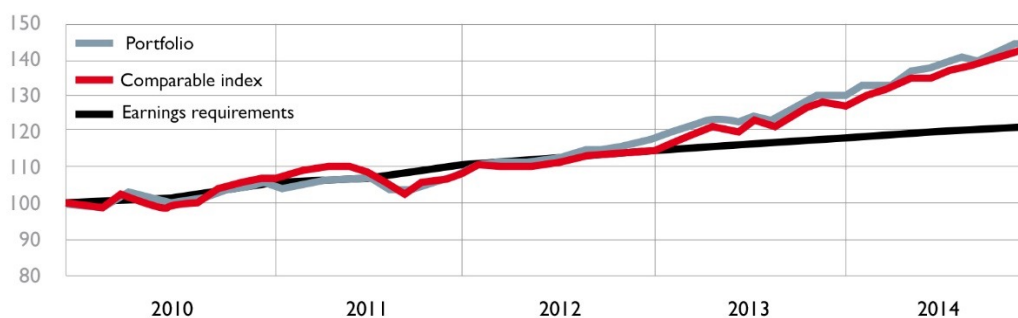
The fixed income portfolio's relatively strong performance is mainly explained by the Riksbank's gradual interest rate cuts in 2014 which exerted a positive effect, particularly on the mortgage and government securities portfolio which developed positively by 6.5%. Also investment grade corporate bond holdings went up by 2.7%, while high yield holdings declined by -15.7% primarily because of the market's low levels of risk appetite in the autumn of 2014. The latter, however, has little impact on the fixed income portfolio in its entirety due to limited exposure (limit set at 10%).

The alternative holdings showed an overall stable, positive trend during the year of 3.5%.

Over five years, the long-term equity portfolio return is 7.4% per year in nominal terms. The earnings target of 3% in real terms per annum for the same period forms 3.9% of the annual earnings in nominal terms, consequently the portfolio has over-performed by 3.5% percent per year over the past five-year period.



### Accumulated value trend for 5 year index = 100



the fixed income portfolio for 47.7% and alternative investments 8.1%. This puts the asset classes within their stipulated limits i.e. that shareholding may amount to a maximum of 47% and fixed-income portfolio to a minimum of 43%.<sup>1E,</sup>

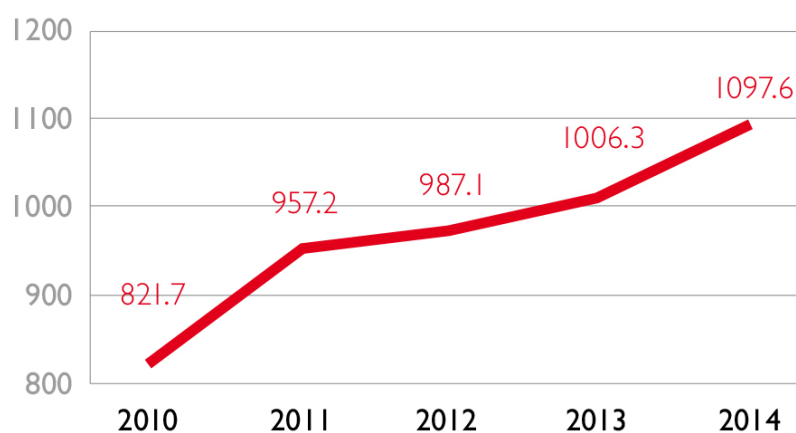
At the end of 2014 the size of the long-term equity portfolio, measured by market value, corresponded to 32.2% of Save the Children Sweden's turnover and 86% of its equity. The assessment is that the amount of long-term assets under management are at a reasonable level.

In addition to its long-term investment assets portfolio, Save the Children Sweden, as part of managing liquidity risks and maintaining adequate liquidity, also operates a short-term liquidity management. These assets consist primarily of bank funds. In addition, there is a portfolio of bequeathed shares and mutual funds, which are divested gradually as they are received. At the end of 2014, the short-term portfolio amounted to SEK 854 000.

### 7.3 Costs

Save the Children Sweden's operating expenses include project costs as well as costs related to fundraising and administration. Project costs consist of the expenses Save the Children Sweden incurs when implementing its tasks as stipulated in the by-laws: i.e. achieving sustainable results for children. These costs are incurred as a direct result of an activity aimed at achieving this purpose. Save the Children Sweden's operating costs during the year amounted to MSEK 1 087.6 (MSEK 1006.3), an increase of 9.1% over the previous year.

## Operating costs



### Project costs

Save the Children Sweden project costs consist of programme costs and membership costs (see Notes 5 and 6), i.e. the costs incurred by operations in Sweden and abroad and for supporting the member's movement. During the year, these amounted to MSEK 989.7 (MSEK 896.8).

Programme costs (including programme support costs) increased in 2014 by about 10.2% and totalled MSEK 965.9 (MSEK 876.3). These costs and their increase include both national and international operations. The largest cost increase seen from a regional distribution perspective took place in Southeast Asia (due to the natural disaster in the Philippines), the Middle East and North Africa (due to the crisis in Syria). In terms of amounts, greatest cost increases can be observed in the field of child rights governance - one of Save the Children Sweden priority areas.

The percentage distribution of the costs of programme activities by operating area (excluding programme support costs) over the past five years are shown in the Programme costs per operating area table. 74% of programme costs go to Save the Children Sweden priority areas according to its Strategic Policy 2013-2016.

<b>Programme costs per operating area</b> (percentage distribution excluding programme support costs)	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Child Protection	36%	37%	39%	42%	37%
Child Rights Governance	22%	18%	17%	15%	19%
Education	27%	22%	20%	19%	18%
Other thematic areas	15%	23%	24%	24%	27%
	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

### Fundraising and administration costs

Net costs for fundraising amounted to MSEK 69.1 (MSEK 68.8). The increase in these costs is part of Save the Children Sweden's efforts to secure long-term, stable funding. During the year, efforts were primarily aimed at increasing the recruitment of monthly donors.

Administration costs are necessary to ensure good quality controls and reporting both internally and externally. In 2014, these amounted to MSEK 38.8 (MSEK 40.7).

Fundraising and administration costs decreased in 2014 and represented 10% of total income (11%). Save the Children Sweden's ambition is that these costs should be kept at a reasonable level in relation to how much is spent on actual operations. This level must ensure that the organisation is able to comply with internal and external regulations, guidelines and requirements for good internal control. Administrative costs must therefore be related to the value they contribute to Save the Children Sweden operations.

(MSEK)	2010	2011	2012	2013	2013*	2014
Project costs; Programmes	702.6	839.7	865.9	876.3	876.3	965.9
Project costs; Membership	19.9	21.5	22.3	20.5	20.5	23.8
Fundraising costs	63.9	62.9	62.1	68.8	68.8	69.1
Administration costs	35.3	33.1	36.8	40.7	40.7	38.8
Total costs	821.7	957.2	987.1	1006.3	1006.3	1097.6
Total income	910.6	986.7	1007.5	1016.5	1032.0	1100.5
Fundraising & Administration/Total income	11%	10%	10%	11%	11%	10%

\*: Total income for 2013 has been adjusted in accordance with K3 accounting principles in order to facilitate comparison.

## 7.4 Financial outcome

Net income is MSEK 2.9 (MSEK 25.7), including net financial items. The year's provision for project funds which are a result of donations received that have not yet been used for operations as well as free provisions according to Board decision, total MSEK 40.7 (MSEK 48.7). A large part of this year's reservation concerns provisions that the Board had already taken a decision on i.e. MSEK 30.2. The remaining MSEK 10.5 relates to provisions for purposes determined by donors for funds not yet used in 2014.

Utilisation of earmarked funds from the previous year amounted to MSEK 33.3 (MSEK 40.4). A large part of this year's use of funds from previous years is linked to specific agreements with the Postcode Lottery plus some agreements within corporate partnerships.

Save the Children Sweden's outcome in 2014 amounted to MSEK -4.5 (MSEK 17.5) and represents the change in free equity. The Save the Children Sweden economy must be in balance. With a turnover of MSEK 1 097.6, it is assessed that a loss of MSEK -4.5 is within the framework of a balanced economy.

Save the Children Sweden had, at the end of 2014, unrestricted equity (i.e. Save the Children Sweden Fund and Balanced Capital) of MSEK 258.7. Save the Children Sweden's ambition is to work toward equity corresponding to at least one year's operating expenses in accordance with the SFC guidelines.

### **7.5 Foundation management**

At year end 2014, Save the Children Sweden managed six foundations whose restricted foundation capital amounted to MSEK 25.8 (MSEK 25.6) in book value. Market value amounted to MSEK 36.2 (MSEK 32.1).

## **8. Significant decisions and events in 2014**

### **25th anniversary of the UN Convention on the Rights of the Child**

The Children's Convention celebrated its 25th anniversary in 2014. The day was celebrated with activities in Sweden and also at the UN General Assembly in New York. Save the Children Sweden was in attendance and arranged a seminar that described how international efforts against physical punishment could be developed.

### **General election in Sweden**

In the spring and autumn 2014, Save the Children Sweden worked intensively with the September general election on its election issue: child poverty. The election campaign set its sights on the municipalities and the goal was to significantly increase awareness of child poverty among local politicians.

Save the Children Sweden also conducted a campaign prior to the European Parliamentary election highlighting three focus issues: the situation of Roma children, refugee children and physical punishment. The campaign attracted attention, among other successes Swedish TV broadcast the seminar on Roma children.

Prior to the general election year, the Board adopted a specific position statement on Save the Children Sweden's relationship with the Sweden Democratic Party. This position states that there are crucial differences between the values of Save the Children Sweden and the Sweden Democratic Party. Among other things, the party's opposition to Sweden being a place of safety for refugee children and the rejection of a multicultural social structure. In area after area a view of human beings is manifested that is unacceptable to Save the Children Sweden. Consequently, Save the Children Sweden does not participate in Sweden Democrat arrangements and do not invite the party to Save the Children Sweden arrangements.

In April the *Young Voice* survey was launched. The survey involved 25 000 children in 80 municipalities across Sweden. Young Voice is the largest survey of its kind and is included as an important part of programme and advocacy operations in Sweden.

### **In-house development**

Possessing the competence and capabilities required for success is crucial to Save the Children Sweden. Consequently, efforts continue to develop manager and employee skills through the education/training programme entitled *Save the Children Academy*. Competence development takes place both in ongoing work and in special forums for learning.

### **Save the Children globally**

At the Save the Children membership meeting in Berlin in June, Germany and Switzerland were welcomed as full members. The meeting in Berlin was the official start of the new global strategy

development process. This will set the direction for Save the Children as a whole and the organisation's priorities up to 2030. The meeting also held a youth forum on the initiative of the Save the Children Sweden Youth Council.

2014 was the first full operating year when virtually all national member organisations' international programme activities were managed by Save the Children International. This has enabled a coherent review of systems and processes from an efficiency perspective.

Only programme activities in Sudan have not yet been transferred to Save the Children International and are therefore managed by Save the Children Sweden (see 5.4 Foreign branches/regional offices).

One positive development in 2014 was that three additional countries took decisive steps in the process of creating national member organisations to join the global Save the Children movement: Colombia, the Philippines and Indonesia.

### **Development of humanitarian action**

In 2014, increasing demands were imposed on both countries and humanitarian actors in order to meet the growing need for help. The number of donors increased during the year as well as the number of humanitarian operations. This naturally affected Save the Children Sweden's humanitarian activities and a number of major crises dominated relief efforts such as the conflicts in Syria, Central African Republic, and South Sudan.

The outbreak of Ebola, which particularly affected Liberia, Sierra Leone and Guinea, was the worst since the virus was discovered in 1976 and took more than 8 000 human lives in 2014.

Save the Children took the decision to undertake a humanitarian project in an area where the organisation had previously almost no experience: a major medical care initiative. Save the Children Sweden primarily contributed to work on child protection, but also technical and operational support. The challenges were many, not least recruiting staff with the necessary skills. These operations will be evaluated in 2015.

However, there were also more protracted crises caused by conflicts and natural disasters, which led to the major humanitarian input needs such as in the Central African Republic, the Democratic Republic of Congo, Sudan, the Sahel region, Somalia and Ukraine. In total, tens of millions of people were affected, especially children. Save the Children Sweden contributed interventions for vulnerable children in all these humanitarian crises and has continued to further develop its humanitarian operations in 2014.

### **Global advocacy**

Save the Children Sweden worked actively in 2014 to influence the new Sustainable Development Goals - SDGs - that will replace the UN's Millennium Development Goals in 2015. Among other things, Save the Children has encouraged the Swedish Government to become an active driving force to ensure that child protection is included as a specific objective.

In 2014, Save the Children Sweden, together with Plan International in Sweden, published a report on how Sweden complies with Article Four of the UNCRC in terms of international cooperation. This report was included as an annex to the Save the Children Sweden's supplementary report to the UN Committee on Children's Rights. It has also been used in advocacy work aimed at Sida, in meetings, during the Almedal Political Week and in talks with the Foreign Ministry. Save the Children Sweden, for example, pointed out the lack of a clear child rights perspective in Sida's development cooperation and called for an updated child rights strategy.

### **Successful model for eradicating physical punishment of children**

In December 2014, the programme supported by Save the Children entitled *Safer homes and local communities* in the Philippines became a signature programme of Save the Children (signature programmes must be evidence-based, replicable and enable mobilisation).

This programme aims to prevent physical punishment of children in the home and in schools and is based on a combination of various interventions. Through knowledge sharing, training for parents, carers and teachers, attitude and behavioural changes can be achieved. At the same time cooperation with legislators, politicians and other stakeholders is aimed at bringing about legal and policy changes at local, regional and national levels. The objective of a signature programme is to bring about change, not just in one country. It must be possible to replicate the model in other countries so that the same method can achieve change for children on a larger scale.

## **9. External factors that impact Save the Children**

### **Operational problems for civil society**

Since the early 2000s there has been a strong global trend of states increasingly trying to control and monitor civil society. Save the Children Sweden observes that this trend has continued in 2014. Political processes to prevent civil society operating freely have been ongoing in a number of countries where Save the Children operates, including Ethiopia, Kenya, Somalia, Sudan, South Sudan and Zambia. Not only civil society is critical of this situation, donors also emphasise the importance of protecting civil society and its ability to operate. In 2014, for example, the EU carried out a strategic process that involved all delegations exploring how to more actively defend, support and cooperate with civil society in developing countries. In Mexico the civil society situation was discussed at the High Level Meeting of the Global Partnership for Effective Development Cooperation.

### **Serious humanitarian crises**

More, larger-scale and serious humanitarian crises than ever before in the post-war period characterised 2014 in several ways. It was a clear resource challenge to be able to respond to humanitarian needs in so many places, not least as regards access to personnel with proper expertise within the Save the Children core area of child protection. Another challenge was the "forgotten" disasters and conflicts because media only focuses on a small number of disasters at a time. One such example is the situation in Darfur, Sudan which continues to be an emergency.

In 2014 it has also become even clearer that the humanitarian assistance situation is increasingly complex in terms of the safety of the population and the aid workers. The balance between gaining access to people in need and keeping states accountable for violations of children's rights, complicates humanitarian operations.

### **Currency effects on international operations**

The SEK fell in 2014 by about 20% against the US dollar. In most of the countries where Save the Children International works, activities are based on budgeting in US dollars. Consequently Save the Children Sweden has become progressively less able to finance operations with the same amounts and the trend towards the end of the year was quite alarming with an obvious risk of continued SEK weakening.

## **10. Significant events after financial year end**

### **The Future Study**

We live in a changing world which affects Save the Children Sweden's ability to function as a strong child rights actor. Consequently the Board, prior to the General Assembly in 2014, took a

decision to initiate a Future Study. This will take 18 months from 2015 until the autumn of 2016 when the results will be presented at the membership meeting in September. The points of departure for the study consist of three broad issues:

- What is a good society for children, what do Save the Children Sweden want to see in the future?
- What role will we, as children's rights organisation, play in the future?
- What type of organisation do we want to Save the Children Sweden to be in 2030?

### **Internationally**

On 20 January, Somalia became the 195<sup>th</sup> state to ratify the UN Convention on the Rights of the Child. This leaves only two states that have not ratified the Convention: South Sudan and the United States.

In Lebanon, visa restrictions have been imposed on foreign citizens which could have serious consequences for Save the Children operations in the country, including humanitarian operations for refugees from Syria. Legislation also limits the number of Syrian teachers who can work in the Lebanese school system.

### **Recommendations from the UN Children's Rights Committee**

In March 2014, Save the Children Sweden submitted its supplementary report to the UN Committee for Children's Rights. The Committee reviewed the Swedish Government at a hearing in mid-January 2015 and took up many of the issues Save the Children Sweden highlighted in its report. In early February the Committee published its recommendations to Sweden. Of the more than 80 recommendations, at least 34 could be traced to issues that Save the Children Sweden highlighted in its report which had been a joint effort between the headquarters, the Board and the member's movement. Members are now actively disseminating the recommendations to local government around the country. These recommendations will be important for Save the Children Sweden's work over the next five years.

## **I I. Future developments**

In June 2015, Save the Children member organisations will meet at their annual membership meeting to discuss the next global strategy that will apply for the entire, global organisation. A decision to adopt this new strategy will be taken by Save the Children member organisations in August 2015. The new strategy will apply from 2016 and will include both a long-term aim with a view to 2030 and a strategic plan for 2016-2018 which will formulate the highest priorities for Save the Children and its member organisations.

This will make history. For the first time since its inception nearly 100 years ago, the global Save the Children movement will have common objectives and strategy to achieve immediate and lasting change for children and children's rights. The Save the Children movement's global strategy will be its contribution to the UN's new global sustainable development goals (SDG) which will be adopted in 2015.

Save the Children Sweden will, at its General Assembly in 2016, adopt new operational focus for 2017-2020 based on the new global strategy. These will also be affected by the outcome of Save the Children Sweden's Future Study.

### **Future challenges**

A central issue for Save the Children Sweden's future development concerns how resources and operations should be prioritised. Children in the poorest and most disadvantaged and fragile countries in the world are obviously in focus. While a very large number of children are living in poverty and vulnerability in the growing number of middle-income countries in the world, and there are also unacceptable levels of child poverty in the richest countries, including Sweden. As a leading independent global actor for children's rights, Save the Children Sweden must, in the future, also be able to work with and for children in all these contexts.

Similarly, operations needs to be further developed for the large number of children living on the run or in situations of chronic vulnerability. This is about preparations and prevention before disasters strike, to reduce children's and communities' vulnerability by increasing their resilience. It is also about holding states accountable, or other actors where the state is unable and/or unwilling to act. It is also about engaging in dialogue with donors to create an understanding of this holistic approach.

More than 230 million children around the world were affected by war and conflict in 2014. UNHCR, the UN refugee agency, reported in June 2014 that the number of people who, in one year, had to flee their homes exceeded 50 million people for the first time since World War II. More than half of them were children.

We need new, innovative strategies for how Save the Children Sweden and other actors can ensure that humanitarian assistance and long-term development collaborate in the best possible manner in order to meet children's needs and satisfy their basic rights. Save the Children Sweden wants to offer children who come to Sweden security, protection and safe escape routes.



## INCOME STATEMENT 2014

Amounts in SEK thousand		2014	2013
<b>Operating income</b>			
Membership fees	Note 3	12 400	12 832
Donations	Note 4	354 938	375 571
Grants	Note 4	722 715	622 008
Net turnover		2 442	3 793
Other income		1 166	3 064
<b>Total operating income</b>		<b>1 093 661</b>	<b>1 017 268</b>
<b>Operating expenses</b>			
<b>Project costs</b>			
Programme costs	Note 5,6,7,8	-965 869	-876 319
Membership costs	Note 6,7,8	-23 802	-20 486
		<b>-989 671</b>	<b>-896 805</b>
<b>Fundraising and administration costs</b>			
Fundraising costs	Note 6,7,8	-69 148	-68 770
Administration costs	Note 6,7,8	-38 802	-40 762
		<b>-107 950</b>	<b>-109 532</b>
<b>Total operating expenses</b>		<b>-1 097 621</b>	<b>-1 006 337</b>
<b>Operating profit/loss</b>		<b>-3 960</b>	<b>10 931</b>
<b>Outcome of financial investments</b>	Note 9	<b>6 868</b>	<b>14 814</b>
<b>Year's outcome</b>		<b>2 908</b>	<b>25 745</b>
<b>Appropriation of year's profit/loss</b>			
Year's outcome according to Income Statement		2 908	25 745
Utilisation of project funds from previous year		33 285	40 435
Reservation of project funds not utilised during year			
Free reservations in accordance with Board decision		-40 697	-48 715
<b>Remaining amount for year/capital carried over</b>		<b>-4 504</b>	<b>17 465</b>

## BALANCE SHEET

Amounts in SEK thousand	2014-12-31	2013-12-31	
<b>ASSETS</b>			
<b>Fixed assets</b>			
<i>Intangible fixed assets</i>			
Software	Note 10	1 390	208
		<b>1 390</b>	<b>208</b>
<i>Tangible fixed assets</i>			
Real estate property	Note 11	0	0
Inventory and installations	Note 12	722	467
		<b>722</b>	<b>467</b>
<i>Financial fixed assets</i>			
Interest in Rädga Barnens Serviceaktiebolag	Note 13	908	908
Investments held as fixed assets	Note 14	292 310	282 821
Long-term receivables	Note 15	113 436	74 689
		<b>406 654</b>	<b>358 418</b>
<b>Total fixed assets</b>		<b>408 766</b>	<b>359 093</b>
<b>Current assets</b>			
<i>Current receivables</i>			
Accounts receivable		4 177	5 029
Other receivables	Note 16	53 742	107 181
Pre-paid costs and accrued income	Note 17	51 419	60 852
		<b>109 338</b>	<b>173 062</b>
<i>Property etc. intended for sale</i>		<b>2 373</b>	<b>1 058</b>
<i>Current investments</i>	Note 18	<b>697</b>	<b>870</b>
<i>Cash and bank balances</i>		<b>356 945</b>	<b>323 604</b>
<b>Total current assets</b>		<b>469 353</b>	<b>498 594</b>
<b>TOTAL ASSETS</b>		<b>878 119</b>	<b>857 687</b>

## EQUITY AND LIABILITIES

### *Equity*

Funds managed	12 808	12 808
Rädda Barnen Fund	110 000	110 000
Value adjustment fund	25 000	18 500
Ear-marked capital	114 384	113 472
Capital carried over	148 682	153 186
	<b>410 874</b>	<b>407 966</b>

### *Provisions*

Note 19

Provisions for employees	6 308	16 988
	<b>6 308</b>	<b>16 988</b>

### *Long-term liabilities*

Debts to Rädda Barnens Serviceaktiebolag	100	100
	<b>100</b>	<b>100</b>

### *Current liabilities*

Accounts payable	21 445	31 909
Debt due to non utilisation of grants	Note 20 324 468	287 681
Other debts	84 727	77 239
Accrued costs and pre-paid income	Note 21 30 197	35 804
	<b>460 837</b>	<b>432 633</b>

### **TOTAL EQUITY AND LIABILITIES**

**878 119**      **857 687**

Pledged assets	<b>None</b>	<b>None</b>
Contingencies	Note 22 <b>12 492</b>	<b>12 142</b>

## CASH FLOW ANALYSIS

Amounts in SEK thousand	2014	2013
<b>Day-to-day operations</b>		
Payments from donors, members etc.	1 199 147	1 099 762
Payments to cooperating partners, employees, suppliers etc.	-1 123 713	-980 368
<b>Cash flow from day-to-day operations before interest and income taxes</b>	<b>75 434</b>	<b>119 394</b>
Interest received	4 487	4 803
Dividend received	3 689	3 700
Interest paid	-13	-8
<b>Cash flow from day-to-day operations</b>	<b>83 597</b>	<b>127 889</b>
<b>Investment activities</b>		
Investment in intangible fixed assets	-1 726	-208
Investment in tangible fixed assets	-602	-137
Tangible fixed assets sold	1 058	1 421
Investment in financial fixed assets	-93 363	-109 126
Divesting of financial fixed assets	44 193	88 182
Reduction of current investments	-724	27 299
<b>Cashflow from investment activities</b>	<b>-51 164</b>	<b>7 431</b>
<b>Year's cash flow</b>	<b>32 433</b>	<b>135 320</b>
Liquid assets at year start	323 604	188 620
Exchange rate differences in liquid assets	908	-336
<b>Liquid assets at year end</b>	<b>356 945</b>	<b>323 604</b>

## CHANGES TO EQUITY

Amounts in SEK thousand

Equity 2014-12-31 2013-12-31

	Funds managed	RB Fund	Value adjustment Fund	Earmarked capital	Capital brought forward	Total equity	Total equity
Opening balance	12 808	110 000	18 500	113 472	153 186	407 966	382 221
Earmarked by donor	-	-	-	10 467	-	10 467	39 715
Earmarked by Board	-	-	6 500	23 730	-	30 230	9 000
Utilised	-	-	-	-33 285	-	-33 285	-40 435
Remaining amount	-	-	-	-	-4 504	-4 504	17 465
<b>Closing balance</b>	<b>12 808</b>	<b>110 000</b>	<b>25 000</b>	<b>114 384</b>	<b>148 682</b>	<b>410 874</b>	<b>407 966</b>

Specification of earmarked capital	Opening balance 1 Jan 2014	Utilisation of previous year's reserves/ provisions	Year's reserves/ provisions	Closing balance 31 Dec 2014
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### Earmarked by donor

Thematic	58 196	-9 152	5 437	54 481
Region and country	7 260	-3 129	747	4 878
Special projects	32 379	-18 726	4 283	17 936
<b>Total earmarked by donor</b>	<b>97 835</b>	<b>-31 007</b>	<b>10 467</b>	<b>77 295</b>

### Earmarked by Board

Investment costs	1 278	-1 278	0	0
Costs for closing offices abroad	13 109	0	0	13 109
Currency value reserve	0	0	17 500	17 500
Other	1 250	-1 000	6 230	6 480
<b>Total earmarked by Board</b>	<b>15 637</b>	<b>-2 278</b>	<b>23 730</b>	<b>37 089</b>

<b>Total earmarked capital</b>	<b>113 472</b>	<b>-33 285</b>	<b>34 197</b>	<b>114 384</b>
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Opening balance for earmarked capital has been adjusted due to new K3 accounting principles.

Conditional grants with repayment obligations have been

reclassified as debts which has resulted in a reduction in opening balance for earmarked capital of SEK 71 206 000.

Board decision on provisions for 2014 primarily concern a reserve to cover future currency affects and costs for Save the Children International.

## **NOTES ON INCOME STATEMENT AND BALANCE SHEET**

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### **Note 1 Accounting and valuation principles**

Accounting and valuation principles are in line with the Annual Report Act, BFNAR 2012:1 (K3) and SFC Governing Guidelines for Annual Reports. The transfer to K3 regulations brings changes to accounting principles so the comparison year 2013 has been recalculated in accordance with the new principles. The following accounting and valuing principles have been changed due to the transfer to K3: Conditional donations were previously recognised when the donation was made and then reported as earmarked funds in equity. According to K3, donations with a repayment obligation are entered as debts until their conditions have been fulfilled and then they are entered as grants. Conditional donations with repayment obligation which have previously been reported as earmarked funds have been reclassified as debts. Financial assets in the form of securities are recorded as an item valued according to the lowest value principle.

In addition, changes have been made as concerns donated securities. These are sold shortly after donation and the profit/loss is reported as a donation. Previously the profit/loss was reported as part of the financial outcome.

#### **Operating income**

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

#### **Membership fees**

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

#### **Donations**

Donations that are donated forward are not reported as income. A donation entered as income is reported either as an asset or as a cost depending on whether the donation is used directly or not. Donations are generally valued at their actual value.

#### **Grants**

Grants are recognised as income when the conditions for their receipt have been fulfilled. Grants 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 will receive.

#### **Net turnover**

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 expenses**

Save the Children Sweden operating expenses are reported in accordance with SFG guidelines as earmarked, fundraising or administration costs. Earmarked 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 so that each part bears their own costs.

Office costs are distributed according to the proportion of office resources each part utilises.

#### **Earmarked costs**

Earmarked costs concern costs that Save the Children Sweden incurs to implement its tasks in accordance with its statutes.

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 donations 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**

These are valued at acquisition value unless otherwise stated below.

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

**Intangible and tangible fixed assets**

These are valued at acquisition value less depreciation according to plan.

Depreciations 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 shown 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.

**Equity**

Equity concerns the funds that are made available to Save the Children in order to fulfil its aim 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 Earmarked Capital item reports not yet utilised donations and other earmarked funds. Please refer to Equity report. Normally the earmarked funds are utilised during the following operating year.

The RB-fonden and Value Adjustment Fund consist of underlying capital reserved by the Board to cover value changes in invested assets. Non earmarked capital is funds transferred to Save the Children Sweden with no restrictions.

Year's outcome 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.

**Cash flow analysis**

The cash flow analysis has been established using the direct method.

**Regional office abroad**

Save the Children Sweden bears legal liability for one office abroad. This office is responsible for its own financial accounting in accordance with directives from HQ in Stockholm. Consolidation occurs on a continuous basis in the National Association accounting.

**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 Rädde Barnens Serviceaktiebolag. Company turnover was MSEK 7.6 (MSEK 6.5), as compared to Save the Children Sweden operating income of MSEK 1 093.6 (MSEK 1 017.3) so no consolidated accounting is undertaken.

## **NOTES ON INCOME STATEMENT AND BALANCE SHEET**

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### **Note 2 Estimates and assessments**

The major part of international operations are carried out via Save the Children International. Structure and routines are still under construction and have generated extra costs in comparison to those included in existing agreements between Save the Children International and its individual members. The Board has taken a decision to reserve funds to be used if these additional costs must be borne by the members.

Save the Children Sweden's long-term claims concern advance operating capital for Save the Children International. Part of this concerns other currencies which, when valued on Balance Sheet date, caused a larger-scale translation profit. No date for the repayment of these long term claims has been determined. The Board has taken a decision to reserve the entire profit from exchange rate differences for the eventual settlement of these claims. Please refer to Changes to Equity.

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

## **NOTES ON INCOME STATEMENT**

**Amounts in SEK thousand**

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<b>Note 3</b>	<b>2014</b>	<b>2013</b>
<b>Membership fees</b>	<b>12 400</b>	<b>12 832</b>

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 3 207 000 was paid to branches in accordance with the number of paying members stated on membership lists as per 31 Dec 2014.



## NOTES ON INCOME STATEMENT

Amounts in SEK thousand

### Note 4

**Donations and grants** **2014** **2013**

#### Donations recognised in Income Statement

##### Funds raised

Donations from the general public	217 442	226 144
Save the Children Sweden local branches	3 276	4 005
Save the Children International	13 589	15 283
Bequests	34 567	34 834
Corporate collaboration	29 805	31 760
Post Code Lottery	53 000	55 300
Radiohjälpen	0	1 502
Othert	3 259	6 743
<b>Total donations in Income Statement</b>	<b>354 938</b>	<b>375 571</b>

#### Donations not reported in Income Statement

##### Funds raised - estimated amounts

Donations donated forwards	5 759	10 758
<b>Total donations not reported in Income Statement</b>	<b>5 759</b>	<b>10 758</b>

In addition to the above, donations have been received whose value in SEK has not been established.

These concern pro bono services, use of premises, discounts etc.

#### Grants reported in Income Statement

##### Funds raised

Foundations	73 724	93 495
Post Code Lottery	3 491	3 334
Radiohjälpen	8 781	10 751
Other	2 406	7 992
<i>Total funds raised (grants)</i>	<i>88 402</i>	<i>115 572</i>

##### Public sector grants

Sida	399 315	312 198
Other Swedish government agencies	19 097	7 652
EU and UN	183 855	149 954
Other foreign/international authorities	32 046	36 632
<i>Total public sector grants</i>	<i>634 313</i>	<i>506 436</i>

**Total grants** **722 715** **622 008**

#### Total funds raised consist of:

Donations recognised in Income Statement	354 938	375 571
Donations not reported in Income Statement	5 759	10 758
Grants reported in Income Statement	88 402	115 572
<b>Total funds raised</b>	<b>449 099</b>	<b>501 901</b>

## NOTES ON INCOME STATEMENT

Amounts in SEK thousand

### Note 5

#### Programme costs per region and thematic area

Per region	2014	Per operating area	2014
Sweden	87 076	Children's right to safety and protection	256 430
Eurasia	23 908	Children's right to education	124 815
East Africa	149 406	Children's right to good governance	130 617
West and Central Africa	74 708	Health, HIV/AIDS, nutrition, living conditions	112 144
Southern Africa	58 309	Humanitarian operations; inputs and coordination	73 233
Middle East and North Africa	185 096	Cross-thematic	74 130
South and Central Asia	78 082	Programme support activities; abroad local/regional	116 599
Southeast Asia	103 824	Programme support activities; International Programme in Sweden	24 275
Latin America	24 024	Programme support activities; Sweden Programme	1 321
Regional	167 012	Programme support activities; central	37 881
<b>Sub-total direct programme operations</b>	<b>951 445</b>	<b>Sub-total direct programme operations</b>	<b>951 445</b>
Distributed costs (see Note 6)	14 424	Distributed costs (see Note 6)	14 424
<b>Total</b>	<b>965 869</b>	<b>Total</b>	<b>965 869</b>

## NOTES ON INCOME STATEMENT

Amounts in SEK thousand

### Note 6

Distribution of costs to Save the Children Sweden thematic areas

	2014				Total costs
	Programmes	Membership	Fundraising	Adm	
<i>Direct programme and fundraising operations</i>	951 445	20 560	60 049	0	1 032 054
<u><i>Distributed costs</i></u>					
Board, management	2 681	207	250	14 665	17 803
Communications	2 583	0	2 072	971	5 626
Employees, financial admin, IT, internal and customer services	9 160	3 035	6 777	23 166	42 138
<i>Total distributed costs</i>	14 424	3 242	9 099	38 802	65 567
<b>Total costs</b>	<b>965 869</b>	<b>23 802</b>	<b>69 148</b>	<b>38 802</b>	<b>1 097 621</b>

## NOTES ON INCOME STATEMENT

Amounts in SEK thousand

### Note 7

#### Average number of employees, employee costs and Board fees

Average number of employees	2014		2013	
	No. of employees	of which men	No. of employees	of which men
Permanent employees, HQ	168	40	160	36
Permanent employees, regional offices in Sweden	59	18	43	11
Fixed-term contract employees HQ	19	2	18	3
Fixed-term project employees, regional offices in S	25	2	27	5
Contract employees abroad	13	8	15	9
EU employees	4	1	2	1
	288	71	265	65

Number of local employees employed abroad at year end 288 (433) of which men 212 (310).

Average number of national employees posted to Save the Children International was 7 (7) of which men 2 (2).

#### Gender balance Board members and upper management

	2014		2013	
	No. On Balance Sheet	of which men	No. On Balance Sheet date	of which men
Board members	14	5	13	5
Management team	6	1	6	1

#### Salaries, remuneration and social insurance charges

	2014	2013
Board and Secretary-General	1 798	1 598
Other employees	116 595	101 462
Total salaries and remuneration	118 393	103 060
Social insurance charges	52 933	53 950
(of which pension costs excluding salary tax)	(11 753)	(17 852)
<b>Total Sweden</b>	<b>171 326</b>	<b>157 010</b>
<b>Contract employees abroad (including soc. Ins.charges, accompanying family)</b>	<b>11 947</b>	<b>12 555</b>
<b>Local employees abroad</b>	<b>31 630</b>	<b>43 461</b>

See Administration Report Section 7.1 concerning Board fees and pension costs.

See Administration Report Section 7.4 concerning employment conditions for Secretary-General and pension costs.

## NOTES ON INCOME STATEMENT

Amounts in SEK thousand

### Note 8

#### Leasing

Save the Children Sweden primarily leases office premises and office equipment. Leasing charges entered as costs amount to SEK 14 470 000 (MSEK 13 950 000).

Future leases come due as follows:	<b>2014</b>	<b>2013</b>
Within 1 year	16 675	14 136
1 - 5 years	31 033	41 201
Later than 5 years	0	0
<b>Total</b>	<b>47 708</b>	<b>55 337</b>

The contract for rental of premises for HQ Sundbyberg lasts till 2018 with an option to prolong until 2021.

### Note 9

#### Outcome from financial investments

*Outcome from securities and receivables that are fixed assets*

Dividends	3 680	3 558
Interest	3 802	3 423
Capital gains from sales	-934	6 289
	<b>6 548</b>	<b>13 270</b>

*Outcomes from securities and receivables that are current assets*

Dividends	9	142
Interest	492	771
Capital gains from sales	-710	678
Reversed depreciation	721	114
	<b>512</b>	<b>1 705</b>

Interest expenses and similar items	-13	-8
Management costs	-179	-153
<b>Total</b>	<b>6 868</b>	<b>14 814</b>

## NOTES ON BALANCE SHEET

Amounts in SEK thousand

<b>Note 10</b>	<b>2014-12-31</b>	<b>2013-12-31</b>
<b>Software</b>		
Opening acquisition value	14 419	14 211
Year's capitalised expenses	1 726	208
Sales and disposals	-1 906	0
<b>Closing accumulated acquisition value</b>	<b>14 239</b>	<b>14 419</b>
Opening depreciation	-14 211	-14 211
Year's depreciation	-544	0
Sales and disposals	1 906	0
<b>Closing accumulated depreciation</b>	<b>-12 849</b>	<b>-14 211</b>
<b>Closing residual value according to plan</b>	<b>1 390</b>	<b>208</b>

<b>Note 11</b>	<b>2014-12-31</b>	<b>2013-12-31</b>
<b>Real estate property</b>		
Opening acquisition value	0	3 786
Sales and disposals	0	-3 786
<b>Closing accumulated acquisition value</b>	<b>0</b>	<b>0</b>
Opening depreciation	0	-3 786
Sales and disposals	0	3 786
<b>Closing accumulated depreciation</b>	<b>0</b>	<b>0</b>
<b>Closing residual value according to plan</b>	<b>0</b>	<b>0</b>

The building was disposed of and transferred to Save the Children International as a donation in 2013.

<b>Note 12</b>	<b>2014-12-31</b>	<b>2013-12-31</b>
<b>Inventory and installations</b>		
Opening acquisition value	14 702	16 448
Year's purchases	602	137
Sales and disposals	-827	-1 883
<b>Closing accumulated acquisition value</b>	<b>14 477</b>	<b>14 702</b>
Opening depreciation	-14 235	-15 393
Year's depreciation	-317	-725
Sales and disposals	797	1 883
<b>Closing accumulated depreciation</b>	<b>-13 755</b>	<b>-14 235</b>
<b>Closing residual value according to plan</b>	<b>722</b>	<b>467</b>

This inventory was disposed of and transferred to Save the Children International.

## NOTES ON BALANCE SHEET

Amounts in SEK thousand

Note 13	2014-12-31	2013-12-31
<b>Rädda Barnens Serviceaktiebolag</b>		
Opening acquisition value	3 108	3 108
<b>Closing acquisition value</b>	<b>3 108</b>	<b>3 108</b>
Opening accumulated depreciation	-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 (Corporate ID No. 556559-9643) equity amounts to SEK 913 000 (SEK 913 000) and the year's outcome to SEK -1 000 (SEK -1 000)

Note 14	2014-12-31	2013-12-31
<b>Investments held as fixed assets</b>		
Opening acquisition value	282 821	279 022
Acquisitions	54 616	85 692
Sales	-45 127	-81 893
<b>Closing acquisition value</b>	<b>292 310</b>	<b>282 821</b>

	2014-12-31	2014-12-31	2013-12-31
	<b>Book value</b>	<b>Market value</b>	<b>Book value</b>
Handelsbanken Sverige Index Criteria	18 596	31 186	19 608
Handelsbanken Global Index Criteria *)	65 383	97 974	72 757
SEB Etisk Global Indexfond	17 834	27 559	19 316
<i>Total share funds</i>	<i>101 813</i>	<i>156 719</i>	<i>111 681</i>
SEB Räntor Sverige	115 501	119 186	108 193
Sparinvest SICAV Ethical High Yield Value Bonds	8 001	7 120	8 001
SPP Företagsobligationsfond	39 874	41 945	39 825
<i>Total interest-bearing bonds</i>	<i>163 376</i>	<i>168 251</i>	<i>156 019</i>
Excalibur hedgefond	27 121	28 611	15 121
<i>Total alternative investments</i>	<i>27 121</i>	<i>28 611</i>	<i>15 121</i>
<b>Total</b>	<b>292 310</b>	<b>353 581</b>	<b>282 821</b>

\*) This fund contains a currency hedge in the form of a 3 month, rolling future rate agreement. The value of this amounted to SEK -705 000 c As per 31 Dec 2013, total market value amounted to SEK 315 695 000.

Note 15	2014-12-31	2013-12-31
<b>Long-term receivables</b>		
Opening acquisition value	74 689	51 255
New receivables	38 747	23 434
<b>Closing acquisition value</b>	<b>113 436</b>	<b>74 689</b>

Opening acquisition value primarily consists of advances on operating capital to Save the Children International for programme operations implemented through them. New receivables concern expanded advances on operating capital for programme operations plus increases via valuation of amounts in foreign currency on Balance Sheet date.

## NOTES ON BALANCE SHEET

Amounts in SEK thousand

<b>Note 16</b>	<b>2014-12-31</b>	<b>2013-12-31</b>
<b>Other receivables</b>		
Partners, local and members within Save the Children International	32 160	87 504
Save the Children International	5 864	1 233
Employees	290	483
Donors	10 227	12 230
Other receivables	5 202	5 731
<b>Total</b>	<b>53 742</b>	<b>107 181</b>

<b>Note 17</b>	<b>2014-12-31</b>	<b>2013-12-31</b>
<b>Prepaid expenses and accrued income</b>		
Accrued grants	36 199	41 862
Accrued interest income	1 801	1 994
Other accrued income	337	6 406
Prepaid expenses	13 082	10 590
<b>Total</b>	<b>51 419</b>	<b>60 852</b>

<b>Note 18</b>	<b>2014-12-31</b>	<b>2014-12-31</b>	<b>2013-12-31</b>
<b>Current investments</b>			
	<b>Book value</b>	<b>Market value</b>	<b>Book value</b>
Shares and funds	589	746	1 591
Value adjustment	0	-	-721
<i>Total shares and funds</i>	<i>589</i>	<i>746</i>	<i>870</i>
Interest-bearing bonds	108	108	0
<i>Total interest-bearing bonds</i>	<i>108</i>	<i>108</i>	<i>0</i>
<b>Total</b>	<b>697</b>	<b>854</b>	<b>870</b>

<b>Note 19</b>	<b>2014-12-31</b>	<b>2013-12-31</b>
<b>Provisions</b>		
Provisions for employees abroad	6 308	16 988
<b>Total</b>	<b>6 308</b>	<b>16 988</b>

The larger part of the historical provisions are for local employees who have been transferred to Save the Children International. Consequently these funds have also been transferred to Save the Children International in 2014.

<b>Note 20</b>	<b>2014-12-31</b>	<b>2013-12-31</b>
<b>Debt, received not yet utilised grants</b>		
Foundations, companies and other organisations	77 368	79 291
Swedish government agencies	195 072	183 977
EU, UN and other foreign authorities	52 028	24 413
<b>Total</b>	<b>324 468</b>	<b>287 681</b>

The debt primarily consists of prepaid grants for multi-year operations where the donor often pays in advance. Operations will be implemented in 2015 or later in accordance with individual agreements. This amount includes SEK 3 989 000 which will be repaid to donor. This concerns completed operations in which costs were less than amount paid out.



## NOTES ON BALANCE SHEET

Amounts in SEK thousand

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<b>Note 21</b>	<b>2014-12-31</b>	<b>2013-12-31</b>
<b>Accrued expenses and pre-paid income</b>		
Membership fees following year	9 315	8 768
Accrued salaries and social insurance charges	15 137	13 589
Other	5 745	13 447
<b>Total</b>	<b>30 197</b>	<b>35 804</b>
<b>Note 22</b>	<b>2014-12-31</b>	<b>2013-12-31</b>
<b>Pledged assets</b>		
Guarantees Save the Children International	12 492	12 142

Stockholm 29 April 2015

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Inger Ashing  
Chair

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Cecilia Abrahamsson

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Lise Bergh

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Åsa Ekman

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Martin Kvist

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Bengt Lagerkvist

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Birgitta Lahti-Nordström

---

Lisa Lundgren

---

Gustavo Nazar

---

Fredrik Rosengren

---

Tomas Rydsmo

---

Anna Sivlér

---

Sara Thiringer

---

Sofia Zackrisson

---

Elisabeth Dahlin  
Secretary-General

Our Audit Report has been submitted 2015

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Jonas Grahn  
*Authorised Public Accountant*

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Torbjörn Englund  
*Elected auditor*