



Annual report 2018



This is how it started...

ERIKS was founded by a child to help other children.

Erik Nilsson was born in 1929. He was born with the disease haemophilia and spent much of his youth in the hospital. However, instead of feeling sorry for himself, he started to send letters and gifts to encourage other sick children. Erik got the names and addresses by listening to a radio program, Children's Mailbox with Sven Jerring. Based on his love for God, Erik wanted to do good for others, and already in 1946 at the age of 17, his work to support other children was established.

A few years later the work began to take hold when Erik was interviewed on the radio by Sven Jerring. People across the country started to send donations as they got to know about Erik's work.

Erik, who was called Uncle Erik, died in 1966 when he was only 37 years old. However, the work he started lives on and today thousands of children and families living in difficulties all over the world have access to education and livelihoods and can participate in creating their own future. All this thanks to Erik's courage to make his dreams come true.



PHOTO: ARCHIVE ERIKS DEVELOPMENT PARTNER

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A FEW WORDS TO START

Courage in the service of love

Many organisations bear their history in their name. This is especially true for ERIKS which was founded by a child intent on helping other children. Erik Nilsson was born the son of a poor shoemaker. He was diagnosed early on with an incurable and serious type of haemophilia. His disease was so severe that child welfare services wanted to place him in a care home for the elderly. His life seemed to be over before it had even started.

There was, however, a ray of hope in Erik's darkness in the form of the courageous hope he gave to other children. Through some remarkable circumstances he became friends with one of the main celebrities of the day, radio reporter Sven Jerring, who saw something special in the young boy with failing health from Småland. There were no contrived slogans or aggressive marketing techniques, just a realisation of the true needs of the youngest individuals living in the shadows.

In preparation for his popular radio news programme, Jerring caught a train to Kalmar to interview Eric to feature his story – and things changed forever. So many gifts and donations were sent to the little cottage where Erik lived that the postal service had to make extra deliveries. The gifts were all repackaged and forwarded to sick children.

We still have Erik in our name – bearing it now perhaps even more proudly than ever. His mission is also more relevant than ever. We live in a world with enormous challenges, where hopelessness and despair are spreading and where young people are worried about their future. It is a world of climate disasters, refugee streams and increased conflict. At the same time mental illness, xenophobia and segregation are on the rise in Sweden. Darkness looms.

But we believe in light, hope and courage. If Erik could do it, so can we! It's never too late.

Last year was an eventful one for ERIKS, our partners, donors and our employees – a year in which we paid

particular attention to strengthening our focus on sustainability and perseverance in our programmes and activities. The whole idea of our Second Hand shops is to enable people to take a deeper responsibility for the environment by reusing and recycling for environmentally sound consumption. This theme is important in our children's rights and development cooperation work as well. We believe in sustainability and a long-term approach to empowering children, families and communities.

This has become an important focus for ERIKS and our employees. We are promoting hope and sustainability and, in the spirit of Erik Nilsson, we want to reflect our light into the corners of the world where children need us.

We would like to extend our deep and humble gratitude to you all – our partners, donors, colleagues and friends!

Thank you for your support and commitment. Thank you for your efforts and for your faith in us. We are happy to be in the service of love – the path also chosen by Erik. We look to the future with defiant courage – for hope and sustainability!

**Anna Lönn
Lundbäck,**
Chairperson
Daniel Grahn,
Secretary General



PHOTO: OSKAR SWERLANDER

A LITTLE ABOUT WHAT IS COMING UP IN 2019

ERIKS is developing its focus on social coordination in Sweden around our Second Hand shops.

Erik would have turned 90 on May 15. We are reminded of his struggle and dedication to children.

The magazines of the Foundation and Second Hand will become one publication focusing on hope and sustainability.

We are emphasising dialogue with associations and churches to reduce the number of children living in institutions.

We are reinforcing our international field offices to develop our projects and work more efficiently.



PHOTO: ANNA HÅLLÅMS

A better world where children's dreams come true

Our Vision

A better world where children's dreams come true– with the dreams of children as our driving force, ERIKS wants to be part of changing the world. Through interventions in the sectors of education, health, and child protection, we give children and adolescents around the world opportunity to dream about the future. We want every child to be seen and be taken seriously.

Our Mission

To combat poverty and vulnerability by promoting children's rights

- ERIKS is a child rights organisation. Based on the UN Convention on the Rights of the Child, we fight for children living in poverty and vulnerability to have a better life, now and in the future.
- We work together with local partner organisations in five regions around the world implementing around 100 projects to strengthen children's rights to education, health and protection.
- We also work in Sweden focusing on children in socially disadvantaged environments. We want all children to feel included in the Swedish society.

ERIKS' values rest on three pillars

1. Erik's spirit

We care about Erik Nilsson's heritage of personal commitment and Christian faith.

Despite his own illness, he had a big heart for others. Working in accordance with Erik's spirit means showing empathy, being creative and focusing on opportunities. Just like Erik, we are deeply committed to managing our donors' gifts and customers' funds responsibly.

2. Christian values

ERIKS' values are based on Christian values with particular emphasis on the following principles:

- All human beings are loved by God and have equal value.
- All human beings are entitled to a dignified and fulfilling life.
- All human beings are responsible for the earth, to use and not misuse it.

3. The Convention on the Rights of the Child

The UN Convention on the Rights of the Child (UNCRC) further defines the universal conditions under which the children in our world have the right to live, and which ERIKS seeks to promote. This includes respect for the equal and unique value of every individual, irrespective of gender, age, ethnicity, sexual orientation, beliefs, and religion.

We strive for sustainable development. Continuously.

Sustainable development is about meeting today's needs without jeopardising

opportunities for future generations. For us, the concept of sustainable development has an extra dimension. We help people in extremely vulnerable situations to raise their standard of living to a decent level. At the same time, we share knowledge and skills to make their improved livelihood activities sustainable in the long run. We hope that even their children and grandchildren will have a chance to make a living while continuing to live where they are.

The Sustainable Development Goals

In 2015, the United Nations approved Agenda 2030 and the Sustainable Development Goals. These goals describe desirable development in all countries and include environmental sustainability.

The objectives are formulated by thematic areas. There is no specific goal addressing children's rights, however the child rights perspective is included in all areas. Examples of the Sustainable Development Goals that ERIKS define as particularly important in relation to the organisation's focus are:

Goal 2 – Zero hunger

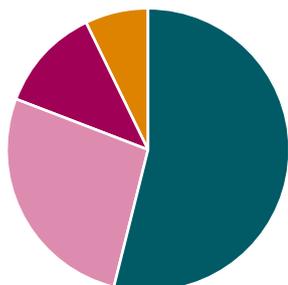
Goal 3 – Good health and well-being

Goal 4 – Quality education for all

Goal 5 – Gender equality

Goal 16 – Peace, justice, and strong institutions

ERIKS works here



Regional distribution of development interventions in 2018

● Africa	54%
● Asia	27%
● Eastern Europe	12%
● Sweden	7%



Valuable Partnership

In 2018, ERIKS carried out development projects for children living in vulnerable situations in a total of 18 countries, including Sweden. Other time-limited humanitarian interventions have been implemented in six countries, including South Sudan, Kenya, Bangladesh and Mali.

Together with around 70 local partner organisations ERIKS works for children's rights to education, health and protection. Motivated by what is best for the child, we support families to start businesses that can generate stability and secure livelihoods. In Sweden, ERIKS promotes children's right to rest and leisure, to engage in play and recreational activities and build awareness about children's rights.

Local partners have the advantage of knowing the culture and context in which they work. They stay for the long haul and build local skills. This strengthens the credibility of ongoing interventions. In Mali, Uganda, Cambodia and Romania, ERIKS' regional offices contribute to the work locally.

COOPERATION

Cooperation with other organisations helps ERIKS to develop as an organisation and to carry out its work. In 2018, ERIKS collaborated with, among others, Human Bridge, Scandinavian Doctors, Individuell Människohjälp, Göteborgs Räddningsmission, The Salvation Army and Childhood Foundation. At the European level, ERIKS has worked with Stromme Foundation, Medair, CORD and Woord en Daad.

FUNDING

A wide range of private supporters lay the economic foundation of ERIKS' work. Other important funders include the Swedish International Development Cooperation Agency (Sida) through the Swedish Mission Council and Forum Syd, Radiohjälpen's "Children of the World" and "Musikhjälpen"



PHOTO: MARIANNE STATTIN LUNDIN

campaigns and the Postcode Lottery. In addition, several businesses choose to support ERIKS' initiatives for children, some of them by becoming Business partners with ERIKS.

NETWORKING

In 2018, ERIKS was an active partner in several networks. These include the SMC, which brings together churches and faith-based organisations engaged in international work; CONCORD Sweden, a platform for 61 civil society organisations working in international development; Forum for Non-Profit Social Organisations; and EU-CORD, a network of 22 European Christian Relief and Development NGOs.

More students and closed schools



Fatimata Nabias Ouédraogo, Regional Representative West Africa

In Karimama, one of the poorest areas in Benin, more and more children are starting to attend school – and completing their schooling. In neighbouring Burkina Faso numerous schools closed down in 2018 due to armed conflict and terror threats.

The fact that children do not know that they have the right to education is a serious problem in the West African nations of Mali, Benin and Burkina Faso. ERIKS is working with local partner organisations in these countries and was in 2018 involved in various initiatives to spread knowledge about children's rights. The results are clearly evident in the Karimama municipality in northwestern Benin.

"In 2017 48 percent of children of school starting age were enrolled in school. In 2018 this increased to 55 percent. That is progress," says Fatimata Nabias Ouédraogo, Regional Programme Officer at ERIKS' West Africa office.

"And we are seeing a clear decrease in drop-out rates – from 24 to 11 percent in 2018."

But there are still far too many children not attending school and ERIKS is continuing its efforts to stop poverty from preventing children from attending school and to convince more parents of the importance of school.

In addition, one important tool in promoting child education in Benin is to encourage more teachers to take jobs at schools in poorer parts of the country; areas where there is currently a big shortage of teachers. In Alibori, the region in which Karimama is located, there are 95 students to one teacher. Since there is no electricity, running water or decent roads in many areas, few people with a higher education, such as teachers, want to live there. ERIKS' partner Dedras has mobilised the local community to build attractive homes for teachers as a means of tackling the teacher shortage. Dedras has also created a scholarship programme in cooperation with the Karimama municipal authority. The pro-

gramme pays for teacher education for young people who want to become teachers and in exchange they return home and work for at least five years at a school within the municipality.

In Mali and Burkina Faso, 2018 was a year of significant escalation in conflict preventing children from attending school. In Mali, where conflicts have been raging since 2012, almost 340,000 children live in communities where schools have stopped functioning due to the ongoing security situation. In Burkina Faso, where attacks by armed groups became increasingly common in 2018, 800 schools were forced to close due to terror threats.

In one of the municipalities where ERIKS works we are seeing a significant decrease in drop-out rates, 52 schools have closed, 15 of which were receiving various kinds of support from ERIKS. 11 schools in the municipality have been looted or burnt down.

"This has a serious impact on the ability of children to have their right to education met. Children who do not attend school run an increased risk of being recruited by armed gangs or terrorist groups," says Fatimata Nabias Ouédraogo.

The risk of radicalisation and destructive behaviour is reduced if a child receives education and hope for the future. It is therefore even more important at this time of fight, that children access education. In cooperation with partner organisations in Burkina Faso and Mali, ERIKS is assessing the safety situation on an ongoing basis to adapt programmes without jeopardising the safety of the personnel or of children and families. ♥



Speed school for a second chance

During the 2017/2018 school year ERIKS and its local partners operated 80 speed schools for intensive study in four different parts of Mali. At the speed schools children who have dropped out or have never been to school get a chance to catch up so that they can transfer to a regular class. 97 percent of the speed school students completed the school year and these 2,118 children were able to start at a regular school again in autumn 2018.



More women giving birth at a clinic



Sara Norlén, Programme Coordinator East Africa

“We are helping to ensure that children receive health care of the highest possible quality, but we are also spreading knowledge about children’s rights. It’s important for the children themselves as rights holders, as well as the parents and the authorities as duty bearers, to know about children’s rights and to ensure they are fulfilled.”

Sara Norlén is ERIKS Programme Coordinator for East Africa and witnesses time and time again the crucial importance of promoting child health.

“Perhaps the most important thing is to spread knowledge – knowledge about children’s rights, but also about hygiene, sanitation and nutrition. This is how we can prevent disease and give children the best possible chance of a healthy life. Health is a fundamental right. If you’re not healthy it’s hard to achieve anything and take advantage of other important rights, such as the right to education.”

Many of ERIKS’ health initiatives are aimed at girls and young women, with a particular emphasis on how to prevent female genital mutilation and teenage pregnancy.

“These programmes are crucial for many girls in regions like East Africa where old traditions and customs are extremely harmful to young women.”

In Turkana, a county in northwestern Kenya, ERIKS has a partnership with AICHM which operates hospitals and health clinics, and with Scandinavian Doctors, an organisation that send doctors and nurses on shorter missions.

“Nomadic groups in Turkana live off their livestock. Many areas such as infrastructure and health care have been neglected here. People are often affected by severe drought and poverty is widespread. The number of refugees, particularly from nearby South Sudan, is significant and many children are suffering.”

Here in Turkana the work has resulted in an increasing number of women seeking institutional care for their delivery. One strategy that has yielded good results is to involve traditional midwives

in accompanying the pregnant women, but with the professional midwives assisting at the delivery. The traditional midwives have also been given an important role in the community by creating “maternity homes” where women can stay close to a clinic while they wait to give birth and by spreading information by, for example, talking on local radio stations. ♥

Scandinavian
Doctors



Scandinavian Doctors is a non-profit organisation whose mission is to work from a Christian perspective to provide people in low income countries with access to health care. The organisation is funded by ERIKS.

In 2018 the number of voluntary assignments completed within the programme was 56. Most were completed by specialist physicians, but midwives, specialist nurses and a play therapist/clown were also sent out. Four interns also accompanied specialist physicians on assignments during the year.

One highlight in 2018 was when Dr. Denis Mukwege received the Nobel Peace Prize. Scandinavian Doctors has been supporting Panzi Hospital, of which he is the founder and Medical Director by providing doctors for almost 15 years.



Critical care

During the year, 70 traditional midwives received training in identifying signs of high-risk pregnancies and the importance of referring pregnant women to a health clinic for delivery. 1,006 pregnant women received antenatal care through AICHM.

The number of assisted births at clinics continues to rise. 462 women gave birth at clinics here in 2018. A figure that has increased significantly during the course of the project.

Long distances and lack of transport options remains a problem for pregnant women in Karamoja, as does the difficulty of getting men involved in issues concerning women's and children's health. This is still regarded as a matter only for women and their sole responsibility.



Many children are safer now



Cezar Gavriiliuc, Regional Representative, Eastern Europe

Feeling safe and secure – within the family, at school and in the community – is critical for children's development. In 2018 ERIKS was involved in initiatives to increase safety and security at all of these levels for the children who need it the most.

"It's perhaps easy to assume that children in Europe grow up under much safer conditions than in many other parts of the world, but there are actually many things that are threatening children's rights to a safe existence here," says Cezar Gavriiliuc, Regional Representative at ERIKS' office in Eastern Europe.

In Moldova, Romania and Belarus many families are living in extreme poverty – poverty that is affecting almost every aspect of the children's lives and that is a serious threat to their fundamental safety.

In Moldova and Romania, either one or both of the parents of one in five children are working in another country. In both countries corporal punishment is common at home and at school, even though it is against the law. Children who are victims of violence, sexual abuse or discrimination have no obvious place to turn to and the social safety net required to identify children in need of support is inadequate.

ERIKS' partners are working on strengthening the protection for children at both the individual and community level. In 2018, for example, a project was launched in Moldova aimed at taking a comprehensive approach to improving the school environment for children.

"The project helped school administrators to produce policy documents to strengthen child protection. Teachers were trained in how to prevent and report cases of abuse and bullying. Parents received support in their parental role and children were able to learn about their rights and receive information about how to report an incident," says Cezar Gavriiliuc.

In a different project in Moldova another of ERIKS'

partners arranged two workshops in 2018 for parents of the children who attend the organisation's day care centre. They had a chance to talk about child development and their right to protection.

"We received very positive responses from the parents and twice as many attended the second seminar."

In Romania around 40 Roma parents were able to participate in similar events where they could talk to a psychologist about issues relating to children and parenthood. The parents were very engaged and interested in participating in more events. Another partner in Romania asked children at the Roma settlement where they lived and about where in the settlement they felt safe or in danger.

"The children were asked to draw a map of the settlement and mark out the areas where they felt safe or unsafe. The unsafe areas were then discussed as well as what could be done to improve safety there. A few of the children got the chance to present their maps to high level officials at the municipal authority."

In Belarus ERIKS is helping a partner organisation to support the local authorities to handle children and youth who have committed a crime. The most common action is to institutionalise these children, regardless of the severity of the crime they have committed. ERIKS' partner organisation is trying to find alternatives to young people ending up in institutions and to create individual plans early on with a focus on rehabilitation.

"Thanks to these efforts, 43 young people in 2018 successfully completed the rehabilitation programme," says Cezar Gavriiliuc. ❤️



A solid foundation

ERIKS works to improve protection for children both directly and indirectly. In Romania Roma parents receive vocational training and opportunities to support their children where they live rather than leaving them to find work in another country. The After-School programme that several of ERIKS' partners offer is also helping to make children feel more confident and secure through participation in activities that boost their self-confidence and teach them about their rights and their society.



New schools and wells



Märta Jacobson, Programme Coordinator Humanitarian Assistance

Life is still very difficult for the over one million Rohingya refugees who have fled to Bangladesh. ERIKS support for the refugees in Cox's Bazar refugee camp continued in 2018. In the conflict areas of South Sudan ERIKS has distributed hygiene items and helped to combat malnutrition.

Just a couple of weeks following the massive influx of Rohingya refugees in Bangladesh 2017 ERIKS began interventions to help people who had fled oppression and killing in Myanmar. The situation was chaotic and in the beginning of 2018 there were fears that things would get even worse with the risk of floods and landslides during the monsoon period. Thanks to a relatively mild monsoon period and preventative work carried out by several aid organisations, most people fared well.

"It was impressive to see the work being done to excavate land, shore up tents and help people move to safer areas. It's great to see what we can achieve together," says Märta Jacobsen, ERIKS' Programme Coordinator for humanitarian assistance.

Through the local partner organisations Friendship and Codec, ERIKS has helped to provide wells, toilets, showers and schools.

"About half of all children between the ages of 7 and 12 attend school. That figure might seem far too low, but it is still a lot of children taking into account that over the course of a few months, schools have been opened for several thousands of children. This is something that many organisations have made possible by working together," says Märta Jacobson.

Although the practical situation has improved and daily life in the refugee camp is more tolerable, the Rohingya's situation is anything but fine. They bear the trauma of having seen friends and relatives being murdered. The Bangladeshi government does not want them in the country, but there is no hope for their return to Myanmar either.

"The Rohingyas are not permitted to receive education in the Bangla language, to close any opportunities for them to having a future in Bangladesh.

They have no nationality. The schools keep children up to the age of 12 occupied, but when they reach 10 or 12 years they begin to understand the situation and to think about their future. They cannot study, nor move anywhere, so what will they do?"

There is a lot of frustration in the refugee camp and this is leading to violence and insecurity. One key aspect of ERIKS' work here is educating and providing work for women, as well as creating safe areas where children can play. Towards the end of the year, a new anti-trafficking project was launched, that includes activities for teenagers.

In war-torn South Sudan, many people live as internally displaced persons. The security situation is unstable and new conflicts quickly arise in areas that have been calm for a while.

"There are areas of South Sudan that are very difficult to reach due to the security situation. People in these inaccessible areas may have to wait a long time for aid to reach them, which is a challenge," says Märta Jacobson.

In Yei, located south of the capital city of Juba, ERIKS is working in cooperation with the partner organisation Ceford. In 2018 the humanitarian interventions in the area included efforts to prevent malnutrition among children, pregnant and breastfeeding women. Food, nutritional supplements and water were distributed to the most vulnerable households.

"Ceford also focuses on hygiene to prevent the spread of infectious diseases. The organisation has sensitized on hygiene and distributed soap. It has also produced a radio programme to spread information about hygiene and how to, for example, boil and treat water before drinking. ♥



Examples of humanitarian interventions in 2018

- In northern Kenya in Turkana many people have been seriously affected by drought. In addition, the region is plagued by conflicts between different cattle-herding tribes. ERIKS has supported interventions to combat malnutrition with a focus on school meals.
- The Kajiado area in Kenya has suffered severe drought in the past. There were heavy rains in 2018 but the dry soil was not able to absorb the water, which resulted in floods. ERIKS supported programmes to provide people with food, utensils and hygiene items.
- Mali was also hard hit by drought in 2018. In the Koulikoro region in southern Mali ERIKS supported vulnerable households with food and seeds. Later in the year ERIKS also drilled three wells next to schools and improved the water supply for cultivation in six villages.
- In September Indonesia suffered multiple earthquakes followed by a tsunami. Scandinavian Doctors dispatched a team to see patients in villages and to advise them about the risk of epidemics.
- In 2018 several of ERIKS' partners in East Africa participated in a training to strengthen their capacity to implement humanitarian interventions. As the number of disasters and conflicts increases, organisations need to be well-prepared for rapid responses.

Inclusion that starts at school



Håkan Giselsson, Project Manager at Lövgärdets Lärlabb

Public and private actors with good ideas need to work in partnership to increase inclusion in a district or an area, and to ensure that more children are receiving quality education. One such partnership is happening in Lövgärdet in Gothenburg with support from ERIKS.

“A long-term goal is for Lövgärdet to be removed from the Police watch list of particularly vulnerable areas by 2025,” says Håkan Giselsson, Project Manager for Lövgärdets Lärlabb, one of the projects ERIKS is involved in to help children in Sweden.

Lövgärdet in the northeastern part of Gothenburg has high unemployment rates and many young people leave school without graduating. Lövgärdet Lärlabb, a learning lab project, was launched in December 2017. It is the result of collaboration between ERIKS, Göteborgs Räddningsmission, the local school, Equal Gothenburg and GU Ventures, and is being co-funded by Vinnova.

The project is developing a partnership model for various actors in the community to find new methods to ensure that more students succeed in their education and that they experience participation and safety at school and in the community. The goal is to prevent exclusion.

The project started in 2018 with an inventory of what was needed at the school. This involved interviews with students, school personnel and parents. The lack of an environment conducive to focusing on school work for both students and staff was one of the problems identified. Lövgärdets Lärlabb worked with teachers and students to find ways to improve the study environment. Following the inventory the project started a homework help programme for students in year 7.

“We can see that a lot of things are going in the right direction. For example, the school seems calmer than during the previous school year, which is of course due to a variety of factors, but we believe that Lövgärdets Lärlabb has played a role in this,” says Håkan Giselsson.

In order for children and youth to succeed at school, initiatives are needed outside the school setting as well. It is important to have a safe residential environment, a healthy family life, meaningful leisure activities and parents who are interested and engaged in their child’s schooling. Lövgärdets Lärlabb is taking a comprehensive approach by, for example, coordinating efforts and initiatives in a network involving around 30 organisations, agencies and companies in the local community.

“Through broad cooperation between different actors in the community we want to create lasting change and engagement that continues even after the Lövgärdets Lärlabb project ends,” says Håkan Giselsson

In addition to supporting Lövgärdet, ERIKS was involved in a variety of initiatives in 2018 to ensure that the rights of more children in Sweden are respected. An educational initiative called Barnrättsäventyret, where students in class 4–6 learn about children’s rights in a playful and exciting way, toured schools in western parts of Sweden. An information and education programme called Rafiki has worked with many children and teachers in class 1–6, and in November a brand new website went live. Working in cooperation with the Göteborgs Räddningsmission, ERIKS has helped to spread information on the “Solros model” which focuses on providing appropriate support to children with a close relative in prison.

ERIKS has also examined and built new initiatives to prevent and combat exclusion in Sweden in cooperation with municipalities and ERIKS’ Second Hand shops. ♥



Integration through football

In June around 100 young people from FFA Global attended a summer camp in Jönköping. They enjoyed four days of football, lectures, conversation and activities. Thanks to sponsors, ERIKS was able to offer the summer camp free of charge.

This activity was part of an integration project run by ERIKS and FFA Global that is helping young people to find their place in Swedish society and reach their full potential.



A FEW WORDS ABOUT

Goals and Results

ERIKS works to protect children's rights to education, health and protection. Here are some examples of the results of this work and how we are contributing to the fulfilment of the rights of the child.

SWEDEN

ERIKS works in five regions around the world and in Sweden. Below are some examples of what we achieved in 2018.

SITUATION IN THE COUNTRY

In December 2018 the Swedish National Board of Health and Welfare (Socialstyrelsen) issued a report on the situation of children with parents in prison. There is no exact statistic on how many children in Sweden who has a parent in prison. Today no single government agency has the overall responsibility for these children.

Although Sweden signed the UN Convention on the Rights of the Child almost 30 years ago and is bound by it, there is still a lack of knowledge in Sweden about the Convention and about children's rights.

ERIKS' GOAL

Duty bearers know about, are committed to and take action to protect children in particularly vulnerable situations. Initiatives that help to improve knowledge among legal duty bearers are a contributing factor.

Children in Sweden know their rights and how they can impact their own situation as well as that of other children around the world.

OUR RESULTS IN 2018

- Through R&D organisation FoU i Väst an evaluation was made of Solrosen, a programme of the Göteborgs Räddningsmission in cooperation with ERIKS. The report concluded that the programme is providing adequate and important support to its target group. One important conclusion is that there is a need for non-governmental organisations that offer support to the target families and children. ERIKS was involved in spreading this information to the relevant authorities through editorials, lectures and seminars.

- The Barnrättsäventyret concept has been developed into a mobile programme, making it possible to reach a greater number of children in more locations.
- An evaluation of just over 300 children shows that knowledge about children's rights increased from 56 percent to 76 percent after participation in the Barnrättsäventyret on Tour programme.



CHILDREN'S RIGHT TO EDUCATION – MYANMAR

ERIKS works for all children's right to education. Here are some examples of what we do in Myanmar.



SITUATION IN THE COUNTRY	ERIKS' GOAL	OUR RESULTS IN 2018
<p>The armed conflict in Kachin and Northern Shan states has led to schools closing down, and children's rights to survival and education in line with UNCRC article 28 are violated.</p>	<p>Girls and boys in Internally Displaced Population (IDP) camps, especially girls from indigenous groups that are marginalized, live in safe places, have adequate daily food and have access to quality primary and higher education.</p>	<p>With nutritious food and boarding in 6 houses 716 students (392 girls) from IDP camps and various ethnic minority groups have got the opportunity to study. The teachers have changed their behaviour and stopped beating the students resulting in students feeling safe at school. The students' results were good; 502 students (255 girls) grade 1-9, passed their first exam, 549 students (285 girls) passed their second exam. Some students are now continuing their higher education in Arts and Sciences, Nursing, Theology, Education and Federal Law. Some study in China (they live by the boarder) and others are working as volunteer teachers in IDP camps. Totally 597 students from 40 IDP camps have been able to pursue their study in 28 middle and high schools. This has given hope for their future. Earlier many did not have the opportunity to study but worked for the family's livelihood. Frustration and hopelessness have turned to hope for the future.</p>
<p>Although the Myanmar government, with support from various international NGOs and bilateral donors, has developed and been implementing National Education Strategic Plan as well as increased its spending on education, access to education for girls and boys remains a major challenge. The enrolment rate of students at secondary school level is still low, especially in the rural areas.</p>	<p>Girls and boys in none conflict areas have access to quality primary and higher education and youth are supported as actors for peace and development.</p>	<p>Having understood the added values of education, students in 48 villages have highly committed to their study and parents understand the values of children's education and they have become more supportive to their children. Number of children going to school keeps increasing from year to year. As a result of effective advocacy done by ERIKS partner organisation, 22 drop-out children have gone back to school, as they understood the importance of education for their future. Access to books has noticeably changed reading behaviour as it was earlier not part of the culture in these communities. Girls and boys have expressed that they now know how to manage their time effectively, when to go to school, do homework and when to play, when and how much time they can help their parents. Both children and parents have learnt about Child rights and child protection.</p>
<p>Lack of provision and understanding of the importance of Early Childhood Care and Development (ECCD) among duty bearers, access to ECCD for young girls and boys is a challenge that affects negatively on child's development, particularly those young girls and boys who live in poor families and in rural areas.</p>	<p>Girls and boys have access to quality pre-primary education where they receive one meal and possibilities to a positive development.</p>	<p>282 children (152 girls), 3-5 years of age have attended 6 ECCD centres in 4 different IDP-camps. They have enjoyed nutritious food, have physically and mentally grown up and enjoyed their friendship and studying opportunities in ECCD centres. 334 children (181 girls) 3-5 years old living in none conflict areas have attended 20 ECCD schools. They are healthier as they have practiced washing hands regularly. They also have safe places to play and can have fun with friends. Parents and teachers have stopped beating them. They now feel safe at school and love their parents, as their parents treat them nicely.</p>
<p>Many children drop out of school and lack positive alternatives for their future.</p>	<p>Youth that have dropped out of school get a new chance to a positive development.</p>	<p>After having received child protection, life skills and vocational trainings, 50 youth groups (approximately 15 to 25 members/group, with at least 50% of whom are girls) have been integrating themselves well in communities and society. Youth groups have brought unity and solidarity among young people and in communities. Furthermore, young people have hope, dreams/visions and plans for their future. 22 youth groups have business plans for their groups, producing for example detergent, shampoo, jam, juice etc. They are planning to increase their market places in the future once they have registered their products and got licenses from the movement.</p>



The results described here were achieved through close cooperation between ERIKS and the organisation's partners.

CHILDREN'S RIGHTS TO HEALTH – BURKINA FASO

ERIKS works to promote children's right to health. Below are examples describing our work in Burkina Faso.



SITUATION IN THE COUNTRY

ERIKS' GOAL

OUR RESULTS IN 2018

More than 25 percent of all children suffer from malnutrition; in the East the figure is as high as 35 percent. In addition, 85 out of 1,000 children born in Burkina Faso do not reach their fifth birthday. In Sweden the figure is fewer than three per 1,000. The causes are among others poverty, inadequate health care, climate change leading to crop failure and a lack of clean water and sanitation.

Children in the areas where ERIKS works have access to the highest possible level of health.

- Children in the local children's parliament in Kourouma started raising money and provided 60 malnourished children with nutritious food.
- Due to improved farming methods in Arbollé, 50 percent of the households can provide their children with three meals a day for one year, compared with 30 percent in 2017.
- 65 percent of the households receiving support in finding income-generating activities can pay their children's health care costs, while only 50 percent were able to do so in 2017.
- 20 latrines have been built in Arbollé and households have received training in sanitation and how to treat water for drinking. This is expected to help reduce disease rates in children.

Many children do not know that they have the right to make decisions about their own bodies. Girls living in poverty are particularly vulnerable to receiving propositions for sex in exchange for gifts, good grades at school or promises of a better life. Pregnant girls almost always have to leave school. They also run a greater risk of being married off against their will, being subjected to violence in intimate relationships and ending up in a vulnerable position in the family and in the community.

Children have the opportunity to impact their access to health information, good health care and healthy conditions.

- In ERIKS' target area in western Burkina Faso 95 percent of children know how to influence their own health due to information provided in secondary schools about sexually transmitted diseases and how to avoid unwanted pregnancies.
- In ERIKS' target areas in the east the percentage of school girls becoming pregnant has decreased. All 20 students who became pregnant in 2017/18 completed the school year.

Reducing the number of teen pregnancies is a national priority. This issue is on the top of the agenda due to the significant number of girls dropping out of school and the negative effects of early pregnancy on women's health and futures.

Authorities who are responsible for children's needs of health information, health care and healthy conditions are providing these.

- In western Burkina Faso ERIKS' efforts to support and convince the authorities to invest more in children's rights have resulted in three municipal authorities providing information about children's sexual and reproductive health in class 4–9 and in villages.
- In the same area 44 percent of the municipal budget in 2018 was spent on activities to support children, compared with 32 percent the previous year.

Many parents have little knowledge of what they can do to impact the health of their children. The topic of sex is taboo, particularly in the parent-child relationship. Many young people have no channels for information about how their body works. Religious leaders are influential, but the church has a particularly strong culture of silence on sensitive topics such as sexual abuse and female genital mutilation (FGM).

Care providers, groups and organisations have the capacity to defend and strengthen children's rights to the highest possible level of care.

- In western Burkina Faso the number of parents who are vaccinating their children, ensuring that they sleep under a mosquito net and that they are living in hygienic conditions has increased. Several initiatives were launched to spread information to children about sexual and reproductive health (film presentations and drama performances). The changes were only evident in the municipalities where ERIKS is working.
- In ERIKS target areas in the east more parents are taking responsibility for talking to their children about sexuality and how the body works (43 percent compared with 41 percent in 2017).
- Leaders at 236 churches around the country took active measures to prevent FGM and to support women who have been subjected to it. Churches are helping to ensure that information about the negative consequences of FGM is spread outside the church as well.



The results described here were achieved through close cooperation between ERIKS and the organisation's partners.

CHILDREN'S RIGHT TO PROTECTION – UGANDA

ERIKS works for children's right to protection. Here are some examples of how that can be seen in Uganda.



SITUATION IN THE COUNTRY

ERIKS' GOAL

OUR RESULTS IN 2018

The safety nets for vulnerable children, for example street connected children and children in institutions, are weak. Their rights are violated and they have no or very small possibilities to make their voices heard and to influence decisions.



Children in Uganda are able to enjoy their right to protection.



- Over 2000 vulnerable children were rescued from the street and resettled with their families through the various partner agency rescue efforts. The children received individualized counselling to facilitate their healing and be able to continue to thrive and develop. The counselling sessions were conducted purely on a needs basis and was centred on the continued growth of the children in the various areas they may be struggling with such as anger management; relationships with their peers, families and community.
- Over 1000 rescued and rehabilitated children were supported with formal and vocational education in order to improve their chances of enjoying a better life and their rights to protection. Social workers were also trained to enhance their ability to handle reintegration and tracking of families.
- ERIKS is involved in strengthening the rescue and rehabilitation efforts for children living on the streets in Uganda through its' partner Save Street Children Uganda (Sascu) which is at the helm of facilitating the establishment of an Online Real-time Street Children Information Management System, in partnership with line ministries and CSOs connected to rescue and rehabilitation of children. One of the children had this to say during the pre-assessment exercise: "The actual number of children living on the streets is not known because every day there are children who come to the streets while others leave."

Negative cultural parenting practices in communities endanger children because children are not given a voice. In many of these communities; children are seen but not heard.



Children are able to influence and advocate for protection.



- Over 15 000 children have been engaged and influenced through Child rights clubs established in schools and rescue and rehabilitation centers. These Child rights club members have reached another 7 500 children both at schools and in communities. This has raised the awareness among children on their rights and how to protect and demand them, as well as how to report any cases of rights violation.
- In a small fishing village in Buliisa, a partner organisation has been working with children in schools, parents and communities, coming up with resolutions to protect children. This has resulted in an increased number of children completing school and improved protection against child marriages and teenage pregnancies.
- Through Hope Studio, a music studio supported by ERIKS, more than 2 million indirect beneficiaries from in and around Kampala were reached through music and media with messages on child protection and HIV/AIDS. The children have also had an opportunity to speak to political leaders in their communities, parents and the public through national celebrations like the Day of Street Children and the Day of the African Child among others.

Many of the street connected children are pushed onto the streets as a result of poverty in their communities and weak child protection structures.



Duty bearers meet their obligations to protect children.



- ERIKS partners are part of a national dialogue on efforts to develop strategies to address the root causes to why children are forced to come onto the streets. ERIKS partners have been involved in advocacy with the Ministry of Gender Labour and Social Development on the need to address the use of aviation fuel by children living and working on the street and the need to prevent child marriages.
- In communities where the structures for child protection have been strengthened, a changing attitude in the society is visible. Parents have become aware about their responsibilities and the positive effects of protecting children within the community. One factor contributing to this result is the establishment of Village Savings Loans Scheme which has improved the financial situation of many families. It has given them better opportunities to keep their children in school. In addition, social networks have developed which acts as safety nets for the children.

Children's vulnerability is a result of care givers in communities who are either unaware or unable to protect due to factors such as poverty and HIV/AIDS.



Caregivers, communities and civil society are able to defend and promote the right to protection.



- In the intervention areas, communities have been empowered to protect children from cases of abuse. Community child protection committees together with local leaders, parents, the police and local authorities handled over 200 cases of child abuse and neglect and referred more than 100 cases to police and probation officer for management.



The results described here were achieved through close cooperation between ERIKS and the organisation's partners.

Governance



ERIKS' BOARD

Anna Lönn Lundbäck, Michael Kihlström, Linda Gårdstam, Helena Engkvist, Jonas Sandwall, Tobias Nilsson, Cecilia Magnusson, Ulrika Erkenbom Rugumayo

Missing in photo: Daniel Skoghäll, Annette Sandwall, Cecilia Hjorth Attefall

PHOTO: OSKAR SWERLANDER

ERIKS' Board

The board is responsible for the organisation and for managing ERIKS' work. In 2018, the Board had five board meetings and consisted of eleven ordinary members.

Anna Lönn Lundbäck

Chairperson from May 24, 2018, board member before that. Resident of Gothenburg. Former board member of ERIKS Second Hand Board. Social worker. Regional head of the Tenant Association of Western Sweden.

Cecilia Hjorth Attefall

Chairperson until May 24, 2018. Former working Chairperson (part-time). Resident of Jönköping. Working Chairperson (part-time). Informant/activist, project leader, and municipal politician focusing on issues regarding the elderly.

Michael Kihlström

First Vice Chairperson. Resident of Hjo. Political Secretary of the Västra Götaland Region.

Daniel Skoghäll

Second Vice Chairperson. Resident of Malmö. CEO of Ikano Fastigheter.

Annette Sandwall

Board Member. Resident of Gothenburg. BA in Humanities with an MA in Africa and International Development Work. Works at the Swedish Tax Agency.

Linda Gårdstam

Board Member. Resident in Västerås. Civil engineer special-

izing in Environment and Hydraulics. Head of Planning Unit at VafabMiljö.

Jonas Sandwall

Board Member. Resident in Ljungskile. Strategist in Communication and Branding. Musician and artist.

Cecilia Magnusson

Board Member. Resident in Jönköping. Doctor of Infectious Disease at Ryhov. Formerly a volunteer "Jeep Doctor" in Kenya.

Ulrika Erkenbom Rugumayo

Board Member. Resident in Stockholm. Has worked as an auditor and director at PwC and as a desk officer at Diakonia's regional office in South Africa. Currently working as CFO at 2050Consulting AB.

Helena Engkvist

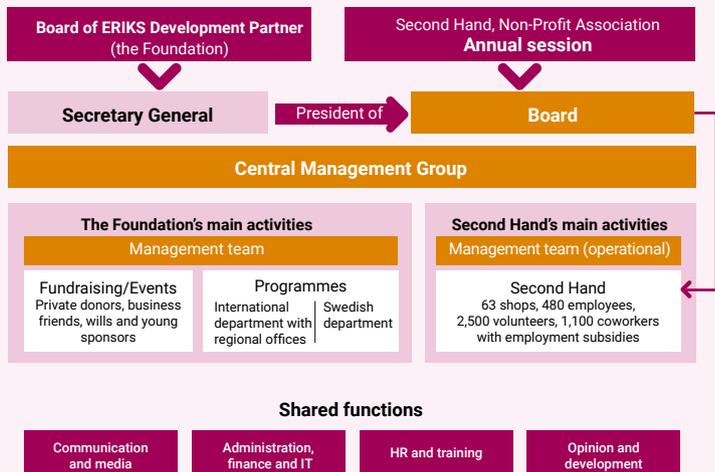
Board Member. Resident in Bankeryd. Project Coordinator and teacher at the University of Health. Student in Occupational Sociology. Formerly a Bible translator (Wycliffe and Swedish Alliance Mission) in Papua New Guinea.

Tobias Nilsson

Board Member. Resident in Lerum. PhD in Economics from the University of Stockholm. Head of Strategy for the Västra Göta-

ERIKS' organisational structure

In 2018, the average number of employees in Sweden was 57. There are two offices located in Småland in Holsbybrunn and Huskvarna. There are regional offices in Bamako, Mali; Kampala, Uganda; Phnom Penh, Cambodia and Cluj, Romania.



Nomination: Bengt Swerlander, Vrigstad (convening member), Helena Engkvist, Bankeryd and Thomas Strand, Vaggeryd.

Auditors: Leif Göransson, PwC, Vetlanda, authorized public accountant and Mats Angslycke, PwC, Jönköping, authorized public accountant.

Management team: The management team is appointed by the Secretary General and serves as the organisation's head of operations. In 2018, the group was comprised of, in addition to Secretary General, Daniel Grahn:

Mattias Ingesson, Deputy Secretary-General; Peter Toftgård, International Programme Director; Louise Nordlund Johansson, Head of Communications; Lotta Olofson, Head of Fundraising; Birgitta Johansson, Programme Director, Sweden; Mia Clewemar Lindqvist, Director of Human Resources; Tomas Jönsson, Director of Administration and Finance; Lars-Åke Winberg, Deputy Administrative Director.

Annual report

Management Report

The Board and the Secretary General of ERIKS Development Partner (the Foundation), organisational number 827500-4789, hereby submits its annual accounts for the financial year 1 January – 31 December 2018, ERIKS' 72nd year of operations. The organization's full name is ERIKSHJÄLPEN, Insamlingsstiftelsen Farbror Eriks Barn- och hjälpverksamhet. The following financial report includes only the Foundation, "Farbror Eriks Barn och Hjälpverksamhet" however, ERIKS Second Hand operations are included in the narrative report below.

ERIKS combats poverty and vulnerability through realizing children's rights. Three faithful companions accompany us: Erik Nilsson's spirit and heritage, Christian values and the UN Convention on the Rights of the Child.

Our vision is about giving hope and creating conditions for a better tomorrow, where no children lives in poverty or marginalization. Children belong in a home, surrounded by love and affection. ERIKS promotes, supports and advocates for that children should have the best conditions possible for their growth and their development.

ACHIEVEMENTS

Strategy

ERIKS strength has always been a combination of micro and macro, local and global.

Each and every child is important and deserves the best conditions to develop her or his unique talents and abilities. We see time after time that children have a great ability to grow under the right circumstances. We support many children's and youth groups in several countries where, together, children themselves make courageous decisions that influence their own situation.

As we and our partners focus on the individual child, we also advocate for structural changes. We meet with decision-makers, from village chiefs to national ministers. In many cases, countries have ratified the Convention on the Rights of the Child (UNCRC) and our mission becomes to remind them of their responsibilities. Sometimes the process is simple, sometimes it demands hard work to change laws and systems to prevent abuse and the exploitation of children.

ERIKS is appreciated for its supporting and flexible way of working. Our partners speak with warmth of the good relationships they have in working with us. This is important feedback to us.

For several years, ERIKS has been working according to a new target and performance framework more clearly grounded in the above-described theory of change. For each issue: education, health, and protection, ERIKS has defined desirable results at four levels. The first level is children's own ability to promote the realization

of their rights. The second is how well duty bearers with legal obligations are able to deliver upon their responsibilities. The third involves the role of families, associations, and other moral duty-bearers. Finally, at an overarching level, ERIKS wants to measure actual improvement for the children that we expect have been achieved.

The new results framework for our global objectives has been the basis for updated country strategies that guide the work in ERIKS' programme countries. For each country, there is a context-specific results framework based on the general framework.

International Programmes

In 2018, ERIKS has continued to strengthen the capacity of its Programme Department both at head office and regional office level in preparation for future growth. The regional offices in Romania, Mali, Uganda and Cambodia have gradually been reinforced. The annual Global Meeting was held in Sweden in September gathering all staff members from head office and regional offices for strategy and policy discussions.

In line with the strategic decision to focus on fewer countries, a number of project and partnerships have been phased out. In 2018, ERIKS was engaged in long-term work in 18 countries. It was also the last year of active involvement in Thailand.

Due to climate change and protracted conflicts, the humanitarian needs in the world are growing. As a consequence, humanitarian assistance have become a more important element of ERIKS' budget. ERIKS is intentionally striving to build its own competency as well as its partner organisations' capacity to meet the growing humanitarian needs. The added value of ERIKS as a humanitarian actor is its collaboration with local partner organisations who very quickly can respond to different emergencies.

Programmes in Sweden

During the year the Swedish programme department and ERIKS Second Hand had an active discussion about the next phase in the organisation's programme in Sweden. ERIKS Second Hand, with its 60 or so shops, is in a unique position where our local presence and our brand is



well known. From this position, we want to build local partnerships for social programmes focusing on the integration of children and families. Through our various programme concepts we can contribute with experience and methods to this endeavour.

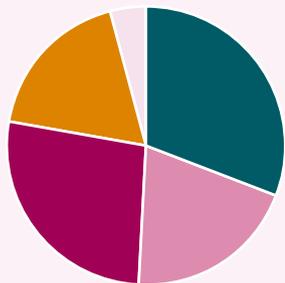
In December 2017 a two-year project with a grant from Vinnova was launched. The school innovation lab, Lövgårdets Lärslabb, is improving student results and breaking patterns of segregation through partnerships in the local area. The project is being run in cooperation with Göteborgs Räddningsmission, GU Venture and the City of Gothenburg.

Through Football For All Global (FFA Global), young people, most of whom are refugees who arrived in Sweden alone, are receiving support and motivation to realise their dreams and reach their full potential by combining football with personal development.

The Empower network provides opportunities for exchange and supports meetingplaces and youth recreation centres.

ERIKS is working with Göteborgs Räddningsmission on the Solrosen programme which supports children who have a close relative in prison. The programme was evaluated in 2018 by R&D organisation FoU i Väst. The resulting report confirms the need for, and importance of, the work being done by Solrosen.

Through Rafiki and Barnrättsäventyret, ERIKS comes into contact with school children of various ages to share with them, through conversation, experiences and music, information about conditions under which children around the world are living and about the UN Convention on



Donations	31%
Second Hand	20%
Swedish Mission Council	27%
Postcode Lottery, Children of the World Campaign, Radiohjälpen etc	18%
Other income (including the sale of securities and property)	4%

Income in 2018

(in millions of Swedish kronor, SEK)

Regular donations	25,0
Bequests	3,4
Donations in Honour or in Memory of Others	2,1
Other Donations	6,3
ERIKS Second Hand	23,6
SMR	48,8
Postcode Lottery basic support	16,0
Children of the World Campaign	3,1
Radiohjälpen	2,8
Other Income (Postcode Lottery, special projects)	5,1
Other Income	6,5
Total	142,7



ERIKS has a certified account that ensures that donations are used appropriately. The work is monitored by Swedish Fundraising Control, which allows a maximum of 25% to be used for fundraising and administration. ERIKS' costs are low. In 2018, administrative costs accounted for 5% and fundraising costs for 6% of total revenue.

the Rights of the Child.

ERIKS' Swedish programme department participates in various child rights networks and attends conferences and events focusing on children's rights. The department also awards grants and distributes funds from various foundations. It also provides advice and support to ERIKS' partner organisations.

COMMUNICATION

ERIKS' mission includes communicating information about children's rights and enabling children to speak up about their situations and be heard. Many different channels are used, including social media, ERIKS' newsletter and magazines, and ERIKS' Second Hand shops. ERIKS works with performers, speakers, churches and others to help arrange events or provide information about children's rights and ERIKS' programmes and activities. ERIKS participated in more than 200 such events in 2018. Several events were specifically aimed at reaching young people.

ERIKS' magazine is published for donors and is also distributed at ERIKS Second Hand shops. The purpose of the magazine is to raise awareness about children's rights and to describe how donated funds are used and the benefits that gifts contribute to.

In 2018 the magazine, which is in its 64th year of publication, had a circulation of 40,000–42,500 and four issues were printed. Rafiki, a programme for schools in cooperation with partner organisation Individuell Människohjälp, printed four issues of its Rafiki magazine with 5,000–6,000 copies each.

RESULTS AND FINANCIAL POSITION

ERIKS' work is financed primarily through donations from individual donors, companies, surplus from ERIKS Second Hand shops and institutional funding from Sida through the Swedish Mission Council. Other important contributors are Radiohjälpen Foundation, the Children of the World Campaign and the Swedish Postcode Lottery. Having different sources of funding helps ERIKS to attain financial stability and provides flexibility in planning and prioritizing interventions. It also reduces the dependency of one single donor.

ERIKS' total revenue for the fiscal year 2018 was 143 million SEK, a decrease of five percent compared to the previous year. Individuals are the largest and most important donor group. Regular contributions by this group, through different forms of sponsorship and monthly donations, is on the same level as last year.

ERIKS has sold stocks and bonds with a profit of 1,9 million SEK, which had a positive influence on the result.

The foundation shows a loss of 6,1 million SEK. The budgeted loss for 2018 was 0.1 million SEK.

The difference is mainly explained by a reduced surplus from Second Hand and that fewer bequests were received. Operations for 2018 were planned and completed within the budgeted income for the year. 93 percent of the income was spent as project costs.

ERIKS' Board has established guidelines for the

foundation's asset management and investment ethics. The foundation shall manage its funds in such a way that the requirements of good returns and satisfactory security are met. Funds will be managed in an ethically responsible manner in accordance with the Foundation's core values. ERIKS selects investments in listed companies and equity funds working credibly with the environment and climate, human rights, fair labour conditions and business ethics. ERIKS opts out of investments in activities that violate international standards and that are linked to weapons, armaments, alcohol, tobacco, gambling, pornography, and fossil fuels. An investment committee oversees day-to-day management and is responsible for a strategic and ethical orientation. For ongoing management, ERIK hires several external managers.

ERIKS' financial position remains strong, despite losses for the year. The board has decided, over time, to establish balanced equity equivalent to five to seven months of turnover. This provides sufficient reserves to phase-out projects in a dignified manner if the situation regarding fundraising and grants change significantly. As of the closing date, ERIKS has balanced equity equal to 5.2 months' turnover. ERIKS' overhead costs remain low. In 2018, the administrative costs constituted 5.4 percent of the total revenue, and the fundraising costs 6.3 percent.

FRII'S QUALITY STANDARDS

ERIKS applies the quality standards of FRII, the Swedish Fundraising Council (an NGO that promotes and verifies transparent, ethical, and professional fundraising among Swedish member NGOs). These standards aim to strengthen members' efforts to improve internal control and management and thereby contribute to strong, long-term confidence of donors in Sweden which, in turn, generates resources for achieving the goals of the organisation. Among other requirements, each member NGO must prepare an annual impact report according to FRII's template. The impact report aims to show donors, the public and other stakeholders how the NGO benefits others. An external public accountant reviews and certifies, for example, that the organization complies with agreed-upon ethical standards for fundraising.

QUALITY ASSURANCE

For each project, a special agreement is signed between ERIKS and its partner organisation.

This agreement regulates how the money should be used and how reporting and auditing should be conducted. ERIKS regularly monitors project work to ensure that money goes where it should and is used properly. Each year, certified auditors review ERIKS' accounts, financial statements, and annual financial report, as well as the board's management and internal control.

SUSTAINABILITY STATEMENT

Environment and climate

ERIKS work according to our core values to contribute to a sustainable development and a responsible stewardship of the earth where our children will grow up. There is a strong connection between

Multi-year comparison

	2018	2017	2016	2015	2014
Total income, SEK 000 incl. financial income	142,748	150,438	148,763*	131,041*	120,067
Project costs/ total income %	93	90	88*	93*	89
Fundraising expenses/ total income %	6	7	6	5	7
Administrative expenses/ total income %	5	6	6	5	4

*The VAT compensation of SEK 18.9 million for 2016 and SEK 40.7 for 2015 received from FRIL (Swedish Fundraising Council) is considered an item affecting comparability and is therefore excluded from the multi-year comparison and the diagram.

negative effects on the environment and sustained poverty. ERIKS therefore works continuously to reduce our effects on the environment and the climate in Sweden, but also in our projects around the world, where children live in vulnerable situations. The Second Hand operations also contribute to a sustainable society and creates better conditions for future generations.

Diversity

The organisation has continued to work according to the Policy on Diversity, Equal Treatment and Gender Equality. All members of the staff within the foundation have been able to develop their competence regarding these issues through for example a session on gender equality during the yearly kick-off. A diversity group with representatives from all departments has been assigned tasks by the management.

This year an extensive salary survey has been carried out to correct any eventual unjustified salary differences based on gender.

Work environment and Health

ERIKS has continued with its goals to promote health, prevent illness, and improve rehabilitation. During the year, ERIKS personnel have had the possibility to take advantage of a health services fund to promote physical activity.

There is an agreement with the business health and ergonomic adjustments in work places have been made. Sick leave within the Foundation was 4.0 percent (3.9 percent in 2017). The sick leave among women was 4.7 percent and 2.9 percent among men.

Competence maintenance

In the past year, ERIKS has continued to run a programme to develop all its employees. The work aims to develop the organisation as well as the different departments. The focus has been to develop the capacity of directors and managers within the organisation together with the management team

for ERIKS' Second Hand. The effort has been followed up by a survey among the staff to identify strengths as well as weaknesses within the organisation. The main strengths of ERIKS is the motivation and commitment among managers and the employees, the core values of the organisation and that the organisation is driven by a greater purpose.

SIGNIFICANT EVENTS

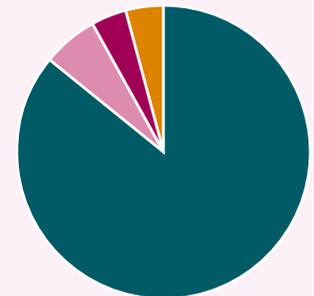
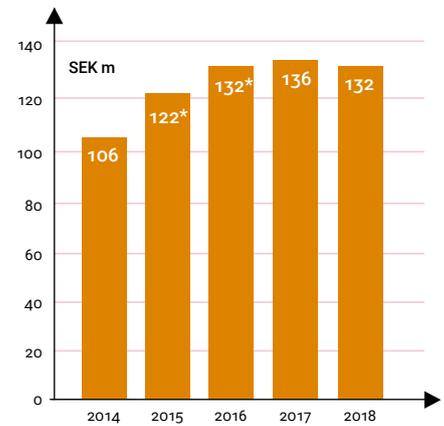
ERIKS' work in 2018 was characterised by two focus areas. One was adapting the organisation where a number of combined external factors had had a negative impact. Substantial gifts and bequests were smaller than the previous year. There was also a negative exchange rate effect as most of our project costs are in US dollars. To reduce the risk of currency fluctuation having negative consequences for our partner organisations and target groups, there are established guidelines in place according to which ERIKS bears the risk of increased costs from changes in exchange rates. In particular, the weak Swedish krona in relation to the dollar rate resulted in increased project costs in 2018.

The second focus area was necessary consolidation and restructuring after many years of growth. Essentially all departments and job descriptions are being reviewed with the goal of remaining resource-efficient and to free up as much capital as possible for our mission and objectives.

- In 2018 ERIKS worked on developing methods and strategies for the organisation's social work in Sweden. According to a decision by the Board regarding the future focus of the organisation's work, which was also adopted by the board of ERIKS Second Hand, the emphasis going forward will be on a more pronounced geographical perspective with a focus on ERIKS Second Hand shop locations. The idea is to strengthen ERIKS' local presence in selected areas that have specific challenges. A Social Coordinator will help improve the situation in communities with the local Second Hand shop as the starting point.
- The Opinion department had a strong voice in the public debate on begging, the refugee issue and

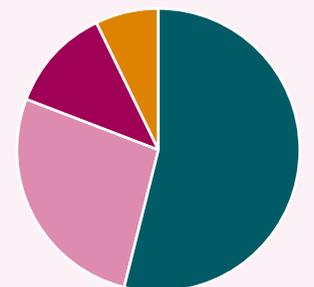
Project investments

ERIKS' invested SEK 132 million in projects in 2018.



Distribution of activities in 2018

- Development projects 86%
- Children in Sweden 6%
- Information 4%
- Humanitarian assistance 4%



Regional distribution of long-term interventions in 2018

- Africa 54%
- Asia 27%
- Eastern Europe 12%
- Sweden 7%

democracy.

- ERIKS and the Göteborgs Räddningsmission have developed the Solrosen programme to help children whose parents are in prison. In 2018, following a report issued by the Swedish National Board of Health and Welfare, these efforts gained much attention in articles and coverage in multiple media channels.
- In 2018 Sweden's first non-profit second hand e-commerce channel under the domain secondhand.se was established. The online shop has received fantastic reviews from customers. In cooperation with the Marita Foundation, ERIKS established a new second hand shop in Oslo based on the ERIKS concept. Sales are already very high after just a couple of months.
- In September 2018 ERIKS arranged a "Global Week" in Sweden gathering the organisation's international employees for the event.
- During the year, 200 events, concerts and meetings were held at which ERIKS' work was featured. Significant progress continues to be made. The Christmas campaign got a boost when recycled clothing was named Christmas Gift of the Year. Many people also chose to do Christmas shopping in our gift shop.

THE FUTURE

2019 marks the 90th anniversary of the birth of Erik Nilsson in Ruda, Högsby municipality. This will be celebrated in the spring in conjunction with the official opening of a new floor at ERIKS' head office in Huskvarna. Later on in the autumn ERIKS will celebrate the UN Convention on the Rights of the Child, which was adopted 30 years ago in 1989.

Expectations are high for 2019, as are energy levels:

- The boards of the Foundation and Second Hand have decided to coordinate programmes in Sweden. Several local organisations and shop partners are interested in being involved. There is a growing spirit of enterprise and a commitment to promoting a more integrated society with a strong focus on children and families. ERIKS will start in Helsingborg this year with funding from the Kavlifonden trust.
- The joint programmes have two key words to summarise ERIKS' future endeavours – Hope and Sustainability. Hope is at the heart of our shops and of each and every project. We want to give children and young people hope for the future and a better life. Sustainability is just as important in the recycling of furniture and clothing as it is in our projects in the field. One clear manifestation of this is the merger of our two magazines into one joint publication – one part focusing on development cooperation and children's rights and the other on our Second Hand operations.
- We are starting to implement a shift in our international programmes to give greater authority and responsibility to our regional offices. The purpose is to reduce the risk of work duplication, increase efficiency and skills, and generate more funding for our programmes.
- The fundraising and communication departments have been combined into one unit for more dynamic concept creation and better efficiency, analysis and follow-up processes. This joint department will be located in Huskvarna.

- Constant improvements are being made to our Second Hand shop network with a focus on logistics, sales and customer relations. The concept is being reviewed to strengthen all three of the objectives: profitability, social impact and environmental results. Areas being analysed during the year are new models, smaller and more centrally located shops and donation sorting at a central warehouse.
- The online shop was launched in 2018. It is still under development and will require significant continued efforts to reach its full potential.
- The work of ERIKS' Opinion department, which has grown rapidly over the past few years, will be elevated to the next level with more resources and an improved structure. The same applies to our strategic financing, where the focus will be on working more systematically with trusts, companies and foundations.

We remain committed to the growth of our operations. The ERIKS brand is strong and the opportunities are significant. Even more significant are the injustices and vulnerability of children in the world. We are still living Erik Nilsson's reality and dream – a reality where children are suffering, alone and vulnerable, and a dream of all children growing up with love, security, good health and education. ERIKS' vision of a better world where children's dreams come true shines brighter than ever. We want to do more for more children!



PHOTO: ANNA HÅLLAMS

Financial information

Income statement

Amounts in thousands of SEK

	Note	2018	2017
<i>Operating income</i>	1, 2		
Donations	3	76,337	94,262
Subsidies	3	59,863	48,762
Other contributions	3	2,727	3,989
Total operating income		138,927	147,013
<i>Operating expenses</i>	4, 5, 6		
Programme expenses		-132,145	-135,943
Fundraising expenses		-8,954	-10,349
Administrative expenses		-7,687	-8,428
Total operating expenses		-148,786	-154,720
Operating profit/loss		-9,859	-7,707
<i>Result from financial investments</i>			
Result from other securities and receivables accounted for as fixed assets	7	-	-250
Interest expenses and similar item		-3	-2
Interest income and similar item	8	3,824	3,425
Total result from financial investments		3,821	3,173
Profit/loss after financial items		-6,038	-4,534
Tax on Net Profit	9	-67	-357
Net profit/loss		-6,105	-4,891
<i>Change in restricted programme funds</i>			
Net profit/loss per income statement		-6,105	-4,891
Use of restricted programme funds from previous years		2,588	1,559
Reservation of restricted programme funds		-1,437	-1,374
The remaining amount from this year/change in profit/loss brought forward from previous year		-4,954	-4,706

Balance sheet

Amounts in thousands of SEK

	Note	2018-12-31	2017-12-31
ASSETS			
Fixed assets			
<i>Tangible assets</i>			
Land and buildings	10	2,566	3,992
Equipment and vehicles	11	603	886
		3,169	4,878
<i>Financial assets</i>			
Long-term receivables	12	1,500	1,800
Total fixed assets		4,669	6,678
Current assets			
<i>Inventories</i>			
Goods for sale		967	1,102
<i>Current receivables</i>			
Accounts receivable		423	467
Other receivables		5,860	211
Prepaid expenses and accrued income	13	2,256	4,484
		8,539	5,162
<i>Short term investments</i>			
	14	46,005	57,724
<i>Cash on hand for special purpose</i>	15	10,456	15,303
<i>Cash on hand and bank balance</i>		8,354	4,494
Total current assets		74,321	83,785
Total Assets		78,990	90,463
EQUITY AND LIABILITIES			
Equity			
Restricted programme funds		4,550	5,701
Profit/loss brought forward		57,032	61,985
Total equity		61,582	67,686
Current liabilities			
Accounts payable		1,302	1,565
Tax liability		341	676
Liability from unused grants	16	10,443	10,772
Other liabilities		639	5,011
Accrued expenses and prepaid income	17	4,683	4,753
Total current liabilities		17,408	22,777
Total equity and liabilities		78,990	90,463

Cash flow statement

Amounts in thousands of SEK

	Note	2018	2017
Operating activities			
Profit/loss after financial items		-6,038	-4,534
<i>Adjustment for non-cash items</i>			
Depreciation		714	759
Profit from sale of fixed assets		-248	-1,941
Other items		-	-106
Paid tax on net profit		-402	-180
Cash flow from operating activities before changes in working capital			
		-5,974	-6,002
Changes in working capital			
Change in inventories		135	575
Change in current receivables		-3,377	8,885
Change in current liabilities		-5,034	-9,965
Cash flow from operating activities			
		-14,250	-6,507
Investing activities			
Investments in fixed assets		-99	-300
Amortization from Human Bridge		300	-
Sale of fixed assets		1,343	471
Cash flow from investing activities			
		1,544	171
Financing activities			
Change in short-term investments		11,719	-19,812
Cash flow from financing activities			
		11,719	-19,812
Cash flow of the year			
		-987	-26,148
Cash and cash equivalent at the beginning of the year			
		19,797	45,945
Cash and cash equivalent at the end of the year			
	18	18,810	19,797

Equity

Amount in thousands of SEK

	Restricted programme funds	Profit/loss brought forward	Net profit/loss for the year	Total equity
Equity as of 31 Dec. 2017	5,701	66,877	-4,891	67,687
Last year's balance profit/loss	-	-4,891	4,891	-
Reservation	1,451	-1,451	-	-
Use	-2,602	2,602	-	-
Net profit/loss for the year	-	-	-6,105	-6,105
<hr/>				
Equity as of 31 Dec. 2018	4,550	63,137	-6,105	61,582

Restricted programme funds consist of grants and subsidies that, for various reasons, have been reserved for specific interventions. This may have to do with resources raised during a targeted campaign or bequest and donations that, for various reasons, have been earmarked for specific interventions and imply that they are subject to special conditions. Restricted programme funds are purposed primarily for interventions in Ethiopia, Romania and the Baltic.

Notes

Note 1

Accounting and valuation principles

The fundraising organisation's accounting and valuation principles are consistent with the Annual Accounting Act, BFNAR 2012:1 (K3) and FRIF's guidelines of control for annual accounting. Principles are unchanged from the previous year.

INCOME STATEMENT

OPERATING INCOME

Only the entrance of profit received, or receivable is recorded as income. Unless otherwise stated below, income is calculated as the actual value of what is received or receivable. The following paragraphs describe when income is recorded for different types of income.

Donations and subsidies

A donation or a subsidy received is a transaction in which the Foundation receives an asset or service that has value, without returning the equivalent value in exchange. If the asset or service is obtained because the organisation has met or will meet certain conditions, and if the organisation has an obligation to repay the other party if conditions are not met, then it is a subsidy received. If it is not a subsidy, then it is a donation.

Donations

As a general rule, donations are recorded as income upon receipt. A donation recognized as income is recorded as an asset or expense, depending on whether the donation is directly consumed or not. Donations that the organisation intends to use permanently in operations are reported as fixed assets. Other donations that are not consumed are reported as current assets. Donations are valued at their actual value. When the foundation provides compensation for the donation, the donation's value is reduced by the amount of compensation.

Subsidies

Subsidies are recorded as income when the conditions for obtaining the subsidies have been met. Subsidies received are recorded as liabilities until the conditions for obtaining the subsidies are met. Subsidies received are valued at the asset's actual value that the organisation has received or will receive.

Other income

Rental income is recorded in the lease term. Interest income is recorded using the effective interest method. Dividends are recorded when the right to receive the dividend is assured.

OPERATING EXPENSES

Operating expenses are divided into the following functions; programme costs, fundraising expenses, and administrative expenses.

Programme costs

Programme costs are costs that have a direct connection with ERIKS' vision and mission, according to its statutes. This includes, among other things, the cost of our development projects, information projects, advocacy (e.g. through ERIKS' magazine or website), material assistance and humanitarian programme. In this category of programme costs are included payroll and administrative costs for the staff involved in these activities, as well as general expenses assigned to all areas of operations.

Fundraising Expenses

Fundraising expenses are direct costs for fundraising activities aimed at donors, i.e., expenses for inspiring and encouraging people to contribute to ERIKS' work through gifts and bequests or as monthly donors and sponsors. Fundraising work includes both contact and communications with current donors and external efforts to recruit new donors. Fundraising costs include costs for advertising and marketing, printing costs and postage for letters to donors, salaries, and administrative costs for fundraising personnel, and overhead distributed throughout all work areas.

Administrative Expenses

Administrative expenses include costs that are necessary for running ERIKS. A well-functioning administration is necessary to create good conditions for fundraising and project work. Administrative expenses include the director's and administrative personnel's salaries (finances, IT, etc.), accounting and audit costs, as well as distributed joint costs. This item also includes accounting and auditing costs and other costs that cannot be attributed to fundraising or project activities.

Until September 2018 ERIKS run the administration of the Children of the World campaign, incl. payment of salaries and remuneration, see Note 5. To facilitate comparisons between years, these costs are reported separately and therefore do not affect ERIKS' net profit/loss.

Leases

All the Foundation's leases are recorded as operational. In other words, rent income, including the first month's higher rent, is recorded linearly over the lease term.

Employee expenses

Running expenses for employees in the form of salaries, social security contributions and the like are recorded as expenses when employees render services. Since all pension obligations are classified as defined contribution costs, the expense is recorded in the year in which the pension is earned.

Income tax

The Foundation is exempt from income tax in its non-profit work, because it meets the social utility requirement under tax law. The foundation is liable for income tax on profits from leaseings.

BALANCE SHEET

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

Fixed tangible assets

The recording of the foundation's fixed tangible assets considers the two different definitions of K3: As a basic rule, a tangible asset is a physical asset that is held to conduct business, providing cash flow. For the non-profit sector, tangible assets also include physical assets held for non-profit purposes, even if the basic rule is not met. Most fixed assets have been classified based on the latter rule, since they are used for the foundation's non-profit purposes. Impairment testing is always done for those assets that no longer meet the requirements for definition as fixed tangible assets. According to K3, assets must not be reclassified.

Subsidies, public and private, for acquiring fixed assets reduce the asset's acquisition cost.

When a fixed tangible asset is comprised of highly valuable components and it is expected that the use of these components will vary substantially, the components are recorded and depreciated separately based on each one's useful life. When a component of a fixed tangible asset is replaced, any remaining part of the old component is scrapped, and the acquisition value of the new component is activated. Subsequent expenditures relating to assets that are not broken down into component parts are capitalized to the extent that the asset's performance increases relative to the asset's value on the acquisition date.

Expenditures for running repairs and maintenance are recorded as expenses. Capital gain or capital loss for disposing of a fixed asset is recorded as "Other operating income" or "Other operating expenses," respectively.

Fixed tangible assets are systematically depreciated over the asset's estimated useful life. An asset's residual value is considered when deciding about depreciation. The straight-line depreciation method is used.

The following depreciation periods apply:

Land No depreciation
Buildings Frame 50 years
Facade 50 years
Roof 30 years
Finishes 30 years
Geothermal heat 10 years
Computers 3 years
Equipment 5 years

Financial assets

At the acquisition date, financial assets are valued at the acquisition cost plus direct transaction costs. After their initial recording, short-term investments are valued according to whichever is lower: the lowest acquisition cost or the net sales value at the balance date. Accounts receivable are valued individually at the amount expected to be received. Receivables and liabilities in foreign currencies are recorded at the closing rate.

Donations, and bequests

Assets such as real estate, stocks and other securities that are donated to ERIKS are valued at market value at the time of their donation. The income is recorded under donations.

Stocks, shares and interest-bearing investments

Short-term holdings of stocks and shares are valued at the lowest of acquisition cost and actual value (market value). If the actual value has fallen, and this decrease is deemed permanent, then impairment is applied. ERIKS selects investments in listed companies and mutual funds that work credibly with regard to the environment and climate change, human rights, fair labour conditions and business ethics. The foundation do not invest in activities that violate international standards or that are linked to weapons, munitions, alcohol, tobacco, gambling, pornography or fossil fuels.

Risks

ERIKS operates based on the board's established risk management and security policy. The foundation want to be able to make informed strategic decisions and to ensure the best possible effect of gifts and grants. Based on established guidelines for risk analysis and risk management, work is managed to maintain donors' confidence and the

organisation's reputation and brand. Risk management involves identifying and preventing or minimizing risks when it comes to the health and safety of staff, program activities and the organisation's assets or other disturbances and losses. An effective risk management program increases the organization's ability to achieve its goals.

ERIKS' Investments Management Policy offers guidelines on how to handle financial assets. The foundation shall manage its funds in such a way that the requirements of good returns and satisfactory security are met. Funds will be managed in an ethically responsible manner in keeping with the foundation's core values.

In accordance with the board's decision, ERIKS will maintain equity equivalent to five months to seven months of income at the current rate. In addition, at least 80% of invested funds must be liquid. The investment policy limits the proportion of variable-income and fixed-income investments, and investment in an individual stock may not exceed 10% of the entire portfolio.

Currency forward contracts are used when deemed necessary to protect the foundation against exchange rate changes, as a contract locks in the exchange rate for foreign currency denominated assets or liabilities. Currency forward contracts are signed in accordance with the foundation's Currency Risk Policy guidelines, which dictate how ERIKS manages currency risks, which risks should be limited and how this should be done.

Inventory

Goods for sale are valued using the first-in first-out principle at acquisition cost or net sale value on the day's balance sheet, whichever is lower. The inventory mostly consists of stickers and toys for the "Nurse's Secret Box."

Restricted programme funds

Not yet consumed donations and other funds for special purpose are recorded as restricted programme funds.

Liability from unused grants

Received subsidies are recorded as liabilities until the conditions for obtaining the subsidies are met.

Cash flow statement

The cash flow statement is prepared using the indirect method and shows receipts and disbursements divided into three categories: operating, investing and financing activities. The reported cash flow includes only transactions that entail payments. Liquid assets other than cash are classified as deposits with banks and other credit institutions or as short-term, highly liquid investments on the marketplace.

Conversion of foreign currencies

Receivables and liabilities in foreign currencies are valued at the closing rate, which is the exchange rate on the date of the balance sheet.

The total effect from exchange rates is accounted for when the forward contracts expire.

Note 2

Estimates and appraisals

The board sees no material uncertainties in the estimates and appraisals available at the balance sheet date that could pose a significant risk of material adjustment to the recorded values of assets and liabilities within the next financial year.

Amounts in thousands of SEK

Not 3

Operating income **2018** **2017**

Donations recorded on the income statement are allocated as follows:

Regular donations	24,988	25,243
Bequest	3,352	11,331
Postcode Lottery, core support	16,000	15,000
ERIKS Second Hand	23,600	29,004
Other donations	8,397	13,684

Total **76,337** **94,262**

Subsidies are allocated as follows:

Swedish Mission Council	47,983	38,468
Radiohjälpen Foundation	2,787	3,185
Children of the World campaign	3,111	3,292
Forum Syd	835	-
PostCode Lottery, project support	4,519	3,617
Other institutional grants	628	200

Total **59,863** **48,762**

Other income is allocated as follows:

Rent income	809	887
Sale of goods	1,254	999
Capital gains	207	1,941
Other	457	162

Total **2,727** **3,989**

Regular donations indicate donations by agreement, including sponsorship contributions and the monthly newsletter and magazine. Other donations include spontaneous gifts such as ones made for disaster relief.

Subsidies are recorded as income in the amount corresponding to the year's direct costs. Remaining income is recorded under liabilities. The above-mentioned amounts include subsidies for administrative expenses.

Gifts that are not recorded as income

Gifts not recorded as income include, for example, advertising space, free or reduced rents and voluntary work. According to the Foundation's assessment, there have been no substantial gifts received that have not been recognized on the income statement.

Amounts in thousands of SEK

Note 4

Lease agreements: Tenant	2018	2017
Minimum future lease payments payable under non-cancellable leases:		
Payable within one year	1,128	1,123
Payable after one year but within five years	784	1,867
During the year as an expense	1,318	1,272

The foundation has rented a space with a nine-month notice period. The foundation has also let property with a one-month notice period, according to the rental contract.

Note 5

Human resources	2018	2017
Women	33	32
Men	24	23
Total average number of employees	57	55

Gender distribution on the board and among senior executives

Board members on the balance day		
Women	6	6
Men	5	5
Total	11	11

Senior executives on the balance day

Women	4	3
Men	5	5
Total	9	8

Salaries, professional fees and other compensation

Members of the board	300	294
General Secretary	691	670
Other employees	16,577	16,493
	17,568	17,457

Payments into pensions and other social contributions

Pension costs for the Secretary-General	260	209
Pension costs for the board	14	19
Pension costs for other employees	1,789	1,938
Other social expenses under the law and by agreement	6,091	5,512
	8,154	7,678

Other social costs include personnel insurance, payroll taxes and contributions by employers for employees. Besides retirement contributions and an additional pension provision of 15 (10) percent, calculated on the basis of salary, no other benefits were paid to the foundation's secretary-general during the fiscal year. There is no overtime pay for the secretary-general. Board of Directors costs also included a part-time position for a salaried chairman until August 2018. After August the new chairman is compensated with a fixed amount. The foundation has no other commitments with regard to pensions or severance pay to individuals in leadership positions.

Regional offices

ERIKS has four regional offices. Staff at the office in Mali is employed in a local registration of ERIKS. The staff in Cambodia, Uganda and Romania are formally employed by a local partner organization. These services are all recorded as direct programme expenses, in notes 6 as Regional offices and are not included in the above table.

Amounts in thousands of SEK

Personnel costs for employees of the Children of the World Campaign

	2018	2017
Salaries and benefits	885	3,009
Pension costs	78	195
Social costs	267	968
	1,230	4,172

ERIKS' net profit/loss was not affected by costs incurred by the Children of the World Campaign. Full compensation has been received from the campaign.

Note 6

Programme expenses	2018	2017
Programmes	101,286	99,491
Humanitarian interventions	4,960	10,017
Regional offices	4,578	4,722
Programme coordination	10,998	10,935
Material assistance Human Bridge	1,500	1,500
Scandinavian Doctors	1,881	1,765
Communication	5,418	5,475
Annual grants and other applications	1,524	1,679
Other	-	359
Total	132,145	135,943

Note 7

Result from other securities and receivables accounted for as fixed assets	2018	2017
Depreciation	-	-250
Total	0	-250

Note 8

Interest income and similar item	2018	2017
Dividends	872	865
Interest income	707	612
Exchange differences	309	1,009
Capital gain	1,936	939
Total	3,824	3,425

Note 9

Tax on commercial activities	2018	2017
Current tax	-67	-357
Tax on this year's profit	-67	-357
Net profit, in taxable activities, before tax	306	498
Tax calculated according to tax rate, 22%	-67	-109
Tax assignable to previous year's reported profit in taxable activities	-	-248
Reported tax expense	-67	-357

Amounts in thousands of SEK

Note 10

Investment property	2018-12-31	2017-12-31
Acquisition cost, opening balance	20,868	20,742
Donated property	-	376
Sales and scrapping	-5,765	-250
Accumulated acquisition cost	15,103	20,868
Depreciation, opening balance	-16,876	-16,548
Sales and scrapping	4,690	11
Depreciation	-351	-339
Accumulated depreciation	-12,537	-16,876
Net value in balance sheet	2,566	3,992
Market value	14,500	17,300

Properties are appraised by an external party in 2015. There is judged to be no material change of value through closing date.

Note 11

Equipment and vehicle	2018-12-31	2017-12-31
Acquisition cost, opening balance	4,642	5,193
Investments	99	300
Sales and scrapping	-329	-851
Accumulated acquisition cost	4,412	4,642
Depreciation, opening balance	-3,756	-4,187
Sales and scrapping	310	851
Depreciation	-363	-420
Accumulated depreciation	-3,809	-3,756
Net value in balance sheet	603	886

Note 12

Long-term receivables	2018-12-31	2017-12-31
Acquisition cost	1,800	1,800
Amortization	-300	-
Net value in balance sheet	1,500	1,800

Note 13

Prepaid expenses and accrued income	2018-12-31	2017-12-31
Prepaid rent	322	320
Prepaid insurance premiums	74	89
Accrued interest income	233	221
Accrued wage subsidies	-	46
Accrued programme costs	1,520	1,941
Accrued income from sale of property	-	1,800
Other	107	67
Total	2,256	4,484

Amounts in thousands of SEK

Note 14

Short-term investments	2018-12-31	2017-12-31
Swedish stocks	23,263	18,375
Equity funds	1,691	2,718
Fixed income funds	21,051	36,631
Total	46,005	57,724

The market value amounted to 49,470 thousand of SEK on 31 December 2018 (67,019 for 2017).

Note 15

Cash on hand for special purpose	2018-12-31	2017-12-31
Swedish Mission Council	499	7,080
Forum Syd	2,258	-
Children of the World Campaign	-	4,531
Radiohjälpen Foundation	2,893	614
Postcode Lottery	4,540	3,060
Other	266	18
Total	10,456	15,303

ERIKS administered the Children of the World Campaign until September 2018. On 31 December 2017 ERIKS held cash and cash equivalents 4,531 thousand of SEK for the campaign. This amount was also recorded as a debt under other liabilities.

Note 16

Liability from unused grants	2018-12-31	2017-12-31
Swedish Mission Council	499	7,080
Forum Syd	2,246	-
Radiohjälpen Foundation	2,893	614
Postcode Lottery	4,540	3,060
Other Items	265	18
Total	10,443	10 772

The debt pertains to projects that have not commenced, or have only partially commenced, where the projected costs have not yet arisen though the funds that have been set aside for that purpose.

Note 17

Accrued expenses and prepaid income	2018-12-31	2017-12-31
Accrued holiday salaries	2,025	2,037
Accrued payroll pay-outs	335	234
Accrued social obligations	1,458	1,454
Accrued programme costs	473	589
Other items	392	439
Total	4,683	4,753

Note 18

Cash and cash equivalents	2018-12-31	2017-12-31
Cash	4	3
Bank balance	18,806	19,794
Total	18,810	19,797



PHOTO: STINA WESSLUND

Signatures

Huskvarna 29 March 2019

Anna Lönn Lundbäck
Ordförande

Michael Kihlström
1:a vice ordförande

Daniel Skoghäll
2:e vice ordförande

Daniel Grahn
Generalsekreterare

Linda Gårdstam

Cecilia Magnusson

Jonas Sandwall

Helena Engkvist

Annette Sandwall

Tobias Nilsson

Ulrika Erkenborn Rugumayo

Our audit report was submitted on 12 April 2019.
Öhrlings PricewaterhouseCoopers AB

Leif Göransson
Authorized Public Accountant

Mats Angslycke
Authorized Public Accountant



Auditor's Report

Unofficial translation

To the Board of Directors of ERIKSHJÄLPEN, Insamlingsstiftelsen Farbror Eriks Barn- och hjälpverksamhet, identity number 827500-4789

Report on the annual accounts

Opinions

We have audited the annual accounts of ERIKSHJÄLPEN, Insamlingsstiftelsen Farbror Eriks Barn- och hjälpverksamhet (the foundation) for the year 2018. The annual accounts of the foundation are included on pages 21-36 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the foundation as of 31 December 2018 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the foundation in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

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

Other information than the annual accounts

This document also contains other information than the annual accounts and is found on pages 1-20. The Board of Directors are responsible for this other information.

Our opinion on the annual accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Secretary General

The Board of Directors and the Secretary General are responsible for the preparation of the annual accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The

Board of Directors and the Secretary General are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibility

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the foundation's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Secretary General.
- Conclude on the appropriateness of the Board of Director's and

the Secretary General's use of the going concern basis of accounting in preparing the annual accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the foundation to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We must inform the Board of Directors, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts, we have also audited the administration of the Board of Directors of ERIKSHJÄLPEN, Insamlingsstiftelsen Farbror Eriks Barn- och hjälpverksamhet (the foundation) for the year 2018.

In our opinion the board members have not violated the Foundations Act, the statutes of the foundations or Annual Accounts Act.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the foundation in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

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

Responsibilities of the Board of Directors

The Board of Directors is responsible for the foundation's organization and the administration according to Foundations Act and the statutes of the foundation.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the foundation, or
- in any other way has acted in contravention of the Foundations Act, the statutes for the foundation or the Annual Accounts Act.

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

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

Jönköping 12 April 2019
Öhrlings PricewaterhouseCoopers AB



Leif Göransson
Authorized Public Accountant



Mats Agnslycke
Authorized Public Accountant



PHOTO: AMANDA LINDSTRÖM



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CONTACT INFORMATION

Registration number: 827500-4789

Physical Addresses:

Erikshjälpen, Datorgatan 4, Huskvarna, Sweden Erikshjälpen,

Bergmossevägen 5, Holsbybrunn, Sweden

Mailing address:

Erikshjälpen, Box 1, 570 15 Holsbybrunn, Sweden

Telephone: +46,383-46,74,50

E-mail: info@erikshjalpen.se www.erikshjalpen.se

www.eriksdevelopment.org