



2018 Administration Report

Swedish Childhood Cancer Fund/Regional childhood cancer associations, corporate registration number 802010-6566, with its headquarters in Stockholm. (prior-year figures in parentheses)

The vision of the Swedish Childhood Cancer Fund is to eradicate childhood cancer. This is to be done by providing funding for life-saving research and simultaneously providing support to families affected by childhood cancer. The Swedish Childhood Cancer Fund operates exclusively on the basis of donations from private individuals and companies.

Operations

FORM OF INCORPORATION

The Swedish Childhood Cancer Fund is a non-profit organisation dedicated to collecting money to prevent and combat cancer diseases in children.

MISSION AND TASKS

The Swedish Childhood Cancer Fund works to fight childhood cancer and ensures that affected children, young people and their families receive the care and the support they need.

Donations are used for research and training, advice and support and information, by:

- supporting basic research and clinical research on child-hood cancer.
- supporting the development of new investigation and treatment methods.
- supporting researchers' and healthcare personnel's further training and sharing of experience.
- supporting affected families throughout the country and spreading information about childhood cancers and their consequences.

The Swedish Childhood Cancer Fund is also the coordinating body and national umbrella association for the country's six regional childhood cancer associations.

VISION AND CORE VALUES

The vision of the Swedish Childhood Cancer Fund is to eradicate childhood cancer. Its mission is to fight childhood cancer and ensure that affected children, young people and their families receive the care and the support they need.

Its core values are hope, courage and responsibility:

- We are driven by hope, and we see the positive elements in what is often a turbulent everyday life.
- We show courage by looking at things the way they really are
- We take responsibility for supporting affected children and their families.

MEMBER OF FRII

Since 2009, as a member of the Swedish Fundraising Council (FRII), the Swedish Childhood Cancer Fund applies the quality code established by the FRII. The Fund also prepares an impact report based on FRII guidelines.

Read more about the Swedish Childhood Cancer Fund and the FRII on:

www.barncancerfonden.se.

Key events during the financial year

INTRODUCTION

Once again, the 2018 financial year was a great fundraising year during which the Swedish Childhood Cancer Fund successfully exceeded its budget. The Swedish Childhood Cancer Fund did not reach the same level as 2017, when a private gift of SEK 50 million strongly contributed to the results. However, a new fundraising channel, Facebook donation, contributed positively.

In early summer Isabelle Ducellier resigned as Secretary-General of the Swedish Childhood Cancer Fund. The Board of Directors resolved to hire Thorbjörn Larsson as the new Secretary-General at the Board meeting on 12 October. Thorbjörn took over on 2 January 2019.

In July, the Board of the Swedish Childhood Cancer Fund submitted a complaint to the police against Föreningsstödet, a company that worked with telemarketing aimed at businesses on behalf of the Swedish Childhood Cancer Fund. The reason is that Föreningsstödet failed to comply with the terms of their agreement. Föreningsstödet has filed for bankruptcy and the Swedish Economic Crime Authority is investigating whether any crime is involved. Both the bankruptcy and the criminal investigation are expected to be completed in the spring of 2019.

AIMS FOR YEAR AND OUTCOME

(SEK million)	Outcomes 2018 (2017)	Budget/targets 2018
Donations	411.6 (425.1)	380.0
Distributed to miss	ions 374.2 (326.4)	387.1

RESEARCH AND TRAINING

Extensive funding of research, education and infrastructure are fundamental to the realisation of the vision of eradicating childhood cancer. The Swedish Childhood Cancer Fund is the single largest funder of childhood cancer research in Sweden.

The goal of the five-year plan created in 2012 is that the Swedish Childhood Cancer Fund will reinforce the basic structure of childhood cancer research and simultaneously broaden the research field.

In 2018 the number of approved research projects increased as a record SEK 123 million in approved project grants were awarded following the autumn call for proposals.

The infrastructure initiative was further developed and the work with the National Paediatric Tumour Biobank was strengthened.

A new director and chief technology officer were recruited for the Childhood Cancer Registry over the course of the year.

The Swedish Childhood Cancer Fund continued to contribute to HOPE, the clinical trial unit at Karolinska University Hospital. In 2019 additional support is planned for a clinical trial unit, now at Queen Silvia Children's Hospital in Gothenburg.

Education of healthcare personnel is an important aspect of the Swedish Childhood Cancer Fund's work. A new round of continue medical education for physicians was initiated in 2018.

Survival rates have improved since the 1970s, from 20 per cent to over 85 per cent, which is the clearest evidence that the research, training and treatment development initiatives are producing results.

• In 2018, a total of SEK 274.0 million (234.8) was allocated to research.

ADVICE AND SUPPORT

The Swedish Childhood Cancer Fund provides support to affected children and young people and their families, as well as to survivors of childhood cancer. This involves helping them cope with their altered life situation – for example, by trying to meet the needs of the family as a whole. Ensuring equivalent care throughout the country is a key concern.

The "Maxa livet" (Get the most out of life) project, which was funded by the Swedish Postcode Lottery since 2015 aimed at improving the living situation for adult survivors of childhood cancer, ended during the year. Beginning in the autumn of 2018, the "Maxa livet" programme became part of the ongoing activities of Advice and Support.

The work and preparation of a health economics study was completed during the year. The study highlights the cost for

society when families affected by childhood cancer fail to receive psychosocial support. The study provides a basis for shaping opinion among politicians, authorities and the general public. A plan for this work was initiated during the autumn.

Over the course of the year, affected children and adolescents, or their siblings, received help in school from the 42 robots that the Swedish Childhood Cancer Fund provided.

• In 2018, SEK 42.4 million (40.0) went to the mission of providing Advice and support.

INFORMATION

Research shows that children with cancer and their families feel better when those around them know a bit about childhood cancer and understand the difficulties it causes. Information is an invaluable tool that the Swedish Childhood Cancer Fund uses to shape public opinion in important issues, to raise general awareness about childhood cancer, and to spread knowledge about what it is actually like. The information mission also gives leverage to our activities in research and training and in advice and support.

Increased knowledge also increases willingness to contribute financially, which is crucial for the Swedish Childhood Cancer Fund to be able to continue to focus on research and support families.

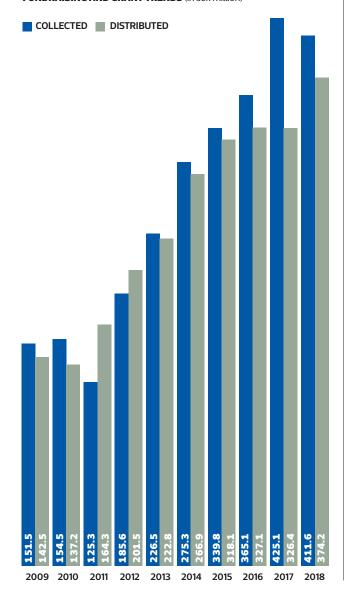
It is important that our organisation is associated with quality and reliability. The information mission is vital to this, as sharing our knowledge is a way for us to increase the credibility of the Swedish Childhood Cancer Fund. The brand has developed favourably in recent years, finishing 2018 as the strongest brand in the non-profit sector in Sweden, with a Trust rating of 68 per cent (Doctors without Borders came in second at 65 per cent) in Kantar SIFO's survey of the target group, the Swedish general public ages 18–79.

The Childhood Cancer Report, the magazine Barn&Cancer and the Maxa Livet magazine (for adult survivors of childhood cancer) are three important publications which, along with the website and social media, are the main channels for information dissemination. Together, they provide both knowledge and support to those who are affected. "Livet på paus" (Life on hold), support material aimed at teenagers under treatment, was produced during the year and garnered the Publishing Prize in November for best nonfiction book for children and young people. In 2018, barncancerfonden.se had 1,339,054 visitors and social media reach (Facebook, Instagram, LinkedIn and Twitter) ended up at 10.4 million users (compare with 12.8 million in 2017). The Swedish Childhood Cancer Fund also reached 2.1 million (3 million 2017) views on YouTube.

Earned media are another important channel for reaching a broader public and increasing knowledge about issues that are important for the Swedish Childhood Cancer Fund. The Swedish Childhood Cancer Fund reached 293 million potential reader contracts (compare with 287 million in 2017) during the year.

Politics is important in the battle against childhood cancer. Politicians determine the conditions for health care and research and the Swedish Childhood Cancer Fund wants to contribute knowledge and engage in close discussion with politicians, professionals and those who are

FUNDRAISING AND GRANT TRENDS (in sek million)



affected in order to constructively promote favourable developments in these areas. A strategic action plan has been formulated for the Swedish Childhood Cancer Fund's public opinion development and influencing for 2018–2022. The focus is on issues related to ensuring a supply of skilled personnel in childhood cancer care, psychosocial support for affected individuals, development of new medications for children with cancer, and survivors of childhood cancer.

In 2018, SEK 57.8 million (51.6) was invested in the information mission.

FUNDRAISING

Well-organised fundraising operations are critical for the Swedish Childhood Cancer Fund's mission-related work. During the year all fundraising activities were gathered in one department. The trend was favourable for all fundraising activities, compared with 2017.

For the fourth year in a row, the Swedish Childhood Cancer Fund held the Childhood Cancer Gala – the Swedish humour prize. Once again, the gala drew a highly favourable response and contributed to increased donations, particularly as regards Child Supporters (monthly donors), who now number over 53,500, up 19 per cent from 2017.

Bequests declined and ended up at SEK 84.3 million (89.2). However, there were more bequests than in previous years. The largest single donation from a private individual was SEK 5 million.

The collaboration with Team Rynkeby (a Nordic charity project) expanded. A school race was arranged during the year in which 76,000 children participated. Team Rynkeby contributed a total of SEK 34 million.

A new fundraising channel, Facebook donation, was launched in 2017 and was fully established in 2018. Team Rynkeby Facebook donation contributed SEK 25 million during the year.

• In 2018, SEK 52.5 million (40.9) was invested in fundraising, which resulted in donations of SEK 411.6 million (425.1).

Results and financial position

The Swedish Childhood Cancer Fund raised SEK 411.6 million (425.1), which was SEK 31.6 million better than budget and SEK 13.5 million lower than in 2017.

As in previous years, bequests were the single largest item from private individuals, SEK 84.3 million (89.2). Other donations received from private individuals exceeded budget and also increased compared with 2017.

Corporate fundraising increased by SEK 8 million. Mission-related expenses amounted to SEK 374.2 million (326.4), coming in under the Fund's budget by SEK 13 million. Fundraising expenses came to SEK 52.5 million (40.9) and administration to SEK 16.9 million (13.2). Fundraising expenses fell below budget by SEK 2.2 million and administration expenses exceeded the budget by SEK 0.6 million.

Net financial items, dividends and capital gains from the Swedish Childhood Cancer Fund's securities, and interest and management expenses amounted to SEK 83.3 million (60.2), exceeding budget by SEK 74.5 million.

The Swedish Childhood Cancer Fund's operations ended at SEK 51.4 million (104.8), which was SEK 120.6 million better than budget. Three factors contributed to the favourable result: bequests having exceeded budget by SEK 19 million, donations from the public having exceeded budget by SEK 19 million, and net financial items having exceeded budget by slightly less than SEK 74.5 million.

 Over the past few years the Swedish Childhood Cancer Fund was able to build up equity of SEK 647.5 million (596.1) thanks to successful fundraising and positive net financial items.

Financial instruments

The Swedish Childhood Cancer Fund's greatest asset is its extensive securities holdings. The reason for maintaining these assets is to ensure that the Fund would be able to fulfil its research commitments, even if fundraising income were to decline. The assets are managed in accordance with the Swedish Childhood Cancer Fund's investment principles, which have been established by the Board.

In 2018, the Board of Directors of the Swedish Childhood Cancer Fund, under the leadership of the chairperson of the Finance Committee, reviewed the Swedish Childhood Cancer Fund investment principles, after which the weighting was changed. The investment principles stipulate that over time capital shall be invested in interest-bearing securities with a target value of 60 per cent (minimum 30 per cent and maximum 100 per cent) and in shares with a target value of 20 per cent (minimum o per cent and maximum 40 per cent). Of these shareholdings, Swedish shares may not account for more than 25 per cent of the total holdings. Alternative investments have a target value of 20 per cent of the assets (minimum o per cent and maximum 30 per cent). According to the guidelines, the Swedish Childhood Cancer Fund may not hold securities from a company if over 5 per cent of that company's net sales are from weapons, pornography, tobacco or alcohol.

Over and above that, the Swedish Childhood Cancer Fund seeks to invest with managers that have an express sustainability perspective, including climate impacts.

As a member of the Swedish Fundraising Council, Frivilligorganisationernas insamlingsråd (FRII), the Swedish Child-

hood Cancer Fund publishes its guidelines for asset management on www.barncancerfonden.se/kapitalförvaltning.

Members

The members of the Swedish Childhood Cancer Fund are the six regional childhood cancer associations – see below under *Administration*.

Employees

The Swedish Childhood Cancer Fund is a member of the employers' organisation IDEA and signs collective agreements for all employees.

A structure with performance appraisals and financial resources allocated for professional development promotes a stable work environment.

In addition to the staff of the secretariat who work with the Swedish Childhood Cancer Fund's missions, fundraising and administration, there are seven employees, each attached to one of the six regional associations.

• The average number of employees during the year was 54 (53) people.

Future development

In 2017 the Swedish Childhood Cancer Fund formulated a new five-year strategy in collaboration with the Boston Consulting Group (which provided its services pro bono). The ideas in the strategy were formulated in late 2017 and early 2018. The Board of Directors took a decision in early 2018 on the focus of the Swedish Childhood Cancer Fund for the coming five years, along with the financial plan until 2020.

Fundraising activities will have a national focus, while paving the way for Nordic fundraising on the corporate side. The goal is to increase by 50 per cent more than the market. The research collaboration in the Nordic region continues, with preparations underway to fund research in Europe as well. The focus in Advice and support, as well as in Information is national. The area of public opinion development and influencing is strategically important.

Administration

ANNUAL GENERAL MEETING

The Swedish Childhood Cancer Fund's highest decision-making body is the Annual General Meeting. The regular Annual General Meeting is held not later than 15 June every year. The Annual General Meeting elects the Board and the auditors and appoints the Nominations Committee. It also decides on matters such as fees and exemption from liability for the Board.

The 2018 Annual General Meeting elected PwC and their Authorised Public Accountant Monica Hedberg as its exter-

nal auditor, and Åke Lundsten as its specially appointed auditor. The Swedish Childhood Cancer Fund's management and operations are rooted in the organisation's articles of association and in the decisions made by the AGM and the Board. For further information, please refer to the Swedish Childhood Cancer Fund's articles of association at www.barncancerfonden.se or contact the secretariat.

BOARD DUTIES

The Board of Directors consists of a Chairman, as well as a representative and one deputy representative from every regional childhood cancer association. Additionally, four external members were appointed by the annual general meeting to broaden the Board's competence to perform its duties. The Board is the Swedish Childhood Cancer Fund's highest decision-making body between the Annual General Meetings and its work is regulated by instructions to the Board. The Board Chairman conducts an on-going discussion with the Secretary-General on the operations of the Swedish Childhood Cancer Fund.

Over and above his on-going contact with the Board Chairman, the Secretary-General submits a written report to every Board meeting. The Board receives a monthly financial report containing a comparison of outcome with budget. During the year, the Board convened on nine occasions over and above the statutory meeting, which was held in conjunction with the Swedish Childhood Cancer Fund's Annual General Meeting, on 5 May 2018. For a presentation of the composition, competence and attendance record of the Board, see page 19.

DELEGATION FROM THE BOARD

The Board of Directors clarified the responsibilities and authorities of the Secretary-General in the delegation of authority.

'90 ACCOUNT' INVOLVES REQUIREMENTS

Swedish Fundraising Control assigned a 90 account to the Swedish Childhood Cancer Fund. As an account holder at least 75 per cent of the organisation's total income must be spent on mission-related initiatives. In addition, administration and fundraising expenses may not exceed 25 per cent. Prior to each operating year the Swedish Childhood Cancer Fund formulates a plan and a budget to meet the requirements. In 2018, fundraising exceeded the budget by SEK 31.5 million, which affected the key ratios. Consequently, the Swedish Childhood Cancer Fund spent 88.1 per cent on mission-related initiatives. The outcome for fundraising and administration in 2018 was 16.3 per cent, of which 12.3 per cent related to fundraising expenses and 4.0 per cent to administration expenses.

INTERNAL CONTROL OF DAY-TO-DAY OPERATIONS

Apart from matters encompassed by the FRII quality code, the Swedish Childhood Cancer Fund has additional documents by which to regulate its operations. These include a personnel manual that describes internal regulations and refers to signed collective agreements, authorisation rules, etc.

Over and above this, surveys are carried out on public recognition of the Swedish Childhood Cancer Fund to ensure that the Fund's messages are reaching their target audience. All research funded by the Swedish Childhood Cancer Fund evaluated on a regular basis. No funding is disbursed directly to individual researchers.

FINANCE COMMITTEE

To support the Swedish Childhood Cancer Fund's handling of asset management the Board established a finance committee. Its members are Peter Hansson (chairperson), SPK, Peter Ekegårdh, Söderberg & Partners, Susanne Bolin Gärtner, Folksam and Åke Wideqvist, chief accountant for the Swedish Childhood Cancer Fund.

The job of the Finance Committee is to track the return on capital and ensure that asset management complies with the investment regulations. The committee is also required to make proposals to the Board for changes to the investment guidelines and to review the management forms and the choice of manager. The Finance Committee convened on four occasions and held one teleconference during the year.

RESEARCH COMMITTEES

Applications for research grants are considered by the Swedish Childhood Cancer Fund's independent research committees, which consist of professors, university lecturers in paediatric oncology, and laymen with personal experience of childhood cancer. Proposals for new members of the research committees are drafted by a Nomination Committee and are presented to the Swedish Childhood Cancer Fund's Board, which makes decisions.

The research committees and the Swedish Childhood Cancer Fund jointly develop clear-cut criteria that must be fulfilled before any research monies may be distributed. Applications are assessed on the basis of scientific quality, research team competence, and relevance for childhood cancer. The criteria are subject to annual oversight. Based on the committees' statements and recommendations, the Swedish Childhood Cancer Fund's Secretary-General after consultation with the overall Chairman of the research committees then make the final decision on the distribution of grants.

The research committees are described in more detail on www.barncancerfonden.se/forskning/forskningsanslag/forskningsnmnder_och_valberedningen/

Five-year summary

Amounts in SEK 000	2018	2017	2016	2015	2014
MEMBERSHIP INCOME/OPERATING INCOME					
Grants/gifts received	322,545	330,719	264,067	244,176	203,442
Inheritances	84,273	89,155	92,344	84,041	57,501
Sales	4,755	5,247	8,645	11,599	14,338
Total income	411,573	425,121	365,056	339,816	275,281
EXPENSES					
Mission-related expenses					
Research and training	-273,951	-234,780	-237,630	-235,877	-197,968
Advice and support	-42,397	-40,043	-36,997	-32,108	-29,333
Information	-57,807	-51,608	-52,483	-50,139	-39,621
Total mission-related expenses	-374,155	-326,431	-327,110	-318,124	-266,922
Administration expense	-16,893	-13,240	-10,597	-12,703	-12,438
Fundraising expenses	-52,502	-40,869	-44,159	-40,500	-47,009
Total expenses	-443,550	-380,540	-381,866	-371,327	-326,369
FINANCIAL ITEMS					
Result from divestment of securities and receivables	69,690	47,997	24,028	54,110	17,549
Interest income and similar income items	14,441	13,492	10,102	5,845	9,693
Interest expenses and similar income items	-784	-1,244	-1,129	-958	-346
Total financial items	83,347	60,245	33,001	58,997	26,896
EQUITY	647,517	596,147	491,321	475,130	447,643
Calculation model of Swedish Fundraising Control					
Total funds raised (income above)	411,573	425,121	365,056	339,816	275,281
Direct expenses for the sale of goods/services	-614	-677	-1,116	-3,130	-5,264
Interest income and similar income items	14,441	13,492	10,102	5,845	9,693
Interest expenses and similar financial income items	-784	-1,244	-1,129	-958	-346
Total income according to Swedish Fundraising Control	424,616	436,692	372,913	341,537	279,364
Expenses as a percentage of total income,					
as reported by Swedish Fundraising Control					
Research and training	64.5%	53.8%	63.7%	69.1%	70.9%
Advice and support	10.0%	9.2%	9.9%	9.4%	10.5%
Information	13.6%	11.8%	14.1%	14.7%	14.2%
Administration and fundraising expenses	16.3%	12.4%	14.4%	14.7%	19.4%
	104.4%	87.2%	102.1%	107.9%	115.0%

Income statement

Amounts in SEK 000	Note	2018	2017	
Income				
Donations	2	266,564	314,520	
Grants		3,530	3,505	
Net sales		141,479	107,096	
Total income		411,573	425,121	
Operating expenses				
Mission-related expenses	3,4,5	-374,155	-326,431	
Administration expenses	3,4	-16,893	-13,240	
Fundraising expenses	3,4	-52,502	-40,869	
Total operating expenses		-443,550	-380,540	
Net of operations		-31,977	44,581	
Financial items				
Result from other securities and receiv	ables	69,690	47,997	
Other interest income and similar inco	me items	14,441	13,492	
Interest expenses and similar income i	tems	-635	-1,004	
Management expenses		-149	-240	
Total income from financial investmen	ts	83,347	60,245	
Profit after net financial items		51,370	104,826	
Balance for the year		51,370	104,826	

Balance sheet

Amounts in SEK 000	Note	31 Dec. 2018	31 Dec. 2017
ASSETS			
Fixed assets			
Intangible assets	6		
Capitalised expenditure for software		571	3,573
		571	3,573
Tangible assets	7		
Land and buildings		3,184	3,325
Equipment		463	636
		3,647	3,961
Financial assets			
Long-term securities holdings	8	815,527	822,102
Non-current receivables	9	886	886
		816,413	822,988
Total fixed assets		820,631	830,522
Current assets			
Current receivables			
Accounts receivable – trade		11,836	10,136
Prepaid expenses and accrued income	10	10,644	9,430
		22,480	19,566
Cash and bank balances		271,288	171,353
		293,768	190,919
TOTAL ASSETS		1,114,399	1,021,441
EQUITY AND LIABILITIES			
Equity			
Donations capital		1,151	1,151
Capital brought forward		646,366	594,996
		647,517	596,147
Non-current liabilities			
Accrued research commitments		201,321	236,885
		201,321	236,885
Current liabilities			
Accounts payable – trade		7,942	8,477
Debt, received not yet utilised grant PKL		5,034	8,194
Other liabilities		2,745	2,527
Prepaid expenses and accrued income	11	249,840	169,211
		265,561	188,409
TOTAL EQUITY AND LIABILITIES		1,114,399	1,021,441

CHANGE IN EQUITY	Stina and Lennart Sandberg memorial fund	Capital brought forward	Total equity
Opening balance	1,151	594,996	596,147
Balance for the year	-	51,370	51,370
Closing balance	1,151	646,366	647,517

Cash flow statement

Amounts in SEK 000	2018	2017
Operating activities		
Balance for the year	51,370	104,826
Adjustments for non-cash items, etc.	-24,194	132
	27,176	104,958
Cash flow from current activities before		
changes in operating capital		
and funding of the operations	27,176	104,958
Cash flow from working capital changes	2.01.4	10
Increase(-)/Decrease(+) in operating receivables Increase(+)/Decrease(-) in operating liabilities	-2,914 -552	-18 -646
increase(+)/ Decrease(-) in operating habitities		
	-3,466	-664
Cash flow from operations funding Increase(–)/Decrease(+) in financial assets	76.265	22.425
increase(=)/ Decrease(+) in financial assets	76,265	-23,435
	76,265	-23,435
Cash flow from operating activities	99,975	80,859
Investment in the operations		
Acquisition of tangible assets	-40	-708
Cash flow from investment in operations	-40	-708
Cash flow for the year	99,935	80,151
Cash and cash equivalents at the beginning of the year	171,353	91,202
Cash and cash equivalents at the beginning of the year	271,288	171,353
· · · ·	<u> </u>	•
Change	99,935	80,151
Adjustments for non-cash items, etc.		
Depreciation of intangible assets	3,002	3,545
Depreciation of tangible assets	354	574
Capital gains or losses on the sale of financial assets	-69,690	-47,997
Increase in research commitments	42,140	44,010
	-24,194	132

Notes

Amounts in SEK 000 unless otherwise indicated.

NOTE 1 | ACCOUNTING AND VALUATION PRINCIPLES

GENERAL ACCOUNTING PRINCIPLES

The accounting and valuation principles of the fundraising organisation are in agreement with the Annual Accounts Act, BFNAR 2012:1 (K3) and with the Swedish Fundraising Council's governing guidelines for annual accounts.

Recognition of donations and grants. Under K3, conditional donations are reported as liabilities subject to a repayment obligation until the conditions have been satisfied, and are included in the 'grant' concept. The principles applied are unchanged in comparison with the preceding year.

VALUATION PRINCIPLES, ETC

Revenue recognition

Revenuein the form of donations and grants is recognised, as a rule, when the donation has been completed in terms of indefeasible rights. 'Gifts' refers primarily to funds donated by private individuals and companies. Gifts and grants are normally reported in accordance with the cash principle.

Reporting of expenses and obligations

Expenses are entered for the year in which they arise and in the case that an invoice is not received before the closing day, a reserve is created for the expense. When the organisation has committed to undertake a particular measure vis-à-vis a third party or similar situation, this is entered as an expense. Accordingly, for research grants and similar items, an obligation normally arises when the Board has decided to award a grant and this has then been communicated to the recipient.

Fundraising expenses

These expenses are the expenses that were essential to generate external revenue. They include expenses for ads and other promotional materials, payroll expense, thank-you letters, and similar items. However, they also include selling expenses associated with product sales: the cost of goods, direct sale expenses and expenses for postage, payroll, premises, and similar items.

Mission-related expenses

Expenses related to fulfilling the organisation's purpose and/or articles of association are classified as 'mission-related expenses'.

Valuation principles

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

Shares, participations and bonds

Shares and participations, as well as bonds, are valued at the lower of cost and fair value. A portfolio perspective is applied in the valuation according the lowest value principle. Shares and participations, and bonds, obtained through will or gift are valued at market value at the time the gift is made.

Receivables

Receivables have been reported, after individual valuation, in the amounts in which they are expected to be received.

Liabilities

Liabilities due within one year from the closing date are reported as current liabilities.

Depreciation principles for fixed assets

Depreciation according to plan is based on the original cost reduced by residual value. The depreciation is linear over the useful life of the asset and is reported as an expense in the income statement.

The following depreciation/amortisation periods are applied:

Intangible assets

Computer-based information systems

5 vrs.

Tangible assets

- $\hbox{$\bullet$ Buildings, including appreciation of building (done prior to 2001) $$ 30-60 yrs. }$
- Equipment 3–5 years

NOTE 2 | GIFTS

Gifts reported in the income statement Donations	2018	2017
Public		
Bequests	84,273	89,155
Other donations	158,643	202,556
Companies		
Swedish Postcode Lottery	21,000	20,000
Swedbank Robur Funds	2,648	2,809
Total	266,564	314,520

Services and voluntary labour

The Swedish Childhood Cancer Fund's operations involve voluntary labour only to a minor extent. Volunteers carried out a total of about 500 hours of voluntary labour within the framework of the Swedish Childhood Cancer Fund Donor Service in 2018. In conjunction with the Swedish Childhood Cancer Fund's wellness event, Ride of Hope and Run of Hope, volunteers carried out 1,800 hours of voluntary labour.

In any given operating year the Swedish Childhood Cancer Fund appears to a significant extent in the media. Some of this takes place in the form of gifts, where space permits, plug-in ads being a common example. For 2018, the estimated value of the Swedish Childhood Cancer Fund's media exposure amounted to SEK 63.8 million (source: SIFO), whereas the direct expense was SEK 17.2 million. In the six regional childhood cancer associations, the majority of the work is done on a volunteer basis, which of course contributes to the Swedish Childhood Cancer Fund's operations.

Notes

NOTE 3 | AVERAGE NUMBER OF EMPLOYEES, PERSONNEL EXPENSES AND BOARD FEES

Average number of employees		2018		2017
	Number of employees		Number of employees	
	54	14	53	17

Gender distribution amo	ng Board meml	ers and s	enior executiv	/es
		2018		2017
	Number	of	Number	of
		whom		whom
		men		men
Board members	11	9	11	8
Senior executives	1	1	1	0

Wages, salaries and other remunerations and payroll overhead			
	2018	2017	
Wages, salaries and other remunerations			
The Board of Directors and the Secretary-General	1,329	1,243	
Other Employees	28,252	24,125	
Total wages, salaries and other remunerations	29,581	25,368	
Social expenses (of which, pension expenses	13,131	11,250	
excl. employer's contribution)	3,097	2,549	

Of the pension expenses, SEK 246,000 (246,000) refers to the organisation's Board and Secretary–General.

According to a decision by the 2016 Annual General Meeting, Board members receive 35 per cent of the reference amount, which for 2018 is SEK 15,925 per year. The Chairman of the Board receives a fee of 45% of the reference amount, which for 2018 is SEK 20,475 per month. In addition, the Swedish Childhood Cancer Fund provides compensation for lost income during activities performed on behalf of the Fund. During the year, a total of SEK 107,663 was paid in this type of compensation. Pension premiums for all employees are paid in accordance with the ITP plan. The ITP plan pension terms apply equally to the Secretary–General (SG) of the Swedish Childhood Cancer Fund as to all other employees. No special benefits were otherwise extended to the SG. The Secretary–General (SG) of the Swedish Childhood Cancer Fund is permanently employed, and the notice period for the SG is four months, whereas for the Swedish Childhood Cancer Fund, it is twelve months.

NOTE 4 | LEASING

The Swedish Childhood Cancer Fund leases primarily office premises, copiers/printers and other office equipment. The cost of reported leasing fees amounts to SEK 3,100,000 (3,330,000).

Future leasing fees become due for payment as follows:

Within 1 year	2018 3,909	2017 3,205
1–5 yrs. After more than 5 yrs.	7,109 -	323
Total	11,018	3,528

The lease agreement extends until 31 Dec. 2021 with an option to extend the agreement to 31 Dec. 2023.

NOTE 5 | MISSION-RELATED EXPENSES

	2018	2017
Research	-199,941	-192,708
Infrastructure	-60,536	-28,047
Training	-6,822	-8,775
Other research	-6,652	-5,250
Advice and support	-42,397	-40,043
Information	-57,807	-51,620
	-374.155	-326.443

NOTE 6 | INTANGIBLE ASSETS

Fundraising system		
Capitalised expenditure for software	31 Dec. 2018	31 Dec. 2017
Opening cost	18,381	18,381
Capitalised expenses for the year	-	_
Closing accumulated cost	18,381	18,381
Opening depreciation	-15,665	-12,405
Depreciation for the year	-2,716	-3,260
Closing accumulated depreciation	-18,381	-15,665
Closing reported value	-	2,716
Research portal		
Capitalised expenditure for software	31 Dec. 2018	31 Dec. 2017
Opening cost	1,427	1,427
Capitalised expenses for the year	-	_
Closing accumulated cost	1,427	1,427
Opening depreciation	-570	-285
Depreciation for the year	-286	-285
Closing accumulated depreciation	-856	-570
Closing reported value	571	857
Reported value at year-end	571	3,573

Notes

NOTE 7 | TANGIBLE ASSETS

Land and buildings	31 Dec. 2018	31 Dec. 2017
Opening cost	7,000	7,000
Closing accumulated cost	7,000	7,000
Opening depreciation	-3,674	-3,533
Depreciation for the year	-140	-141
Closing accumulated depreciation	-3,816	-3,674
Closing reported value	3,184	3,326

There is no tax assessment because the building is classified as a "special building" for tax purposes.

Equipment Opening cost Purchases	31 Dec. 2018 6,172 40	31 Dec. 2017 5,464 708
Closing accumulated cost	6,212	6,172
Opening depreciation Depreciation for the year	-5,536 -213	-5,103 -433
Closing accumulated depreciation	-5,749	-5,536
Closing reported value Reported value at year-end	463 3,647	636 3,961

NOTE 8 | LONG-TERM SECURITIES HOLDINGS

	31 Dec. 2018	31 Dec. 2017
Opening cost	822,102	750,670
Acquisition	378,140	447,018
Sales	-384,715	-375,586
Closing cost	815,527	822,102

For an itemisation of the securities holdings by category, refer to the section on Asset Management, as well as the more detailed presentation at www.barncancerfonden.se/kapitalforvaltning.

No impairments or reversal of impairments of securities holdings took place in 2018 or 2017.

NOTE 9 | NON-CURRENT RECEIVABLES

	31 Dec. 2018	31 Dec. 2017
Rent deposit Atrium Ljungberg	886	886

NOTE 10 | PREPAID EXPENSES AND ACCRUED INCOME

		31 Dec. 2017
Accrued income	9,602	8,770
Prepaid expenses	1,042	660
Total	10,644	9,430

NOTE 11 | ACCRUED EXPENSES AND DEFERRED INCOME

	31 Dec. 2018	31 Dec. 2017
Accrued research grants and services	242,555	164,851
Other accrued expense		
and deferred income	5,117	2,494
Accrued holiday pay	1,417	1,227
Accrued special employer's contribution	751	639
	249,840	169,211

NOT 12 | PLEDGED ASSETS

Bank guarantee relating to the bankruptcy petition for Föreningsstödet i Sverige AB, SEK 500,000.

Asset management

Securities holdings of the Swedish Childhood Cancer Fund at 31 December 2018.

Below is a table showing the Swedish Childhood Cancer Fund's long-term securities holdings, see also Note 8.

All amounts in SEK 000

SWEDISH SHARES	Acquisition value	Market value
Handelsbanken Sverige		
Index Criteria Distributing	53,122	49,972
Other Swedish Shares	6	0
GLOBAL SHARES		
Handelsbanken Global Index Criteria	51,384	103,196
INTEREST		
SPP Corporate bond fund	70,182	68,076
Simplicity liquidity	187,827	187,649
Öhman FRN fund	181,382	179,462
Öhman Corporate bond fund Hållbar	180,495	178,435
ALTERNATIVE INVESTMENTS		
Nordkinn FI Macro	91,129	89,047
LIQUIDITY	100,000	100,000
TOTAL SECURITIES	915,527	955,837

Stockholm, 22 March 2019

Jens Schollin Chairman

Thorbjörn Larsson Secretary-General Anna lwers Isaksson

Anna Inen Int

- Tricon e

Fredrik Parenius

Jonas Fahlman

Lena Palm Östman

Anders Färemo

Claes de Neergaard

Mats Alphero

Henrik Ericsson

Micael Mathsson

Per-Erik Sandström

We presented our Audit Report on 15 April 2019.

Åke Lundsten

 $\hbox{\"Ohrlings Price waterhouse Coopers AB}$

Monica Hedberg Authorised Public Accountant, PwC

Audit report

Opinion

We have examined the annual accounts of the Swedish Childhood Cancer Fund for the year 2018.

In our opinion, the annual accounts were prepared in accordance with the Annual Accounts Act and give, in all essential respects, a true and fair view of the Fund's financial position as per 31 December 2018, and of its financial result and cash flow for the year in accordance with the Annual Accounts Act. The Administration Report is consistent with the other parts of the Annual Report.

Basis for opinion

We performed our audit in accordance with generally accepted auditing principles in Sweden. Our responsibilities under these principles are described in more detail in the sections the Auditor's responsibility and the Lay auditor's responsibility.

We are independent in relation to the association, in accordance with generally accepted accounting principles in Sweden. As an Authorised Public Accountant I have fulfilled my professional responsibilities under these requirements.

We believe that the audit evidence we collected is sufficient and appropriate to provide a basis for our opinion.

THE 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 for ensuring that they give a true and fair view, in accordance with the Annual Accounts Act. The Board of Directors and the Secretary-General are also responsible for such internal control that the Board deems necessary to prepare annual accounts that are free of material misstatement due to improprieties or to errors.

In preparing the annual accounts, the Board and the Secretary-General are responsible for assessing the Fund's ability to continue its operations. When appropriate, they draw the auditor's attention to circumstances that could affect the Fund's ability to continue its operations and to use the assumption of ongoing operations. The assumption of ongoing operations is not applied, however, if the Board and the Secretary-General intend to liquidate the Fund or wind up the operations, or have no realistic alternative to making something of this.

The auditor's responsibilities

I have conducted my audit in accordance with International Standards on Auditing (ISA) and generally accepted accounting principles in Sweden. My aim is to achieve reasonable assurance as to whether the annual accounts as a whole are free of material misstatement due to impropriety or error. Reasonable assurance is a high degree of certainty but is no guarantee that an audit carried out in accordance with ISA and with generally accepted accounting principles in Sweden will always discover a significant error if such exists. Errors can arise due to improprieties or error and may be considered significant if, individually or taken together, they can reasonably expect to influence the financial decisions that users make on the basis of the annual accounts.

As part of an audit in accordance with ISA, I use professional judgement and maintain a professionally sceptical attitude during the entire audit. In addition:

- I identify and assess the risks of significant errors in the annual accounts, be they due to improprieties or error, design and perform audit measures based on these risks, and collect audit evidence that is sufficient and appropriate as a basis for my statements. The risk of failure to identify a material misstatement resulting from improprieties is higher than for a material misstatement resulting from error, since improprieties can include joint action, fraud, deliberate omissions, erroneous information or neglecting of internal control.
- I establish an understanding of the part of the association's internal control that is important for my audit, to design audit measures that are suitable with respect to the circumstances, but not to comment on the efficacy of the internal control.
- I evaluate the suitability of the accounting principles used and the reasonableness of the Board's and the Secretary-General's estimates in the accounts and associated disclosures.
- I draw a conclusion of the appropriateness of the Board's and the Secretary-General's use of the assumption of ongoing operations in their preparation of the annual accounts. I also draw a conclusion based on the collected audit evidence as to the existence of a significant uncertainty factor regarding such events or circumstances as could lead to significant doubt as to the Fund's ability to

continue to conduct its operations. If I draw the conclusion that a significant uncertainty factor exists, in the Audit report I must draw attention to the information in the annual accounts about the significant uncertainty factor or, if such information is insufficient, modify the opinion regarding the annual accounts. My conclusions are based on the audit evidence collected up to the date of the audit report. However, future events or circumstances could result in the association's being no longer able to continue its operations.

• I evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts report the underlying transactions and events in a manner that gives a true and fair representation.

I must inform the Board of Directors of the projected scope and focus of the audit, as well as its scheduled time. I must also provide information on the significant observations made during the audit, such as the significant weaknesses in internal control that I have identified.

The lay auditor's responsibility

My task is to carry out an audit in accordance with the Audit Act and additionally with generally accepted accounting principles in Sweden. My aim is to achieve a reasonable degree of assurance as to whether the annual accounts were prepared in accordance with the Annual Accounts Act and whether the annual accounts give a true and fair picture of the Fund's financial result and position.

REPORT ON OTHER REQUIREMENTS UNDER ACTS AND OTHER STATUTES

Opinion

Over and above our audit of the annual accounts we also carried out an audit of the Board of Director's administration for the Swedish Childhood Cancer Fund in 2018.

We recommend that the annual general meeting grant the members of the Board of Directors exemption from liability for the financial year.

Basis for the opinion

We performed our audit in accordance with generally accepted auditing principles in Sweden. Our responsibilities under these principles are described in more detail in the section The auditor's responsibility. We are independent in relation to the association, in accordance with generally accepted accounting principles in Sweden. As auditor, I have fulfilled my professional responsibilities under these requirements.

We believe that the audit evidence we collected is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors

The Board of Directors and the Secretary-General are responsible for the administration.

THE AUDITORS' RESPONSIBILITY

Our aim in respect of the audit of the administration, and as a result our recommendation of exemption from liability, is to collect audit evidence to be able to assess to a reasonable degree of assurance as to whether any Board member in any significant respect has undertaken any measure or has shown any negligence that could result in a financial liability for the association.

Reasonable assurance is a high degree of certainty, but not a guarantee that an audit carried out in accordance with generally accepted accounting principles in Sweden will always uncover action or negligence that could result in a financial liability to the association.

As part of an audit in accordance with the generally accepted accounting principles in Sweden, the auditor uses her professional judgement and maintains a professionally sceptical attitude throughout the audit. The examination of the administration is primarily based on the audit of the accounts. What additional audit measures are performed depends on the auditor's professional assessment and the other elected auditors' assessment in respect of risk and materiality. This means that we focus our audit on such actions, areas and circumstances as are of material significance for the operations and regarding which deviations and transgressions would have a special bearing on the association's situation. We review and test decisions made, decision bases, measures taken and other circumstances that are relevant to our recommendation regarding exemption from liability.

Stockholm, 15 April 2019 Öhrlings PricewaterhouseCoopers AB

Umm Stedler

Monica Hedberg

Authorised Public Accountant

Lindome, 10 April 2019

Åke Lundsten

Key Board decisions in 2018

(Presented in chronological order)

- The Board resolved to change the organisation of the Swedish Childhood Cancer Fund's fundraising and communication departments.
- The Board resolved to adopt the strategy that was formulated in 2017/2018.
- The Board resolved to approve a policy on misconduct in research.
- The Board resolved to approve the annual report and review of 2017 and proposed that the annual general meeting approve them.
- The Board resolved to mandate the chairman of the Finance Committee to revise the Swedish Childhood Cancer Fund's investment principles based on the risk level that the Board set.
- The Board resolved that GDPR should be part of the Swedish Childhood Cancer Fund's risk analysis.
- The Board resolved to submit a complaint to the police regarding Föreningsstödet i Sverige AB because of irregularities that emerged within the framework of the collaboration with the Swedish Childhood Cancer Fund.
- The Board resolved to hire Thorbjörn Larsson as the new Secretary-General and successor to Isabelle Ducellier.

- The Board resolved to approve the business plan and budget for 2019, including the following important focuses:
 - An influential and respected partner in the world of childhood cancer (health care, research and authorities).
 - An international assessment of Swedish Childhood Cancer Fund research initiatives will be conducted.
 - Formulate support for international research and initiate a research infrastructure.
 - ▶ Support a new clinical trial centre in Gothenburg.
 - ► Focus on the growing group of survivors of childhood cancer and their circumstances in society.
- ▶ Improved psychosocial support.
- ► Collaborate with other similar organisations.
- ▶ Information and communication. New agency contracts will be put out to tender in late 2018, with the intention of beginning work in Q2 2019.
- ▶ More easily readable information material will be formulated in several languages.
- Opinion shaping initiatives will be developed together with the regional childhood cancer associations.
- ▶ Plans to replace current fundraising system in 2019.
- The Board of Directors also conducted a workshop in public opinion development and influencing and took decisions regarding the most important areas in which to pursue change in 2018. The areas identified were ensuring a supply of skilled personnel in childhood cancer care, nationwide equality of care, development of new medications, survivors of childhood cancer, psychosocial support for parents, parental insurance and classification of treatment on childhood cancer wards as intermediary care.



Board of Directors

MATS ALPBERG, Stockholm

External member since June 2016. Serial entrepreneur with a creative and digital streak. Started and was the driving force behind over 20 major projects and companies nationally and internationally, in telecoms, retail and entertainment. These include Halebop, Tunigo (now a part of Spotify), StjärnaFyrkant, Way Out West and Ryoulive. In 1992 he lost his daughter Pia, who developed ALL at the age of two. Took part in ten Board meetings (100% attendance).

HENRIK ERICSSON, Uppsala

Member since May 2018, previously deputy. Various positions on the Board within Swedish Childhood Cancer Fund West, currently Vice Chairman. Has a daughter who developed ALL in 2007 and whose treatment was concluded in 2010. Veterinarian and Associate Professor of Food Bacteriology. Director of the University Animal Hospital in Uppsala. Took part in eight Board meetings (80% attendance).

JONAS FAHLMAN, Skellefteå

Swedish Childhood Cancer Fund North, member since May 2018, previously deputy. Chair of Swedish Childhood Cancer Fund North since 2016. Father of Paul, who developed Langerhans cell histiocytosis in 2010 and whose treatment was concluded in 2017. Works as customer representative at the Henson public relations agency. Took part in seven Board meetings (100% attendance).

ANDERS FÄREMO, Malmö

Swedish Childhood Cancer Fund South, member since 2016. Vice Chairman of the Swedish Childhood Cancer Fund South. Independent entrepreneur. In 2007 he lost his daughter Matilda, who was diagnosed with a brain tumour in 2002. Took part in nine Board meetings (90% attendance).

${\bf MICAEL\ MATHSSON, Stockholm}$

Member and Vice Chairman, external member since 2016. Previously conducted studies on behalf of the Swedish Childhood Cancer Fund and served as Chairman of the organisation's Annual General Meeting on several occasions. Chairmanship and Board experience from non-profit organisations, the private-sector and municipal government. Founder

and principal owner of consulting company in business and operations development. Father of Gustaf, who developed ALL in 1994 and is now a primary school teacher. Took part in eight Board meetings (80% attendance).

ANNA IWERS ISAKSSON, Åby

Swedish Childhood Cancer Fund East, member since 2016. Works at Komvux providing support to students in mathematics and science at the upper secondary school level. In 2010 she lost her daughter Wera, who was diagnosed with a brain tumour in 2009. Took part in nine Board meetings (90% attendance).

CLAES DE NEERGAARD, Stockholm

External member since 2017. Long career, mainly within the financial sector, in Sweden and other countries. Experience of Board work in finance, property and industry; both private and government-run companies, as well as authorities. Participated in several government inquiries. Former CEO of Industrifonden, which invests in development companies with a focus on pharmaceuticals and medical devices. Runs his own consultancy. Member of the Royal Swedish Academy of Engineering Sciences (IVA). Took part in nine Board meetings (90% attendance).

LENA PALM ÖSTMAN, Stockholm

Chairman Stockholm Region. Active in the regional childhood cancer association for three years, deputy on the Fund Board of Directors since 2016. Runs her own advertising agency since 1995. Previously worked at SIFO and as head of communications for the Swedish Women's Voluntary Defence Service. Her daughter Chantal was diagnosed with a brain tumour in 2002, with a relapse in 2004. Took part in six Board meetings (86% attendance).

FREDRIK PARENIUS, Gothenburg

Swedish Childhood Cancer Fund East, member since May 2017. Chair of Swedish Childhood Cancer Fund West. Active in his own consultancy firm, which focuses on purchasing and business development. Father of Sofia, who developed ALL in 2010 and whose treatment was concluded in 2013. Took part in ten Board meetings (100% attendance).

PER-ERIK SANDSTRÖM, Umeå

External member since 2017. Paediatric oncologist who has worked on the Childhood Cancer Ward at Norrland University Hospital in Umeå since the middle of the 1990s. Served as chairman of the Swedish Childhood CNS Tumour Working Group (VCTB) and has also participated in the Swedish Working Group for Long-term Follow-up after Childhood Cancer (SALUB). Administrator of the Västerbotten Children and Youth Centre, which is the county clinic for specialised care of children in the county since 2010. Will leave this position in September this year and return to work as a paediatric oncologist. Took part in seven Board meetings (70% attendance)

JENS SCHOLLIN, Örebro

Chairman, external member since April 2016. Professor of paediatrics; clinically active for over 30 years. Served as Vice-Chancellor of Örebro University for eight years and as acting Vice-Chancellor for four years. Served as clinic supervisor and division head, and oversaw the establishment of the medical programme at Örebro University. Sat on several government commissions and produced approximately 100 scientific articles. Has supervised several PhD candidates and led two research teams. Took part in ten Board meetings (100% attendance).

Note: Changes in the Board of Directors occur in conjunction with the Annual General Meeting for the current operating year, for which reason some Board members have 100 per cent attendance despite not having participated in all Board meetings.

DEPUTIES

PER-FREDRIK ANDERSSON

Childhood Cancer Fund West

PETTER EKELUND

Childhood Cancer Fund Central Sweden

KATARINA HJERTELL

Swedish Childhood Cancer Fund North ANDREAS KEYMER

Childhood Cancer Fund Stockholm Region KLAS SKYTT

Swedish Childhood Cancer Fund East

HOLLY WATTWIL

Swedish Childhood Cancer Fund South

NOMINATIONS COMMITTEE

RODOLFO VEGA

Swedish Childhood Cancer Fund West

ANNIKA BROCKNÄS

Swedish Childhood Cancer Fund South

FREDRIK UHRSTRÖM

Swedish Childhood Cancer Fund Stockholm Region

RUTH BRÄNNVALL

SECRETARIAT

The names and contact details of the staff of the secretariat of the Swedish Childhood Cancer Fund can be found at barncancerfonden.se/om-oss/kontakt/medarbetare.

BOARD OF DIRECTORS, standing from left: Jonas Fahlman, Anna Iwers Isaksson, Jens Schollin, Henric Eriksson, Micael Mathsson. Sitting from left: Fredrik Parenius, Anders Färemo, Lena Palm Östman, Mats Alpberg. Absent: Per-Erik Sandström, Claes de Neergaard.

PHOTO: MAGNUS GLANS



