

Annual report
2015





During 2015, a Swedish delegation consisting of representatives from the business community, the church and development cooperation organisations travelled to Guatemala. Their agenda included highlighting freedom and human rights. Francisco Chávez Raymundo, Margareta Cederfelt, Miguel Raymundo Cobo, Nicolas Bernal Brito, Domingo Raymundo Cobo, Katarina Köhler, Tomás Raymundo Pérez, Catarina Raymundo, Elena De Paz Santiago, Elena Juliana Laynez, Felician Laynez, Teresa Toma Sambrano.

Brilliant results in 2015

We Effect takes a long-term approach. Because changes for the better need to be lasting. Here we talk to We Effect’s Chairman of the Board Tommy Ohlström and MD Anneli Rogeman about the past year. About what We Effect is, what we have done over the year and the results achieved.

This is We Effect:

TO: What distinguishes We Effect is our long-term approach. It’s not a case of short-term economics; we dare to stay on and commit to long-term collaboration. We know that this dramatically improves conditions for people and reduces the risk of humanitarian disasters. This is a nice and simple line of thought that many people can sympathise with. For me, it’s also about daring to want to change the world. Daring to be responsible even when it’s difficult.

AR: We Effect’s relationship to its member organisations is a unique competitive advantage. The fact that we focus on agriculture and a long-term approach is something else



Tommy Ohlström
 Tommy Ohlström,
 Chairman of the Board

Anneli Rogeman
 Anneli Rogeman,
 MD

that differentiates us from other development cooperation organisations. We were founded by a large proportion of Sweden’s business community at a particular point in time because they knew that this was a good form of development cooperation. Two things are required to reduce poverty: working to support democratic forces and create democratic states – and fairer distribution of resources.

What we have done:

TO: One thing I have been very involved in this year is how we can have an influence in Guatemala. We were there with a delegation in 2015 and will be going again in 2016. Support for human rights rests with national legislation to a great extent. Nations that don’t provide support for human rights obtain a competitive advantage at the expense of other countries. This might involve killing indigenous populations, paying very low wages or perhaps not bothering about public health. As a strong civil society organisation, we must get involved and effect mobilisation. We must show that being honest and decent is rewarding. This is a task for us, bringing together the good and the profitable; we see both perspectives.

AR: Yes, the Guatemala trip was vital and went well. We have managed a lot in 2015.

We signed a cooperation agreement with the Food and Agriculture Organization of the United Nations (FAO), which is also proof that we are on the right track. And in Sweden we have continued to report on We Effect and what we do. We often talk about the “we effect” – that together with our member organisations we are actually reducing poverty. We have also satisfactorily managed the cut-backs in development cooperation resulting from the refugee situation.

The results:

AR: We have had a very good year in 2015; in many respects we have delivered more than we promised. It is essential for a development cooperation organisation to really show results – and we have become better at this. Poverty has been reduced. One example of this is that we have left Costa Rica, since it is now a reasonably well-off country. And when we were in Niassa in Mozambique we saw other proof that things are going in the right direction. You cannot necessarily believe your eyes, but in 2015 I saw fewer children with red hair and distended stomachs – a sign of malnutrition – than when I was there four years ago. And statistics report the same thing: extreme poverty has decreased. We have several examples of before and after stories in our countries of operation.

TO: I think of the farmer we met on the irrigation project in Bolivia, who reported that he can now bring in two to three harvests per year, instead of just one. He said, without any hint at all of male chauvinism, with shining eyes: “I have time to spend with my wife. I have time to be affectionate, and not just be struggling to survive.”



Navaranjan Mylvakanam from Batticaloa in Sri Lanka is a member of a milk cooperative.

Our vision

A sustainable and just world free from poverty.

Our objective

In cooperation with our member organisations, we work towards creating commitment, raising awareness, mobilising resources and winning public support for long-term development work. Our development work focuses on assisting people in poverty to help themselves with the aim of improving their living conditions.

Our values

In our work, we adhere to the International Cooperative Alliance's values of self-help, personal responsibility, democracy, equality, justice and solidarity.

Our mission

To strengthen the ability of member-based and democratic organisations to enable women and men living in poverty to improve their living conditions, defend their rights and contribute to a just society.

We Effect in brief

- A development cooperation organisation established in Sweden in 1958, with the aim of reducing the gulf between rich and poor throughout the world.
- Has 59 Swedish organisations and enterprises with cooperative roots as members.
- Operates in 25 countries across four continents to tackle poverty and injustice.
- Supporting people to help themselves is the core of our development cooperation work.
- Works in partnership with just over 160 local organisations around the world.

In Sweden, our work is focused on:

- Encouraging people to take a stand and get involved in supporting a just and sustainable world order.
- Fundraising to support our development cooperation activities.

We Effect is not affiliated to any political party or religion.

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Annual Financial Report

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Maheswaran Sakirtha and Kunasingham Thanushtha, Batticaloa, Sri Lanka.
 Yamileth de Socorro and Alexi Castro, Nicaragua.
 Mary Wahu Muthee, Kenya. Luan Panariti, Albania.



Our world

We Effect works in 25 countries and our head office is located in Sweden.

The mainstays of We Effect's development cooperation in Europe are: rural development, reconciliation and gender equality.



We Effect supports people in Latin America who want to join forces and demand their right to food, housing and a life of equality.

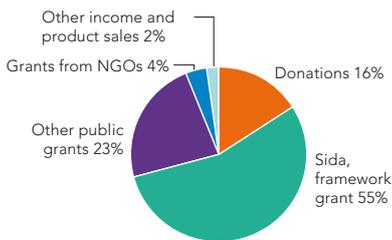


Strengthening the rights of poor people and supporting conversion to climate-adapted agriculture is a central aspect of We Effect's work in Africa.



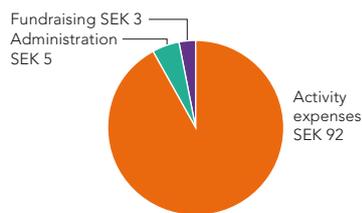
In Asia, We Effect supports sustainable agriculture, women's rights and people's right to housing.

Income



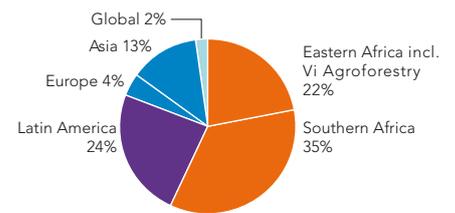
The activities of We Effect are financed via donations and grants, mainly from Sida. The total income for 2015 amounted to SEK 320 million, of which fundraising from organisations, enterprises and donors, including product sales, made up SEK 63.8 million.

How is the money used?



SEK 92 of every hundred kronor note that comes in to We Effect goes towards our purpose (development cooperation and communication).

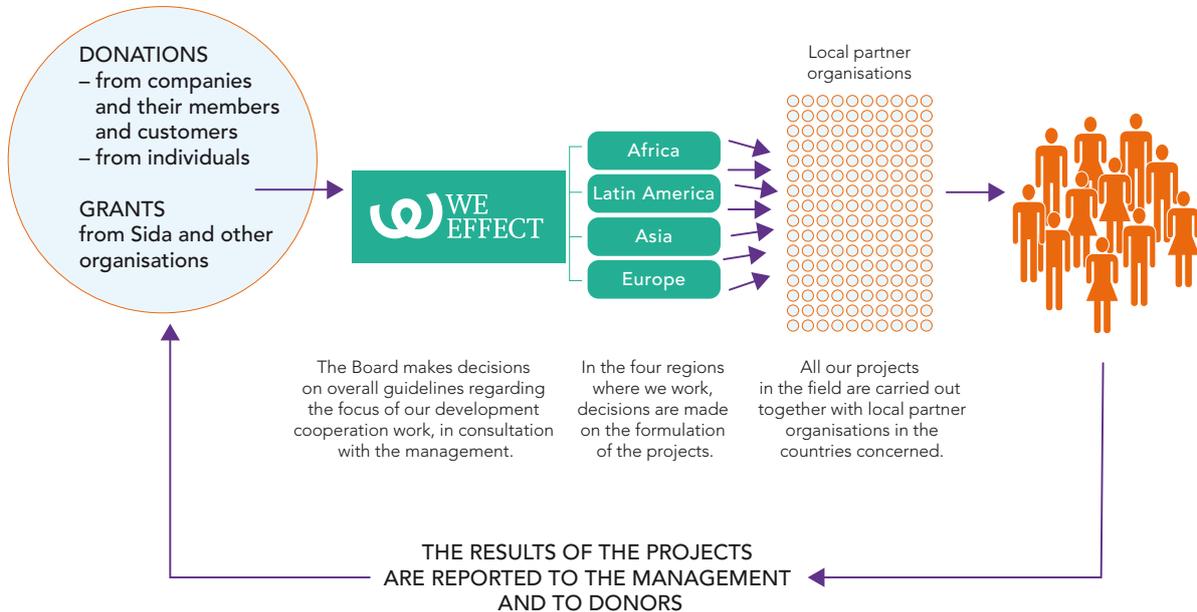
Project expenses by geographical location



This is how the money is distributed around the world.

Results chain within our development cooperation work

The Board makes decisions on overall guidelines regarding the focus of our development cooperation work, in consultation with the management. In the four regions where we carry on development cooperation, decisions are made on the formulation of the activities.



Thanks to donations from individuals and enterprises We Effect can carry on development cooperation activities. Our own fundraising is a prerequisite in order to receive funding from Sida, which is We Effect's main funder. We Effect also receives funding from other sources such as Swedish and foreign embassies, international organisations and the Swedish Postcode Lottery. The board decides on the guidelines for our work. Our efforts are focused:

- Where poverty is greatest. The majority of the world's poor live in rural areas.
- Where there are organisations that are relevant for us to collaborate with and deemed to have development potential.
- Where we judge that our efforts will achieve positive effects. Great poverty does not always mean that we are able to work effectively and achieve good results. Development cooperation is most effective when formulated in discussion with those at whom the support is aimed in developing countries. Decisions about operational activities are therefore made in each region, as close to the field as possible.

In each case we work in partnership with a local organisation, 160 in all around the world. We jointly determine objectives for the activities and follow up on the results:

- What activities will be carried out? They often involve training and advice within rural development, housing, access to land and gender equality.
- What change should the activities lead to? It could be that the participants in the project achieve increased income, the opportunity to increase their harvests and get paid better. They may improve land rights, build their homes or be more successful in their advocacy work.
- What long-term effects should the work yield? Ultimately, all projects should contribute to reducing poverty and injustice. What can be measured is changed behaviour and improved living conditions; for example, participants in the project becoming self-sufficient and being able to send their children to school. There may also be social changes that reduce injustice, e.g. new laws regarding women's right to land.

When a project is concluded, the results are reported to Sida and other funders. Private donors are informed through our newsletter Effekter, among other channels. Each project is carefully evaluated to enable us to learn and improve.



There are no shortcuts to eradicating poverty and injustice.

That is why We Effect's development cooperation initiatives are long term, preventive and sustainable.

Our work is about defending people's rights, with a focus on:

- Right to food
- Right to economic justice
- Right to land
- Right to adequate housing
- Equal rights for women and men
- Right to a safe, healthy environment in ecological balance

Tough job yielded good results

When it comes to visibility in the media and the public arena, nothing comes free for We Effect. Organisations with a stronger brand and more focus on humanitarian aid often find it easier to break through the media hubbub. Matters involving long-term development cooperation and supporting self-help initiatives never make the headlines. Despite this, We Effect achieved greater visibility in 2015 than the previous year.



Karin Kling was chosen to travel to Malawi and carry out the "Toughest job in the world". Seen here with Biata Chisi.

Photographer Anders Hansson was in Nicaragua and photographed some of We Effect's projects. His image of these schoolgirls was used in our awareness advertising during the year. In the picture are Patricia Silvia Poveda, Shirling Masiel Ramos, Ana Yansi Molinda Hernandez and Genesis Mariana Narvaez.

Our news deal with conditions in different cultures, sometimes harder to identify with as a resident in Sweden. We also have a young brand and all the success in terms of increased visibility is a result of hard work. For We Effect, the solution in 2015 has been to focus further on describing the effects of our work. We will continue with this in 2016.

In order to help tear down the communicative obstacles we face, one of We Effect's initiatives in 2015 was to advertise for a Swedish woman willing to take on the "Toughest job in the world". We were looking for someone willing to work as a female farmer for ten kronor a day in rural Malawi, the poorest country in the world. A total of 560 women applied for the job and the campaign gained wide coverage on social media; on Facebook alone the campaign reached 760,000 people. Mother-of-three Karin Kling, a children's nurse at the Astrid Lindgren Children's Hospital, got the job to travel to Malawi and work alongside Biata Chisi, a farmer and mother of five.

Everyone has a name

Another attention-grabbing initiative was the release of the report "#allaharettnamn" for the third successive year. The report examines how Swedish development cooperation aimed at African countries is publicised in

Swedish newspapers and magazines. One basic idea behind it is that everyone has the right to a name and the right to be more than just a prop for a text on development cooperation. #allaharettnamn gained wide coverage and topped the news on Ekot during Almedalsveckan (political meeting place).

We Effect's news reaches more people

One important objective in 2015 was to increase We Effect's interfaces on social media to enable simple, rapid contact with as many people as possible. Another priority was to strengthen our position on our core issues, above all by highlighting the importance of agricultural and rural development for combating poverty. We have also actively participated in the debate regarding costs for reception of refugees being taken from the Swedish development aid budget.

These are some examples of what is behind We Effect's doubling of the number of press cuttings in 2015, compared with the previous year. It is also gratifying that communication was increasingly a joint effort with our member organisations.

Strengthening awareness and knowledge of We Effect's work is essential to enable us to have an influence and to get more people involved and contributing to We Effect.

We Effect's communication in Sweden aims to

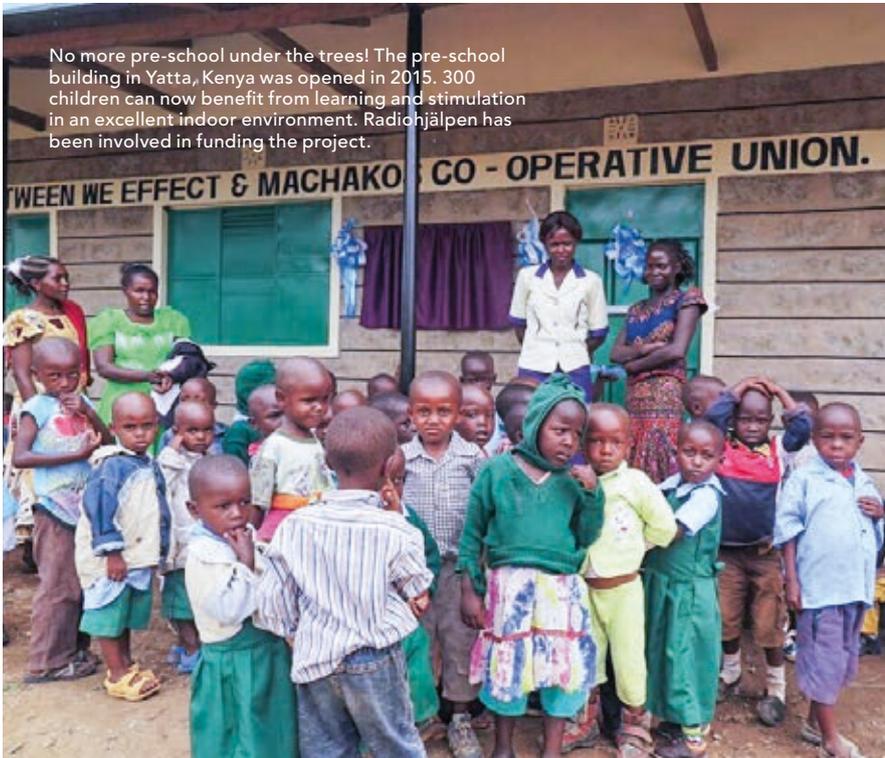
- get more people involved in reducing poverty and injustice in the world
- contribute our expertise to the discussion about combating poverty and making poor people's voices heard
- raise awareness of We Effect and the organisation's core issues, in order to be a strong voice in the debate and create conditions for increased fundraising.

Results in 2015

- A total of 778 press cuttings in 2015, which is double compared with 2014.
- The number of followers on Facebook in December 2015 was around 47,000, which is an increase of 26% compared with 2014.
- We Effect's magazine Effekter was sent to 12,000 donors.

Another record fundraising year!

We Effect raised SEK 63.8 million in 2015, which is the organisation's best ever fundraising result. This record was achieved despite ever tougher competition. A constantly increasing number of fundraising players compete on a daily basis for the attention of donors. The record total includes sales of products, grants from Radiohjälpén and the Swedish Postcode Lottery and grants from other non-governmental institutions.



No more pre-school under the trees! The pre-school building in Yatta, Kenya was opened in 2015. 300 children can now benefit from learning and stimulation in an excellent indoor environment. Radiohjälpén has been involved in funding the project.

Machakos in Kenya. The pre-schools welcome children between three and five years of age, while their parents receive support for their handicraft cooperative, thus improving their financial situation. In addition, Radiohjälpén's support is funding initiatives in Malawi, Zambia and Zimbabwe to reduce the spread of HIV and to improve the housing situation for people there.

New collaborations a success

This year saw a unique collaboration with Femina magazine. Articles and advertisements about equality and female entrepreneurs were seen in most issues of the magazine during the year. Femina designed a bracelet in collaboration with Maasai groups in Tanzania. Sales of the Femina bracelet substantially boosted goods sales and yielded 1,700 new donors. Net turnover from sales of products such as the Maasai bracelet, was SEK 1.1 million.

In 2015, We Effect developed a more active, outward-looking and out-reach sales approach to enterprises and organisations in order to broaden its fundraising. As awareness of We Effect's relatively new brand increases, the potential to attract new corporate partners is growing.



The biggest share of funds raised comes from enterprises. In 2015, We Effect received a big cheque for SEK 15 million from the Swedish Postcode Lottery. KF, Coop and the consumer cooperatives account for the highest fundraising total among our member organisations, at almost SEK 12 million. Half of the Coop's fundraising amount comes from the 'Bistånd på Köpet' customer donation scheme, a fundraising channel that is growing by the month. The Swedish Cooperative Union (KF) auctioned off its art collection in aid of We Effect. The result was a total of SEK 1.8 million raised for our funds.

We Effect supports refugees and children. On the initiative of We Effect's member organisations, a fundraising campaign was launched for the tens of thousands of refugees passing through Macedonia. Close to SEK 1.9 million was collected, of which the HSB associations accounted for almost SEK 1.1 million. Lantmännen, Riksbyggen, Folksam, OKQ8 and Swedbank also contributed to the fundraising campaign.

We Effect received SEK 4.9 million from Radiohjälpén through the Världens Barn and Musikhjälpén campaigns, to support Romany children in Albania. The money was also used for three new pre-schools in



The sale of KF's works of art by, among others, Lisa Larson, Sven X:et Erixson and Karin Mamma Andersson raised a total of SEK 1.8 million for our funds.

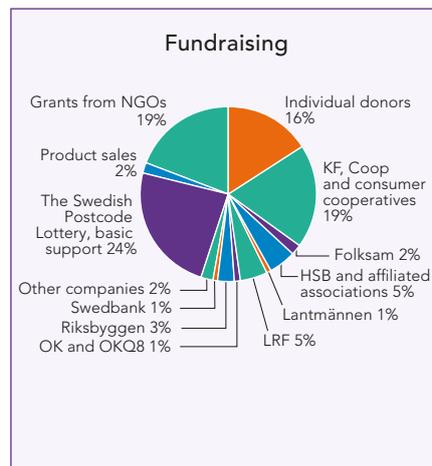


Femina's editor-in-chief Ulrika Norberg. In 2015, Maasai bracelets were sold in collaboration with Femina magazine.



Results in 2015

- We Effect received SEK 15 million from the Swedish Postcode Lottery.
- SEK 6.3 million was raised via the 'Bistånd på Köpet' donation scheme at Coop stores.
- We Effect received SEK 4.9 million from Radiohjälpén.
- SEK 1.9 million was raised, mostly via our member organisations, in aid of refugees passing through Macedonia.
- Net turnover from products sales such as Maasai bracelets, amounted to SEK 1.1 million, which is an increase of 40% compared with the previous year.



OUR FUNDRAISING IS MONITORED BY THE SWEDISH FUNDRAISING CONTROL

We have a 90-account for fundraising that is monitored by the Swedish Fundraising Control. This guarantees that the fundraising is ethical and professional, and that no more than 25% of income is spent on anything other than the intended purpose.

Africa

Support for human rights and drought-resistant agriculture in Africa

OBJECTIVES

- To increase the influence of smallholders living in poverty and safeguard their rights to land, among other things.
- To contribute to long-term sustainable farming and to more people obtaining food and income from harvests.
- To give people living in poverty access to financial services such as loans, saving and insurance at prices that are reasonable for them.
- To promote equality between women and men, and ensure that at least half of development funds are allocated to women.
- To combat the spread of HIV.



Anite Sictimbale lives in Choma in Zambia. Her family grows cotton, sugar, sweet potato and much more. Thanks to study circles and being members of a cotton cooperative they get paid more for their crops.

Climate efforts – long and short term
 Erratic rainfall and drought have destroyed harvests in Malawi. At the end of 2015 three million people were at risk of being affected by food shortages. As an emergency measure to increase food production, 860 small-scale farmers received seed for drought-resistant crops via We Effect. In order to facilitate long-term climate-adapted agriculture, the number of Malawians trained in sustainable cultivation increased from around 16,000 to 24,000 in 2015.

Successful pilot project supports marginalised groups

In a dry and poor area of Kenya, We Effect's support has resulted in the set-up of three pre-schools. The women now have more

time to work, while the children can develop in pre-school.

It is difficult to reach the poorest and most marginalised individuals in severe epidemics. A pilot project in Uganda led to essential information to prevent epidemics such as Ebola rapidly reaching remote areas via cooperatives.

People in slum areas are particularly vulnerable to being infected with HIV. In Malawi, Zambia and Zimbabwe a new project, focusing on improved housing conditions, has led to better health, reduced risk behaviour and fewer deaths among those infected with HIV.

Advocacy work defends rights

Efforts to increase the influence of poor smallholders and women has yielded results.

In Zambia, 593 small-scale farmers have obtained registration of title to land, and in Mozambique the right to land was secured for 20 communities, benefitting around 32,700 people. In Tanzania, 52 women illegally driven off their land have received support from We Effect to initiate legal processes and 35 of them have so far obtained redress.

Advocacy work in Kenya has led to the authorities planning to build three dams and lay water pipes to reduce the distance for women to fetch water.

A coffee cooperative in Kenya gained a licence to sell direct to Nairobi's coffee exchange in 2015. An important success for small-scale growers, who can now avoid dealing with expensive middlemen.

RESULTS IN AFRICA IN 2015

- 54% of We Effect's partner organisations in Eastern Africa adopted climate and environmental policies.
- The study circles in Southern Africa now have 404,117 members (230,071 women and 174,046 men). The groups study everything from sustainable growing methods and increased productivity to equality and HIV prevention.
- 48% of development cooperation support in Eastern Africa went to women in 2015.
- Women in the study circles in Southern Africa testify that they have learned more about their rights and speaking in front of others. They dare to express their opinions and have gained increased influence at home.
- Thanks to We Effect's work, 1.3 million people in Eastern Africa have gained access to financial services. Women's access to these services has increased from 50% in 2014 to 52.5% in 2015.
- Through increased knowledge of milk production, dairy farmers in Zambia have increased their production from 5 to 7 litres per cow per day.
- 4,551 new saving and borrowing groups were formed in the region, 519 of them by young people. In 2015, each person saved an average of SEK 426 and borrowed SEK 561. The money was used to run and start up micro-enterprises, and to pay for school fees and medical care.
- Through entrepreneurship training 20,366 people (16,510 women and 3,856 men) in Zimbabwe have been able to start up small enterprises.
- In 2015, efforts to support unemployed young people in Eastern Africa continued. A total of 99,700 young women and men attended courses on entrepreneurship and financial services.
- Thanks to new knowledge gained through study circles, cotton farmers in Mozambique have increased their production from 604 to 683 kilos per hectare since 2013 and almost doubled their total production output.
- In 2015, We Effect supported the construction of 181 homes in Tanzania and 30 new houses in Uganda. In Kenya, We Effect supported organisation and mobilisation that led to 1,444 new houses being built. In 2015, six housing cooperatives managed to purchase 38 hectares of land to build houses on.
- 53,017 members of the regional rural development programme in Southern Africa participated in various types of saving and borrowing in 2015 – with a total turnover equivalent to just under SEK 122 million.

Latin America

Inequality creates poverty and oppression in Latin America

OBJECTIVES

- For more people to have adequate housing.
- To promote equality between women and men, and ensure that at least half of development funds are allocated to women.
- More people being able to put food on the table and obtain an income from harvests, or some other activity.
- To support smallholders living in poverty in employing long-term, sustainable cultivation methods.



Yamileth de Socorro lives in León in Nicaragua. She is a member of a housing cooperative that has built schools, including one that her grandson Alexi Castro can now attend.

Lives at stake to combat poverty

Latin America is dominated by inequality, in terms of both income and influence. Violence is widespread. Standing up for democracy and human rights in Latin America is possibly the most dangerous job in the world right now. Activist Berta Cáceres was recently murdered due to her environmental campaigning. In 2015, 493 attacks against human rights defenders were recorded in Guatemala alone. For We Effect, the issue of how best to support our partner organisations in countering such obstacles will be of great importance going forward.

Weather phenomenon El Niño causes food shortage

In 2015, Latin America was hit hard by drought. The primary cause was the El Niño weather phenomenon. In the so-called dry corridor that runs through Guatemala, Honduras, El Salvador and Nicaragua hundreds of thousands of families suffered reduced access to food, as no reserves were available owing to the previous dry year. We Effect, together with local farmers' organisations, has developed organic growing methods. The families within the organisations began collecting rainwater, using simple irrigation systems and introduced crops suited to a drier climate, which has led to an increase in food production.

Agreement with UN agency promotes equality

At the end of 2015, We Effect arranged a large regional conference on the theme of "Justice, wealth, sex and love. Men and young people for equality". The conference was a launching pad for We Effect's in-depth work to involve men in equality work. To conclude the conference, a Memorandum of Understanding was signed with both the UNDP (United Nations Development Programme) and UN Women (United Nations Entity for Gender Equality and the Empowerment of Women).

RESULTS IN LATIN AMERICA IN 2015

- In 2015, 62% of We Effect's development funds were allocated to women.
- During the year, 10,485 leaders received training in organisational development, finance and political processes. Just over 73% of these were women.
- Despite another year of the El Niño weather phenomenon contributing to severe drought in Central America and floods in Paraguay, 42% of the farmers in our partner organisations in the region succeeded in increasing their production per hectare. This improvement was largely possible thanks to agro-organic methods and climate-adapted crops.
- The proportion of women on the boards of farmers' organisations and holding other leading positions has increased to just over 45% in 2015.
- 14 housing cooperatives in Centro Histórico in El Salvador's capital set up communal kitchen gardens where they grow vegetables for their own consumption.
- 7,259 women attended courses on equality in 2015.
- 387 men took part in special courses aimed specifically at men, on equality and the importance of sharing the work in the home and looking after children.
- 5,472 people attended courses on climate change and the environment.
- During the year, a cooperation agreement was signed between the Food and Agriculture Organization of the United Nations (FAO) and We Effect. In Latin America, the agreement involves support for forestry and agricultural organisations in Nicaragua, Bolivia and Guatemala.
- We Effect's partner organisations have contributed to 13 different laws and sets of regulations relating to women's human rights having been approved in the region during the year.
- 24 different laws, sets of regulations or statutes improving conditions for the farmers in the region were passed, thanks to advocacy work by the farmers' organisations.
- A new national housing policy was passed in El Salvador, largely thanks to advocacy work by FESCOVAM, which receives support from We Effect.
- The cooperative housing organisation in Honduras succeeded in stopping the government proposal to scrap the national housing programme for poor people. The programme will now remain in place until further notice.
- Throughout Latin America, housing cooperatives have set up joint democratic councils with other organisations within civil society. The idea is to jointly put the needs and rights of poor people to housing firmly on the agenda ahead of the next big summit meeting on housing, Habitat III, in Ecuador in autumn 2016.
- In Bolivia, it has previously been impossible for housing cooperatives to gain access to the state-owned social housing programme. Thanks to the housing cooperatives' advocacy work, two regulations have been removed, which opens up new possibilities for them.

Asia

Those excluded must unite

OBJECTIVES

- To reduce poverty in rural areas.
- To contribute to long-term sustainable farming and to more people obtaining food and income from harvests or from other activities.

Saving and borrowing groups making headway in Asia

Many economies in Asia are growing rapidly. As a result of this rapid advance many people are being left behind, as they lack the prerequisites to provide for themselves. We Effect's work focuses on strengthening local member-based organisations and thus improving living conditions for the most vulnerable. We saw many good results in 2015 despite obstacles along the way. We began introducing member-owned saving and borrowing groups, among other things. These allow members to save securely and obtain loans on favourable terms. The groups also serve as schooling in democratic participation and leadership.

Development cooperation meets resistance

The political climate in various quarters in Asia in 2015 made development cooperation work difficult. In Cambodia, We Effect encountered obstacles in the form of various restrictions and new regulations. Several housing projects in the Philippines have been delayed due to rigid bureaucracy.



Matreswaran Vijayaletchumi and her daughters Vanithanchani and Anushiya are members of Ilankathir Coop, where women can learn about entrepreneurship, sales and food hygiene. They live in Batticaloa in Sri Lanka.

The situation for the population of Palestine remains vulnerable; for example, with regard to access to land due to the occupation. However, the political situation in Sri Lanka and Myanmar improved somewhat thanks to the change of regime.

Flooding hits farmers

All countries in Asia are seeing intense negative climate change effects. Many farmers lack the tools to adapt to increasingly unpredictable weather patterns. Farmers in Myanmar experienced a tough autumn after extensive flooding, and the Philippines

continues to be subjected to numerous typhoons and flooding. We Effect supports partner organisations through courses in how to adapt agriculture to an ever more erratic climate.

Focus on equality

During the year, our work to promote women's influence in society continued. For instance, the number of women in leading roles among our partners in Palestine and the Philippines increased, by 60% and 30% respectively.

RESULTS IN ASIA IN 2015

- The number of people directly and indirectly reached by our projects in Palestine rose in 2015 from 66,838 to 226,815 – an increase of 339%.
- In 2015, 11,707 people increased their income from an average of SEK 16 to SEK 28 per day thanks to We Effect's projects in Sri Lanka.
- Cooperatives in South-east Asia (Cambodia, Myanmar, Vietnam) increased their member numbers by 192% in 2015. The number of members is now 29,332. 49% of these are women.
- 3,828 farmers in the Philippines attended courses in organic farming in 2015. 1,273 of these have begun farming sustainably.
- Our member-based partner organisations in Sri Lanka reported a 26% increase in the number of members in 2015.
- The number of women in leading positions among our partners in Palestine increased by 60% in 2015, to 254. 30 women attended leadership courses.
- 75 courses on animal husbandry were held during the year in South-east Asia. A total of 5,378 farmers participated in these.
- 3,304 families in Sri Lanka grew crops in organic kitchen gardens. The families also received support packages to grow different plants and vegetables. There are 243 so-called model farms to serve as examples.
- In 2015, 2,727 farmers in Palestine employed sustainable and long-term techniques in their farming activities thanks to support from We Effect.
- In Sri Lanka, 1,235 people in leading positions received training within leadership and decision-making in order to advance their knowledge.
- In the Philippines, the number of women in leading positions within the organisations we support increased by 30%. A total of 664 out of 1,095 leaders are women. 655 women completed leadership training in 2015.
- In South-east Asia (Cambodia, Myanmar, Vietnam), the number of female leaders in cooperatives increased from 17 to 132. This means that 38% of the leaders in 2015 were women.
- In Palestine, the female members of the cooperatives We Effect works with increased their income from agriculture by almost 17% – from SEK 2,550 to 2,975.
- In 2015, 1,250 women in Sri Lanka received training in active leadership within member-based organisations. This is an increase of 250% compared with the previous year.
- In South-east Asia, 649 cooperative leaders attended leadership courses.
- 2,173 farmers in South-east Asia are cultivating their land according to a pilot model for organic farming. 91% of these report that they are happy with the model and the changes it has involved.
- In Cambodia, farmers who attended a course in sustainable farming and animal husbandry increased their incomes by an average of 10%.

Europe

Political unrest and struggle in Europe

OBJECTIVES

- To reduce poverty in rural areas.
- To promote equality between women and men, and ensure that at least half of development funds are allocated to women.
- To support people in asserting their rights and making their voices heard.

Refugees in Macedonia receive support

In 2015, tens of thousands of people fled to Europe to escape war and persecution. To assist with emergency efforts, We Effect and the organisation Open Gate started a humanitarian project at the border crossing between Greece and Macedonia. Thanks to this initiative, refugees passing the border crossings in Macedonia have access to necessities and psychosocial and legal support, and children have the chance to play in heated rooms.

Corruption leads to political unrest

2015 was a politically turbulent year. People in Moldova, Macedonia and Kosovo protested to get rid of corrupt decision-makers. We Effect supports organisations that strengthen democracy in such countries by boosting the voices of marginalised groups. In Moldova, our partners have succeeded in pushing through law reforms that favour poor farmers, and in Bosnia-Herzegovina, our partner implemented the first "rural parliament", so that people from rural areas could have their say regarding issues such as equality and social inclusion.

Over half of development funds are allocated to women

In 2015, 52% of our development funds in Europe were allocated to women. In addition,



In Kosovo, We Effect and partner organisation IKC supported land-owning Romanies in starting to cultivate strawberries. These have provided a good yield for the majority of the year. Ganimete Hasani, here with her daughter Samina, is one of those who is better off thanks to strawberries.

more female representatives were elected to various posts within the farmers' organisations than the previous year.

One group of women in Moldova succeeded in tripling their income. By setting up as a cooperative they have been able to sell their milk collectively in larger quantities and thus be paid better.

We are supporting Romanies in the Balkans

Romanies are one of the most vulnerable groups in the Balkans. In 2015, We Effect expanded its support for Romanies in Kosovo and Albania. For instance, we launched a project with support from Radiohjälpén to increase the proportion of Romany children starting school.



Fatima Ali helps her son Danish, 2, put on warm boots at We Effect and Open Gate's humanitarian project on the border of Macedonia.

RESULTS IN EUROPE IN 2015

- Yet another partner in Kosovo and Albania began using the study circle method; four of our partners in these countries now use study circles. A total of 1,027 people participated in study circles in 2015.
- In Moldova, the cooperatives supported by We Effect increased their exports to the EU by 13% over the past year.
- All partner organisations in Europe report an increase in member numbers in 2015. Our Europe programme reached a total of 78,489 direct rights-holders.
- In Moldova, dairy farmers were paid 27% more for their milk in 2015 compared with 2014. This is a result of the organisations' increased capacity and strengthened negotiating power.
- In 2015, we expanded our efforts to promote the rights of Romanies in the Balkans. In total, we support around 3,000 Romanies in the region with setting up organised groups, educating themselves and farming sustainably to reduce vulnerability.
- In Kosovo, dairy farmers were paid 17% more for their milk in 2015 compared with 2014. This is a result of the organisations' increased capacity and strengthened negotiating power.
- 10 milk cooperatives in Moldova showed increased income from their milk sales. Sales increased by 27% in total.
- In 2015, 50% of those in the Europe programme were women.
- Europe programme grows. In 2015, 255 organisations joined our networks, compared with 200 in 2013.
- In 2015, we provided support for our partner in Macedonia to produce an online magazine to circulate farming news and increase the exchange between farmers in Macedonia, Kosovo and Albania. The site had almost 7,000 unique visitors during the year.

Directors' report

The Board of Directors and the CEO of We Effect (org. reg. no. 802004-1524) hereby submit the following annual report for the financial year 1 January–31 December 2015.

General information about operations

Purpose and vision

We Effect is a non-profit association with a mission to reduce poverty in the world. We Effect, in cooperation with its member organisations, works to create commitment, raise awareness, mobilise resources and in general win public support for long-term international development work with a focus on people's self-help initiatives. The activities of the association contribute to development of the cooperative and social economy to improve living conditions for those living in poverty and in vulnerable situations. We Effect is not affiliated to any political party or religion.

We Effect's vision is a sustainable and just world free from poverty.

Mission and target group

We Effect's mission is to strengthen the ability of membership and democratic organisations to enable women and men living in poverty to improve their living conditions, defend their rights and contribute to a just society.

In Sweden, We Effect focuses on:

- encouraging people to take a stand and get involved in supporting a sustainable and just world order.
- fundraising to support our development cooperation activities.

The target group for our development cooperation work is women and men living in poverty who are members, or potential members, of cooperative organisations or other democratic associations or informal groups. Development cooperation works best when it supports people who have joined forces.

We Effect's work is rights-based. This perspective converts the needs of people who are discriminated against and living in poverty into rights, and places the focus on people as active participants in their own development. The rights based approach helps to ensure that human rights are respected, protected and fulfilled in our work, and to counteract the structural causes of poverty and injustice, instead of the symptoms alone.

We Effect's head office in Sweden functions as a base for fundraising, information and advocacy activities, along with financial and programme quality assurance. The organisation is decentralised and decisions are made as close as possible to our development work. We Effect's local presence promotes local ownership, efficiency, sustainable development as well as leading to a better understanding of local issues. We Effect has four regional offices throughout the world. There are also national offices in several of the countries in which we operate. The global management team, which is made up of managers from the regional offices and the head office, coordinates and governs the operations of We Effect.

Core values

The purpose of the cooperative organisational form is to combat poverty and strengthen democracy.

We Effect adheres to the values of the International Cooperative Alliance, relating to self-help, personal responsibility, democracy, equality, justice and solidarity, as well as the following principles:

- Voluntary and open membership
- Democratic member control
- Financial participation of members
- Autonomy and independence
- Training, internships and information
- Collaboration between cooperative associations
- Social consideration

We Effect's development cooperation work is long-term, preventive and sustainable. One key component is mutual accountability, which focuses on development by people – not for people. This is why the basis of our development cooperation is to support organisations in civil society that work to achieve universal human rights, as agreed by the international community.

Priority areas of operation

We Effect combines democratic organisation with business development and economic activity. The key areas in which the organisation can reduce poverty and injustice are: Rural development, Housing and Land - an active gender equality perspective is reflected in every aspect of our work. Access to financial services is a key success factor in both rural development and housing, and is something We Effect is continuously working on.

Most of We Effect's work is carried out in collaboration with organisations in rural areas. The partner organisations provide farming and price-negotiating advice, market access for smallholders, and promotes the mobilisation of people. Their work is long-term to change the structures that contribute to poverty towards long-term change in the structures that contribute to poverty.

Part of We Effect's work involves support for housing cooperatives. We work with organisations that guarantee people's access to land for housing, thus enabling people living in poverty to build their own homes.

We Effect is also working to develop savings and credit associations, which offer people living in poverty, particularly those in rural areas, the opportunity to finance their own investments.

Partnership and collaboration

We Effect's main working method involving support to people's self-help initiative. Considerable emphasis is placed on local ownership and influence. It is the best way of ensuring long-term, sustainable results. One central method is to work in partnership. The objective of partnerships is to ensure that the partner organisation has ownership of its activities and development. This means that the collaboration must be based on the needs that have been identified by the members of the organisations. Many of our partner organisations have limited resources. This is why We Effect's efforts to support organisational and capacity development are essential.

It is also important to be part of networks together with larger international organisations. For example, We Effect is a member of the board of AgriCord, an international network of development cooperation organisations working to strengthen farmers' and rural members' organisations in developing countries. We Effect is also a member of the International Land Coalition (ILC), a global alliance of civil society and intergovernmental organisations working together to promote secure and equitable access to land for poor women and men. Finally, We Effect is also a member of the Association for Women's Rights in Development (AWID), which aims to strengthen individuals, organisations and international movements working to promote women's rights.

In Sweden, We Effect is represented on the board of Concord Sweden, a European network aiming to influence the EU's development cooperation policy. In addition, We Effect plays an active role on the government-appointed FAO committee, the Swedish Fundraising Council (FRIL), Forum Syd, the Swedish Development Forum (FUF) and Fairtrade Sweden.

Geographical areas of activity

We Effect's development activities are organised into four regions: Eastern Africa, Southern Africa, Latin America and Europe/Asia.

Eastern Africa includes Kenya, Tanzania and Uganda. The regional office is located in Nairobi, Kenya.

Southern Africa includes Malawi, Mozambique, Zambia and Zimbabwe. The regional office is located in Lusaka, Zambia.

The core area for Latin America is Central America, covering El Salvador, Guatemala, Honduras and Nicaragua. In South America there are projects in Paraguay and Bolivia. At the end of 2014 the regional office moved from San José, Costa Rica, and is now located in Guatemala City, Guatemala.

Activities in the Europe/Asia region in 2015 have taken place in Albania, Bosnia-Herzegovina, Burma/Myanmar, the Philippines, Cambodia, Kosovo, Macedonia, Moldova, Palestine, Sri Lanka and Vietnam. A programme office was opened in Skopje, Macedonia in autumn 2014 and was only partially managed from Stockholm in 2015.

The factors that determine which areas

We Effect gets involved in are:

- **Poverty and injustice**
We Effect works where poverty and injustice are greatest, and focuses activities on rural areas.
- **Relevant cooperation organisations**
We Effect operates in areas that already have relevant organisations and that are deemed to have development potential.
- **Positive impact**
We Effect has limited resources. An assessment is therefore carried out as to whether the capacity exists to expand our work in a particular country or region. The decision is based on whether a project is relevant to support, and whether it has the potential for achieving positive results. Considerable poverty and injustice in a region does not always mean that effective operations can be pursued that would lead to positive results.

Collaboration with member organisations

In 2015, We Effect had 59 member organisations. Together, We Effect and the enterprises and organisations that make up the association's membership, form a development cooperation organisation that is strongly rooted in Swedish society. We Effect enjoys a profound and extremely important partnership with the member organisations within four areas:

■ Information

The member organisations are an extremely important channel when informing the Swedish public about global conditions, development issues and our own development cooperation operations.

■ Fundraising

The fundraising activities of the member organisations are an important source of income for We Effect. The goal is for this fundraising to support the member organisations as well; for We Effect to remain relevant to the member organisations' employees, customers and members and to contribute added value to the member organisations' business activities.

■ Advocacy

Work to encourage more people to take a stand for a more just world is carried out as far as possible in cooperation with our member organisations.

■ Resource base in development cooperation

The knowledge of member organisations is utilised in development cooperation projects when contributing added value.

Other non-financial information

Cooperation and integration

Cooperative development cooperation activities from Sweden are coordinated through We Effect. LRF's Sveriges Bønder Hjälporganisation merged with We Effect in 2002, and since 2005 We Effect has served as Vi Agroforestry's framework organisation to Sida. In 2009, operations from the previously wholly-owned subsidiary KF Project Center AB were integrated into We Effect.

Code of Quality for fundraising organisations

We Effect is a member of the Swedish Fundraising Council (FRIL), which is a collective body for Swedish fundraising organisations. FRIL has developed a Code of Quality for ethical and professional fundraising activities, to which We Effect adheres. Over the years, We Effect has worked to maintain transparent administrative systems and policies for its activities. We Effect works continually to ensure that the organisation's methods and the level of quality in projects are consistent in all parts of the world. Since 2013, compliance with the code is monitored by external auditors.

Significant events during the year

■ Development cooperation budget

In 2015, a reduction in Sida's budget for 2016 was announced, whereby We Effect's framework grant from Sida Civsam was in turn expected to be reduced. Sida Civsam informed We Effect on 22 December 2015 of a reduction of around 7% in the awarded framework grant for 2016.

■ The Future conference

In 2015, We Effect held a conference, The Future, in Stockholm, where employees from around the world met up and jointly developed a foundation for We Effect's future strategy.

■ HR

Lena Martens Kalmelid took up the post of regional director for Southern Africa. She previously worked in the region as programme coordinator for We Effect in Niassa, Mozambique.

A global working group for Human resources (HR) has been set up and is coordinated from the head office in Stockholm. The group has

collaborated in producing common terms of employment for local employees at regional and country offices.

A global HR policy and a more coherent introductory package for personnel posted overseas have been prepared.

■ Communication

Work to raise awareness of the brand continued and yielded great visibility in advertisements, on billboards and on social media. We Effect was also more visible in the media than ever before, with 778 press cuttings.

The #allaharettnamn report was presented at Almedalen at a well-attended seminar. The report was also the topic of the Utvecklings-samtalet (Development discussion) podcast.

We Effect instituted a Lobbyist for Change Award with a prize of USD 10,000. The aim is to show how important lobbying is in reducing poverty and strengthening human rights. The prize will be awarded for the first time at Almedalen Week in 2016.

The "Toughest job in the world" in 2015 went to Karin Kling, a children's nurse from Stockholm. Over 500 women living in Sweden and between the ages of 18 and 67 applied for the job to work as a farmer in one of the poorest countries in the world.

■ Fundraising

The funds raised for We Effect in 2015, including product sales, were SEK 63.8 million. The biggest increase in donations came from the Swedish Postcode Lottery, while minor decreases could be noted from a few member organisations.

Extra fundraising in aid of refugees in Macedonia was conducted in 2015. This fundraising, which was instigated on the initiative of We Effect's member organisations, generated SEK 1.9 million. A unique collaboration was implemented with Femina magazine. Articles and advertisements about equality and female entrepreneurs were seen in most issues of the magazine. A Maasai bracelet was designed and marketed throughout the year, resulting in 1,700 new donors and a substantial boost to sales of goods.

■ Development & Policy

The Food and Agriculture Organization of the United Nations (FAO) and We Effect signed an agreement on global cooperation to help poor farmers throughout the world. This cooperation will enable many small-scale farmers to increase their incomes.

As part of the objective to achieve increased and diversified funding of the organisation's development cooperation activities a new full-time post has been created. An action plan has been produced and a global funding strategy will come into operation in March 2016.

Work to set up a global quality management system has been coordinated during the year and is expected to come into operation in 2016.

The mandate, responsibilities and work schedules of the global thematic expert groups have been established, and support for the field activities has continued as usual.

A new system for reporting of results from field activities was introduced during the year.

We Effect has been involved in arranging several large-scale events such as an agroecology seminar and workshop at SLU (Swedish University of Agricultural Sciences) in March, events during Almedalen in July, World Water Week in August and Sida's CSO week in October.

The regions

Southern Africa – New collaborations have been initiated in Malawi. The objective of the SHIRE project, funded by MCA (Millennium Challenge Account), is to ensure a more sustainable energy supply, primarily for women in the Shire district.

An agreement has been signed with CIP (the International Potato Center), which is working to introduce the orange-fleshed sweet potato, which is rich in vitamin A, as part of the Malawi Lake Basin Program.

The region was hit hard by drought in 2015, a combination of the effects of climate change and an unusually strong El Niño phenomenon. We Effect, in collaboration with partner organisations, has highlighted how this affects poor men, women and children in rural areas, and reorganised operations to better alleviate and prevent the effects.

In April, Charlotte Ståhl, We Effect's official contact at Sida at that time, travelled around Zambia and Zimbabwe.

We Effect's board of directors spent a week visiting projects and partner organisations in Mozambique and Zambia in November.

Eastern Africa – A new agreement with the EU was entered into in 2015, to promote women's participation in politics in Kenya. The Ebola project in Uganda funded by We Effect's member organisations was concluded, with good results. Vital information for preventing epidemics reached cooperatives in remote areas.

The region initiated activities aimed at the children of cooperative members for the first time, by establishing three pre-schools for children aged 3 to 5 in cooperation with one of the biggest coffee cooperatives. Radiohjälpen funded the project.

A collaboration based on human rights was launched with the Anna Lindh Academy in Sweden.

In cooperation with partner organisations in Tanzania and Uganda, We Effect contributed to reporting to the United Nations Human Rights Council via the Universal Periodic Review process in 2015. This highlighted each country's failings in terms of human rights for our target groups.

Latin America – We Effect, together with Diakonia and the Church of Sweden, was co-organiser of a high-level Swedish delegation to Guatemala, with the aim of drawing attention to the oppressive human rights situation there. The delegation included: members of the Riksdag Katarina Köhler (Social Democrat) and Margareta Cederfelt (Moderate), who are both on the standing committee on foreign affairs, Tommy Ohlström, CEO of KF and Chairman of the Board of We Effect, Anneli Rogeman, MD of We Effect, Bo Forsberg, Secretary-General of Diakonia, and Tuulikki Koivunen Bylund, Bishop Emeritus in the Church of Sweden. The delegation met with representatives of both organisations and government, and also representatives of the Swedish Ministry for Foreign Affairs in the country and challenged Sweden's government to put pressure on the Guatemalan government to live up to its commitments on human rights.

During the year a cooperation agreement was signed with the UNDP (United Nations Development Programme) and UN Women (United Nations) in Guatemala. Both agreements aim to increase collaboration on equality issues.

2015 was the first year for the new regional office in Guatemala. A new office property has been purchased using funds from the sale of the previous office in Costa Rica. The final planned recruitments have been accomplished, which concludes the reorganisation begun in 2013.

Europe/Asia – Our member organisations initiated fundraising to support refugees in transit in Macedonia. This led to a new collaboration with a partner organisation involved in humanitarian aid for refugees in Macedonia. Our work with Romanians and other minorities primarily in Albania has increased, with a focus on social integration, business development and children's rights.

We Effect's country director in Palestine, Mohammed Kahled, was an invited speaker at World Water Week in Stockholm. The topic was the importance of a rights-based perspective on access to water.

Administration for the region, including financial management, was transferred in 2015 from the head office in Stockholm out to the region, with recruitment of personnel in the Philippines, Macedonia and Vietnam. Manuals and procedures were developed at the regional office in Vietnam by an economist sent out from Stockholm.

Result and financial position

The result for the year after net financial items was SEK -6,257,853. We Effect is a non-profit organisation. However, the Board considers it important to have equity as a buffer, to ensure the long-term survival of our operations at all times. Fund investments are recorded at average cost. We Effect will maintain low risk in its financial investments, in accordance with our policy of consolidation and capital investment.

The Board proposes that the association's result be carried forward in its entirety.

Financing operations

Total operating income in 2015 amounted to SEK 319.5 million. Fundraising from organisations and individuals is an important element of financing, and totalled SEK 63.8 million, including product sales. Public grants amounted to a total of SEK 250 million. Radiohjälpen donated a total of SEK 4.9 million to We Effect.

We Effect has a framework agreement with Sida, and the framework grant, SEK 177 million, forms the major part of the funding. Financing also includes other appropriation items from Sida and other institutions. During the year, Sida grants have been paid out to the Vi planterar träd fundraising foundation (Vi Agroforestry).

Project volume for development funding

The project volume was SEK 283 million in 2015, including forwarded grants. Africa receives the highest proportion of financial support, at 57%. Support to Latin America accounts for 24% of the total volume, while 17% goes to Europe/Asia.

Significant events after the end of the financial year

Karin Kling got the "Toughest job in the world" and spent three weeks living as a farmer in rural Malawi. Her journey began on 18 January 2016 through until 7 February 2016. Karin blogged about her experiences, and since returning home has reported on the "Toughest job in the world" and We Effect's work in a variety of media, including Sveriges Radio, Aftonbladet, Nyhetsmorgon on TV4, etc.

Future development

Ahead of 2016, We Effect made savings both centrally and at regional level and transferred resources from planned, but not started, activities. Consequently, the reduction in the framework grant from Sida Civsam is only expected to have a slight effect on ongoing projects.

Other information

Nina Jarlbäck, who was We Effect's chairperson from 2006 to 2014, passed away in February 2015.

An organisational analysis of Vi Agroforestry and We Effect was conducted in 2015 with a view to ensuring a flexible and effective organisation.

Income statement

Amounts in SEK	Note	2015	2014
Operating income			
Donations	3	50,766,300	51,644,607
Grants	3	262,223,006	262,502,558
Net sales	4	1,140,631	729,320
Other operating income	5	5,409,537	4,041,619
		319,539,473	318,918,103
Operating expenses	8		
Activity expenses	7	-303,608,412	-290,301,388
Administrative expenses	6	-14,703,726	-12,635,255
Fundraising expenses		-9,568,578	-8,746,437
Cost of goods sold		-1,377,896	-1,145,705
Other operating expenses	8	-509,764	-723,288
		-329,768,377	-313,552,073
Operating result	1	-10,228,904	5,366,029
Result from financial investments			
Profit/loss from securities and receivables accounted for as non-current assets	9	3,610,042	1,464,616
Other interest income and similar profit/loss items	10	416,278	1,381,945
Interest expenses and similar profit/loss items	11	-55,269	-245,798
Profit/loss after financial items		-6,257,853	7,966,792
Profit/loss before tax		-6,257,853	7,966,792
Profit/loss for the year		-6,257,853	7,966,792
Change in earmarked funds			
Profit/loss for the year as per income statement		-6,257,853	7,966,792
Utilisation of earmarked funds from prior years		3,638,917	16,759,165
Earmarking of funds		-1,884,817	-14,190,002
Remaining amount for the year to carry forward		-4,503,754	10,535,955

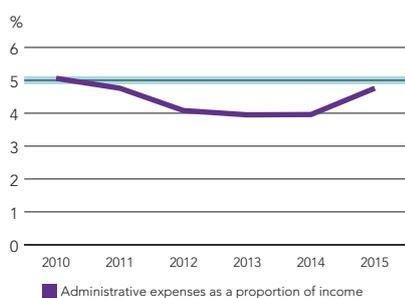
Balance sheet

Amounts in SEK	Note	31 Dec 2015	31 Dec 2014
ASSETS			
Fixed assets			
<i>Intangible fixed assets</i>			
Capitalised expenditure for software	12	623,907	–
		623,907	–
<i>Property, plant and equipment</i>			
Land and buildings	13	4,602,159	2,899,875
Equipment	14	61,401	122,301
		4,663,560	3,022,176
<i>Financial assets</i>			
Securities held as non-current assets	15	38,973,619	34,965,751
Total financial assets		38,973,619	34,965,751
Total fixed assets		44,261,086	37,987,926
Current assets			
<i>Inventories</i>			
Products		73,359	47,939
		73,359	47,939
<i>Current receivables</i>			
Accounts receivable – trade		889,902	466,324
Other receivables	16	22,775,348	20,596,670
Prepaid expenses and accrued income	17	3,214,200	3,730,265
		26,879,450	24,793,259
<i>Cash and bank balances</i>			
Cash and bank balances	24	70,896,205	118,246,773
Total current assets		97,849,015	143,087,970
TOTAL ASSETS		142,110,101	181,075,897
EQUITY AND LIABILITIES			
<i>Equity</i>			
Retained equity	18	93,037,108	97,540,861
Earmarked funds	18	2,440,788	6,287,074
		95,477,896	103,827,935
<i>Provisions</i>			
Other provisions	19	3,264	–
		3,264	–
<i>Current liabilities</i>			
Accounts payable – trade		2,503,128	1,651,613
Liability received, unutilised grants	20	40,121,383	70,849,792
Other liabilities		483,597	207,655
Accrued expenses and deferred income	2, 21	3,520,835	4,538,900
		46,628,943	77,247,961
TOTAL EQUITY AND LIABILITIES		142,110,101	181,075,897
Pledged assets and contingent liabilities			
<i>Contingent liabilities</i>			
Pension provision	22	1,268,218	1,242,397
Total pledged assets and contingent liabilities		1,268,218	1,242,397

Cash flow statement

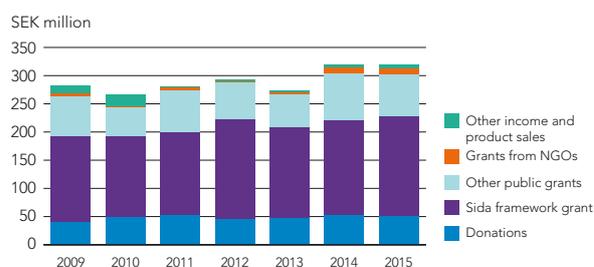
Amounts in SEK	2015	2014
Operating activities		
Profit/loss after financial items	-6,257,853	7,966,792
Adjustments for non-cash items, etc.	-5,487,563	-2,650,096
Cash flow from operating activities before changes in working capital	-11,745,416	5,316,696
Cash flow from changes in working capital		
Change in inventories	-25,420	66,462
Change in operating receivables	-2,086,191	-3,953,414
Change in operating liabilities	-32,711,205	35,073,566
Cash flow from operating activities	-46,568,233	36,503,309
Investing activities		
Purchase of property, plant and equipment	-2,712,624	-134,338
Purchase of intangible fixed assets	-623,907	-
Disposal of property, plant and equipment	2,679,820	14,215
Investments in financial assets	-54,512,354	-10,981,751
Disposal of financial assets	54,114,528	9,390,564
Increase in investments in securities, etc.	272,202	-
Cash flow from investing activities	-782,335	-1,711,310
Cash flow for the year	-47,350,568	34,792,000
Cash and cash equivalents at the beginning of the year	118,246,773	83,454,774
Exchange rate differences in cash and cash equivalents	-	-
Cash and cash equivalents at the end of the year	70,896,205	118,246,773

Administration/income

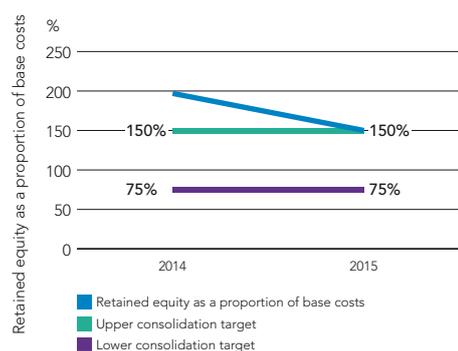


The aim is for administration costs to amount to no more than 5% of income.

Income over time



Consolidation target



The internal consolidation target is for the retained capital to be between 75 and 150% of the total base costs, which comprise administrative, fundraising and communication expenses and a share of activity expenses amounting to 10%. This leaves a sufficient level of reserves in place for it to be possible to wind down activities in a responsible manner, should there be a considerable drop in income from fundraising and grants.

Notes with accounting policies and supplementary information

Amounts in SEK, unless otherwise specified.



General accounting policies

This annual report has been prepared in accordance with the Annual Accounts Act, BFAR 2012:1 (K3) and the Swedish Fundraising Council's (FRII) guidelines for annual reports. The accounting and valuation principles are unchanged compared with the previous year.

Reporting of income

A donation or a grant is classified as transaction of an asset or a service of a defined value to the association, without providing any exchange of equivalent value in return. If the asset or service is received because the organisation has fulfilled or will fulfil certain conditions and if the organisation has an obligation to repay the other party if the conditions are not fulfilled, it is a received grant. If it is not a grant, it is a donation.

Donations are generally recognised as income when received. Donations such as shares, property and art are recognised as income at the time of the donation. A donation recognised as income is either recorded as an asset or an expense depending on whether the donation is used immediately or not. Donations that We Effect intends to continuously use in activities are recorded as fixed assets. Other donations are recorded as current assets. Donations are generally valued at actual value.

Grants are recorded as income when the conditions for receiving the grant have been fulfilled. Grants received are recognised as a liability until the conditions for receiving the grant have been fulfilled. Grants received to cover certain costs (e.g. for administration) are reported in the same financial year as the cost the grant is intended to cover.

Reporting of costs

Operating expenses primarily comprise activity expenses, fundraising expenses and administrative expenses. Additional operating expenses that cannot be attributed to the main functions include costs for goods sold, which comprise purchasing, administration and sales costs. Other expenses derive from costs for ongoing maintenance of fixed assets abroad.

Activity expenses consist of costs attributable to We Effect's mission according to its statutes. They encompass approved project expenses for development activities and costs arising as a direct result of an activity within the organisation's remit, including costs of follow-up, reporting and local audits. Activity expenses also include costs relating to advocacy activities and highlighting the organisation's work as stipulated in its mission according to the statutes.

Fundraising expenses comprise costs associated with efforts to raise money in the form of donations and grants from donors. Fundraising expenses also include costs relating to fundraising material, advertisements, donor registers, campaigns and mailings.

Administrative expenses include central functions such as IT and Finance, HR, administrative systems, other joint costs and audit expenses. All leasing agreements are recognised as operating leases, i.e. the leasing fee is recognised on a straight-line basis over the term of the agreement. Joint costs are allocated based on the number of employees per department.

Employee benefits after termination of employment

Plans for remuneration after termination of employment are classified as defined-benefit plans and the simplification rules stated in BFAR 2012:1 are applied. Pension obligations are secured via a transfer of funds to a

pension fund. Should the pension fund's balance fall short of the obligation, a provision is recognised. If the fund's balance exceeds the obligation, no asset is reported. Termination benefits are only recognised as a liability and a cost when the company has a legal or informal obligation to terminate an employee's employment before the normal termination date.

Valuation principles

Assets, provisions and liabilities have been measured at cost, unless otherwise stated.

Receivables and liabilities

Receivables have been stated, after individual valuation, at the amounts that are expected to be received. Receivables and liabilities in foreign currencies have been translated at the rate on the balance sheet date.

Inventory of products

Inventory is valued in accordance with the lowest value principle, that is at the lower of acquisition cost and fair value. Average acquisition cost per product is used and fair value corresponds to the net realisable value of each product.

Valuation and depreciation policies for fixed assets

Property, plant and equipment abroad, which is classified as equipment and exceeds one price base amount, is recognised as equipment. Purchases are deemed to be funded by grants and the grants reduce the acquisition cost of the fixed assets. Property, plant and equipment are recognised as assets in the balance sheet when, on the basis of the information available, it is likely that the future economic benefit associated with ownership will accrue to the association and that the acquisition cost of the asset can be reliably calculated.

Depreciation occurs on a straight-line basis according to plan, which is based on original acquisition cost and estimated economic life. Every fixed asset is valued as an asset. Fixed assets in the form of land and buildings abroad have not been divided up into components, as they are deemed to have the same useful lives.

The following depreciation periods are applied:

Buildings abroad	20 years
Equipment	5 years
Desktop computers	3 years

Impairment is only carried out in the event of a permanent decline in value.

Financial assets

Non-current interest-bearing assets are valued at amortised cost, less any impairment. All assets held for the purposes of risk diversification are considered to be part of a securities portfolio and treated as one item when valuing in accordance with the lowest value principle, or for impairment testing.

Earmarked funds

Earmarked funds recognised in equity include funds raised where the donor or board has stated the purpose for which the funds are to be used, but where the association has yet to incur any expenses for said purpose.

NOTE 1 Personnel and audit costs

Average number of employees	2015	of which men	2014	of which men
Service region				
Sweden, central	32	28%	28	32%
Europe/Asia	27	63%	26	54%
Latin America	28	25%	30	30%
Southern Africa	82	61%	78	64%
Eastern Africa	24	50%	26	58%
Total employees	193	49%	188	52%

Employees' wages and benefits	2015	2014
Service in Sweden		
Employees' wages and benefits	15,712,343	13,994,513
Social security expenses	5,769,965	5,296,665
(of which pension costs)	(1,135,330)	(1,359,552)
Total, service in Sweden	21,482,308	19,291,179
Service in the regions		
Europe/Asia	6,712,796	5,039,061
Latin America	6,998,636	5,810,383
Southern Africa	9,657,645	10,839,135
Eastern Africa	5,467,110	5,798,871
Total, service in the regions	28,836,187	27,487,451
Total salaries and benefits	50,318,496	46,778,629

Pension obligations are secured via a fund at Folksam (KP Pension & Försäkring). Pension payments from the fund during the year amounted to SEK 2,925,313 (2,759,706). The current value of the obligations covered by the fund totals SEK 63,410,888 (62,119,847) on the balance sheet date. The balance of the organisation's share of the fund exceeds the pension liability by SEK 12,682,177 (12,423,968). The pension obligations have been secured via credit value insurance up to 31 December 2016, in accordance with an agreement with PRI Pensionsgaranti. As a special insurance condition, the pension fund must have an overconsolidation reserve, a minimum of 120% (120%) of the provision.

Members of the Board and officers of the organisation

Salaries and benefits include remuneration to the CEO of SEK 859,631 (710,816). CEO conditions of employment: mutual notice period of six months; in the event of notice being given by the employer, severance pay is paid out corresponding to 12 months' salary.

Of the organisation's pension costs, including statutory taxes, SEK 328,544 (328,228) relates to the CEO. No remuneration is paid to the Board. The organisation's outstanding pension obligations to the Board amount to SEK 0 (0).

No other transactions with Board members, senior employees or key individuals have taken place. The organisation enjoys a close partnership with its member organisations, which assist with advice within each organisation's area of activity. During the year, LRF has acted as landlord for the organisation's central administration.

NOTE 1 Continued

	31 Dec 2015	of which men	31 Dec 2014	of which men
Members of the Board	8	50%	8	50%
CEO	1	0%	1	0%

Fees and reimbursement to auditors

During the year the organisation's fees and reimbursement of expenses to auditors amounted to SEK 3,622,887 (3,219,406), which is distributed as follows:

	2015	2014
The organisation's chosen auditor		
Audit assignment PwC	256,000	–
Audit assignment KPMG	203,000	482,125
Other assignments	28,625	110,500
Audit assignments abroad:		
Ernst & Young	543,608	735,769
HLB Audit & Consulting	468,024	438,946
KPMG	69,584	262,912
Deloitte	–	–
BDO	402,872	186,252
PwC	620,487	202,731
Other auditors abroad	1,030,687	800,169
Total fees and reimbursement to auditors	3,622,887	3,219,406

The audit assignment relates to an examination of the annual accounts and bookkeeping, together with the management by the Board and Managing Director and other tasks incumbent upon the organisation's auditors. In addition, the assignment includes advice or other assistance deemed necessary as a result of observations during the tasks mentioned above.

NOTE 2 Estimates and assumptions

We Effect performs estimates and assessments for the future. The estimates for accounting purposes resulting from these will, by definition, rarely correspond to the actual result.

NOTE 3 Donations and grants

Donations recognised in income statement	2015	2014
Fundraising		
Individual donors	10,269,132	10,912,997
of which donations that satisfy tax-deduction requirement for donor	7,268,668	7,439,913
Folksam	1,380,669	1,578,557
Fonus	1,300	–
HSB and affiliated associations	3,123,302	3,266,264
KF, Coop and consumer associations	11,913,699	10,775,823
Lantmännen	470,000	320,000
LRF	3,315,124	3,716,153
OK and OKQ8	727,348	433,691
Riksbyggen	2,214,274	2,315,262
Swedish Postcode Lottery	15,000,000	10,000,000
Swedbank	886,523	3,404,571
of which Robur Humanfonden	58,198	126,571
Other fundraising organisations and individuals	1,464,929	4,921,288
Total donations	50,766,300	51,644,605

The association has been approved by the Swedish tax authority since 2012 as a recipient of tax-deduction donations from individuals. The number of volunteer hours during the year totalled 115 (112).

NOTE 3 Continued

Grants recognised in income statement	2015	2014
Fundraising		
UN, Palestine, the Philippines and Malawi	3,313,459	3,920,446
Heifer Nicaragua	1,218,139	714,636
Radiohjälpen	4,920,480	2,631,285
Operation Dagsverke, Unicef	–	2,409,949
Swedish Postcode Lottery, special projects	276,611	–
VFS	233,981	–
Welthungerhilfe	1,525,195	–
Zambia National Farmers Union	437,577	109,029
Total fundraising, grants	11,925,442	9,785,345
Grants from authorities		
Sida Civsam	177,217,265	170,723,278
of which Information grants	392,301	2,099,447
of which framework funding forwarded to Vi Agroforestry	17,280,000	16,200,000
Sida Maputo, Mozambique	31,201,320	24,793,728
Sida Jerusalem, Palestine (humanitarian grants)	553,034	7,779,935
Sida Guatemala City, Guatemala	8,658,022	15,697,740
Sida Harare, Zimbabwe	6,410,118	733,486
Sida Global (grant for Bilateral Associate Experts, BBE)	1,302,799	896,388
AgriCord, DGIS	1,262,979	–
AgriCord, Ifad	2,588,105	3,760,990
Embassy of Denmark, Mozambique	–	6,250,087
Embassy of Ireland, Mozambique	1,549,079	1,513,965
EU, Guatemala	1,763,597	1,348,191
UHR, Swedish Council for Higher Education, Internship Programme	1,810,154	1,885,211
NRC, Sida, Palestine (humanitarian grants)	922,476	–
Millennium Challenge Account	452,856	–
Norwegian Ministry of Foreign Affairs, Malawi	14,605,760	17,297,508
Other	–	36,705
Total public grants	250,297,564	252,717,212
Total fundraising consists of the following:	2015	2014
Donations recognised in income statement	50,766,300	51,644,605
Grants recognised in income statement	11,925,442	9,785,345
Total fundraising	62,691,742	61,429,950

NOTE 4 Income from product sales

Of the total operating income for 2015, SEK 1,140,631 (729,320) relates to income from the sale of products. The products are bought in from project activities abroad and are available for sale online and over the phone.

NOTE 5 Other operating income

	2015	2014
Rental income	2,071,463	1,497,176
Invoiced to third parties	–	1,181,402
Local revenues abroad	2,686,383	1,358,848
Other income	651,691	4,192
Total other operating income	5,409,537	4,041,619

Rental income includes costs arising from Vi Agroforestry's share of rent for premises.

NOTE 6 Lease agreements Operating leases

Future lease payments are due as follows:	2015	2014
Lease agreements 0–1 years	3,075,761	3,075,761
Lease agreements 1–5 years	3,075,761	6,151,522
Total future leasing costs	6,151,522	9,227,283

NOTE 6 Continued

Future leasing income is received as follows:	2015	2014
Lease agreements 0–1 years	1,497,176	1,497,176
Lease agreements 1–5 years	1,497,176	2,994,352
Total future leasing income	2,994,352	4,491,528

Future leasing costs relate to premises and IT equipment. The value for 2015 relates to a three-year agreement period renewed as of 2014, which runs until 2017. Expensed lease payments in the income statement amount to SEK 3,075,761 (3 000,561). Future leasing income relates to cooperation agreements with Vi Agroforestry, which run until cancelled.

NOTE 7 Activity expenses

Project expenses	2015	2014
Region Eastern Africa		
Regional projects Eastern Africa	14,986,873	13,855,771
Kenya	11,396,591	10,673,199
Tanzania	7,163,678	6,385,018
Uganda	11,835,874	9,356,240
Vi Agroforestry, forwarded contributions	16,640,000	15,600,000
Region Eastern Africa total	62,023,015	55,870,228
Region Southern Africa		
Regional projects in Southern Africa	13,918,232	11,534,618
Malawi	23,133,062	22,114,336
Mozambique	34,615,639	34,314,735
Zambia	10,479,159	9,058,572
Zimbabwe	16,058,044	8,369,977
Region Southern Africa total	98,204,137	85,392,238
Region Latin America		
Regional projects in Latin America	21,292,329	19,707,276
Bolivia	5,897,809	5,930,518
El Salvador	6,186,456	6,432,505
Guatemala	15,792,060	21,684,605
Honduras	5,789,998	5,787,601
Nicaragua	7,367,052	4,931,505
Paraguay	6,713,652	6,870,235
Region Latin America total	69,039,357	71,344,243
Region Europe/Asia		
Regional projects in Europe/Asia	8,080,694	7,481,796
Albania	3,459,471	2,721,028
Bosnia-Herzegovina	1,031,951	1,396,823
The Philippines	7,205,881	7,092,536
Cambodia	1,506,036	1,273,463
Kosovo	916,056	941,186
Macedonia	1,196,946	236,297
Moldova	2,455,781	2,586,523
Myanmar	558,814	595,409
Palestine	11,416,059	17,687,356
Sri Lanka	6,490,503	6,140,894
Vietnam	4,667,474	4,232,081
Region Europe/Asia total	48,985,664	52,385,393
Other projects, etc.		
ICA's regional development work	1,252,460	790,169
Global Programme	430,733	10,000,000
Internship programme	1,810,154	2,638,991
Other projects	1,219,252	71,549
Other projects total	4,712,599	13,500,709
Total project expenses	282,964,773	278,492,811
Advocacy expenses		
Advocacy activities in Sweden	18,190,030	11,808,577
Development and policy and joint costs	2,453,609	–
Total activity expenses	303,608,412	290,301,388

NOTE 8 Operating expenses

Operating expenses primarily comprise activity expenses, fundraising expenses and administrative expenses. Additional operating expenses that cannot be attributed to the main functions include costs for goods sold, which comprise purchasing, administration and sales costs. Other expenses derive from costs for ongoing maintenance of fixed assets abroad.

Administrative expenses include part of office expenses and salary-related expenses for the CEO, central administration such as the Finance function, IT and HR. Administrative expenses also include costs relating to travel, auditing, Board meetings, membership fees and similar items.

NOTE 9 Profit/loss from securities and receivables accounted for as non-current assets

	2015	2014
Unit trust dividends	–	126,626
Capital gain	3,610,042	1,337,990
Total securities and receivables	3,610,042	1,464,616

NOTE 10 Other interest income and similar profit/loss items

	2015	2014
Interest income	144,076	952,732
Exchange rate gain on foreign currency accounts	272,202	429,213
Total interest income and similar profit/loss items	416,278	1,381,945

NOTE 11 Interest expenses and similar profit/loss items

	2015	2014
Interest expenses	–1,704	–245,798
Exchange rate loss on foreign currency accounts	–53,565	–
Total interest expenses and similar profit/loss items	–55,269	–245,798

NOTE 12 Intangible fixed assets

	2015	2014
Capitalised expenditure for software		
Opening costs		
At the beginning of the year	–	–
New acquisitions	623,907	–
Divestments and disposals	–	–
Closing accumulated costs	623,907	–

NOTE 13 Property, plant and equipment

	2015	2014
Land and buildings		
Opening costs		
At the beginning of the year	6,211,379	6,211,379
New acquisitions	2,712,624	–
Divestments and disposals	–1,611,836	–
Closing accumulated costs	7,312,167	6,211,379
Accumulated scheduled depreciation		
Opening depreciation	–3,311,504	–3,000,935
Divestments and disposals	967,104	–
Scheduled depreciation for the year	–365,608	–310,569
Closing accumulated depreciation	–2,710,008	–3,311,504
Carrying amount at year-end	4,602,159	2,899,875

Land and buildings abroad comprise the organisation's offices in Guatemala, Honduras, Kenya and Nicaragua.

NOTE 14 Equipment

	2015	2014
Equipment in Sweden		
Accumulated costs		
At the beginning of the year	1,106,294	986,171
New acquisitions	–	134,338
Divestments and disposals	–465,182	–14,215
Closing accumulated costs	641,112	1,106,294
Accumulated scheduled depreciation		
At the beginning of the year	–983,993	–861,146
Divestments and disposals	465,182	14,215
Scheduled depreciation on costs for the year	–60,900	–137,062
Closing accumulated depreciation	–579,711	–983,993
Carrying amount at year-end	61,401	122,301

NOTE 15 Securities held as non-current assets

	2015	2014
Amortised costs		
At the beginning of the year	34,965,751	33,374,564
Investments	54,512,354	10,981,751
Divestments	–50,504,486	–9,390,564
Closing amortised costs	38,973,619	34,965,751
Carrying amount at year-end	38,973,619	34,965,751
Breakdown of securities holding		
Unit trusts	14,121,084	13,485,285
Fixed income funds	24,852,535	21,480,466
Total	38,973,619	34,965,751
Breakdown of securities portfolio		
Robur fonder	36,774,997	15,124,986
Folksam fonder	–	17,672,654
Robur Humanfond	2,198,622	2,168,111
Total securities portfolio	38,973,619	34,965,751

NOTE 16 Other receivables

	2015	2014
Breakdown of receivables		
Project funds – local We Effect offices abroad	14,731,582	17,598,460
Project funds – partner organisations abroad	844,861	1,815,785
Current receivables – funders	5,916,477	1,051,068
Other current receivables	1,282,428	131,358
Total other receivables	22,775,348	20,596,670

Receivables of project funds are linked to liabilities to funders where funds have been paid, but expenses have not yet accrued.

NOTE 17 Prepaid expenses and accrued income

	2015	2014
Breakdown of prepaid expenses and accrued income		
Other accrued income	2,602,080	2,502,468
Prepaid expenses	612,120	1,227,796
Total prepaid expenses and accrued income	3,214,200	3,730,265

NOTE 18 Change in equity

Change in equity	Opening balance 2015	Reclassifications for the year	Earmarked 2015	Utilised funds	Profit/loss for the year	Closing balance
Retained equity	97,540,861		-1,884,817	3,638,917	-6,257,853	93,037,108
Earmarked funds from donors						
Swedish Postcode Lottery, Uganda	2,054,265	-2,054,265				0
The Philippines	463,885			-463,885		0
Macedonia (humanitarian project)	0		1,434,817	0		1,434,817
Malawi	0		150,000	0		150,000
Mozambique	1,796,367		0	-1,796,367		0
The Swedish Postcode Lottery, cheque	1,934,636			-1,378,666		555,971
Regional office, Guatemala	0		300,000			300,000
Bosnia	24,632	-24,632				0
Sri Lanka	13,290	-13,290				0
Total equity	103,827,935					95,477,896

NOTE 19 Other provisions

Breakdown of other provisions	2015	2014
Carrying amount, opening balance	-	-
Additional provisions	3,264	-
Carrying amount, closing balance	3,264	-

NOTE 20 Liability received, unutilised grants

Breakdown of liabilities to funders	2015	2014
Sida Civsam	4,576,391	32,287,735
Sida Guatemala City, Guatemala	135,514	8,793,536
Sida Maputo, Mozambique	11,683,184	9,824,494
Sida Jerusalem, Palestine (humanitarian grants)	0	615,117
Sida Global, BBE, B4D	748,933	798,228
Sida Harare, Zimbabwe	1,317,397	2,086,514
UHR (Swedish Council for Higher Education) Internship programme	2,262,651	3,004,804
Agricord MFAF, AFD	1,377,919	406,477
Danish embassy	646,270	58,596
EU, Guatemala	1,890,359	-
Irish embassy	2,102,613	1,891,188
Radiohjälpen	6,085,540	5,112,645
Swedish Postcode Lottery	6,595,880	-
Liability to other funders	698,732	5,970,458
Total liability, unutilised grants	40,121,383	70,849,792

Liabilities to Sida and other development cooperation donors arise when the donation has been received but the project has yet to be implemented and the conditions satisfied. In cases where projects and conditions have not been satisfied, the liability matures within five years of the balance sheet date. Total liability to Sida and other authorities amounts to SEK 26,741,231 (63,823,812).

NOTE 21 Accrued expenses and deferred income

Breakdown of accrued expenses and deferred income	2015	2014
Accrued social security contributions	687,840	771,767
Accrued holiday pay	1,664,114	1,277,386
Other accrued expenses	1,168,881	2,489,747
Total accrued expenses and deferred income	3,520,835	4,538,900

NOTE 22 Contingent liabilities

In accordance with the organisation's terms of insurance, contingent liabilities comprise 2% of the total pension liability as of 31 December 2015.

NOTE 23 Financial risks

Consolidation

The consolidation target is for non-restricted equity to be between 75 and 150% of the base costs. The base costs comprise fundraising expenses, communication expenses and administrative expenses as well as self-financing of projects equivalent to 10% of targeted activities. This leaves a sufficient level of reserves in place for it to be possible to wind down activities in a responsible manner, should there be a considerable drop in income from fundraising and grants.

Liquidity

Cash and cash equivalents are invested in interest-bearing accounts with Swedbank, Handelsbanken, KF Sparkassa, SEB, OK, Plusgirot and Ekobanken. The organisation has no credits.

Exchange rate effects

The value of development funding in the project countries varies over time as a result of relative changes in currency exchange rates. The organisation's financing is almost exclusively in Swedish krona and the costs are largely in several different foreign currencies. The organisation does not consider it justifiable to hedge the value using financial instruments, for example, since the currency markets in the countries where we operate do not always function, operations in each country are small-scale, and currency hedging would entail risks.

Capital investment

The Board has, through a policy, established a framework and permitted level of risk for capital investments. The policy regulates the types of assets that can be used, as well as limits for these assets. Capital investments should be long-term.

NOTE 24 Cash and cash equivalents

Cash and cash equivalents include the following sub-components:	2015	2014
Bank deposits	70,753,917	118,246,773
Investments in securities, etc. on a par with cash and cash equivalents	142,288	-
Total cash and cash equivalents	70,896,205	118,246,773

Stockholm, 27 April 2016



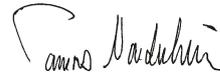
Tommy Ohlström
Chairperson of the Board



Ann Charlott Folkesson
Vice Chairperson



Anders Lago



Tomas Norderheim



Helen Persson



Britta von Schoultz



Mikael Sekund



Ines Uusmann



Anneli Rogeman
Managing Director

Auditor's report (for pages 12–21)

To the annual general meeting of the association We Effect, org. reg. no. 802004-1524

Report on the annual accounts

We have audited the annual accounts of We Effect for 2015. The association's annual accounts are included in the printed version of this document on pages 12-21.

Responsibilities of the Board of Directors and the Managing Director for the annual accounts

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

Auditor's responsibility

Our responsibility is to express an opinion on these annual accounts based on our audit. The examination was conducted in accordance with generally accepted auditing standards. For an authorised public accountant, this means that he or she conducted the audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. These standards require that the authorised public accountant complies with ethical requirements and plans and performs the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement in the annual accounts, whether due to fraud or error. In making those risk assessments, the auditor considers elements of internal control relevant to the association's preparation of the annual accounts 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 association's internal control. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of accounting estimates made by the Board of Directors and the Managing Director, as well as evaluating the overall presentation of the annual accounts.

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

Opinions

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 association as of 31 December 2015 and its financial performance and cash flows for the year then ended in accordance with the Annual Accounts Act. The directors' report is consistent with the other parts of the annual accounts.

We therefore recommend that the annual general meeting of the association adopt the income statement and balance sheet.

Other matters

The annual accounts for 2014 were audited by another auditor who, in his/her audit report dated 16 April 2015, expressed an unmodified opinion on those annual accounts.

Report on other legal and regulatory requirements

In addition to our audit of the annual accounts, we have also audited the administration by the Board of Directors and the Managing Director of We Effect for 2015.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriation of the association's profit or loss, and the Board of Directors and the Managing Director are responsible for administration.

Auditor's responsibility

Our responsibility is to express an opinion with reasonable assurance on the proposed appropriation of the association's profit or loss and on the administration based on our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden.

As a basis for our opinion on the Board of Directors' proposed appropriation of the association's profit or loss, we examined whether the proposal is in accordance with the statutes of the association.

As a basis for our opinion concerning discharge from liability, in addition to our audit of the annual accounts, we examined significant decisions, actions taken and circumstances of the association in order to determine whether any member of the Board of Directors or the Managing Director has taken any action or is guilty of negligence that may lead to liability. We also examined whether any member of the Board of Directors or the Managing Director has, in any other way, acted in contravention of the statutes.

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

Opinion

We recommend to the annual general meeting of the association that the profit be appropriated in accordance with the proposal in the directors' report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Stockholm, 27 April 2016
Öhrlings PricewaterhouseCoopers AB



Lars Wennberg
Authorised Public Accountant



Carl-Olof Bengtsson
Elected auditor

Board of Directors of We Effect



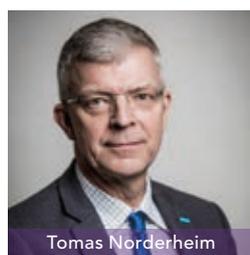
Tommy Ohlström



Ann Charlott Folkesson



Anders Lago



Tomas Norderheim



Helen Persson



Britta von Schoultz



Mikael Sekund



Ines Uusmann



Anneli Rogeman

Name	Position	Elected to the Board	Born	Other key assignments
Tommy Ohlström	Chairperson of the Board MD of Kooperativa Förbundet	2014	1954	Member of the board of Riksbbyggen. Member of the board of the Swedish Sports Confederation.
Ann Charlott Folkesson	Vice Chairperson Forestry and agricultural entrepreneur in Vännäs, Västerbotten	2015	1970	Chairperson of Members and Steering Committee, LRF. Vice chairperson of LRF Västerbotten.
Anders Lago	Chairperson of the Board of HSB Riksförbund and SYVAB	2012	1956	Member of the boards of Stockholm Stadsmission, Folksam Sak and Berättarministeriet.
Tomas Norderheim	Folksam Deputy CEO	2007	1955	Chairperson of the Board of Svenska Stödskydds- föreningen. Member of the Board of Konsumenternas försäkringsbyrå.
Helen Persson	Responsible for member activities, spon- sorship and PR, Konsumentföreningen Stockholm	2015	1955	No other current assignments
Britta von Schoultz	Director of Communications, Riksbbyggen	2015	1969	No other current assignments
Mikael Sekund	Senior Advisor, Head Group Public Affairs, Swedbank	2015	1953	Member of the boards of Arena för Tillväxt. Member of Sparbanksakademien.
Ines Uusmann	OK Ekonomisk förening (Chairperson)	2010	1948	Chairperson of the Board of Vi Agroforestry and Mistra Urban Futures. Member of the Board of OKQ8, Stena Renewable AB and Psoriasisförbundet (the Psoriasis Association).
Anneli Rogeman	MD, We Effect		1957	CEO of Vi Agroforestry since 2011.

TACKLING POVERTY TOGETHER

We Effect reaches a broad section of the public in its awareness-raising and fundraising activities via its member organisations. Representatives from the founder organisations sit on the Board of Directors and help make decisions about We Effect's long-term work.

MEMBER ORGANISATIONS

The Swedish Cooperative Union, KF The Federation of Swedish Farmers, LRF • Lantmännen OK • Riksbbyggen • Coop • Folksam Swedbank • HSB National Federation • Fonus



The consumer cooperatives of

Coop Mitt, Coop Nord, Coop Norrbotten, Coop Väst, Kf Göta, Konsum Knäred, Konsum Värmland, Konsumentföreningen Stockholm, Kristianstad-Blekinge Konsumentförening, Veberöds Konsumtionsförening

HSB associations of

Dalarna, Gävleborg, Göta, Göteborg, Karlskoga, Malmö, Mitt, Mölndal, Nordvästra Götaland, Norr, Norra Bohuslän, Norra Stor-Stockholm, Stockholm, Sydost, Södertälje, Södertörn, Uppsala, Östergötland

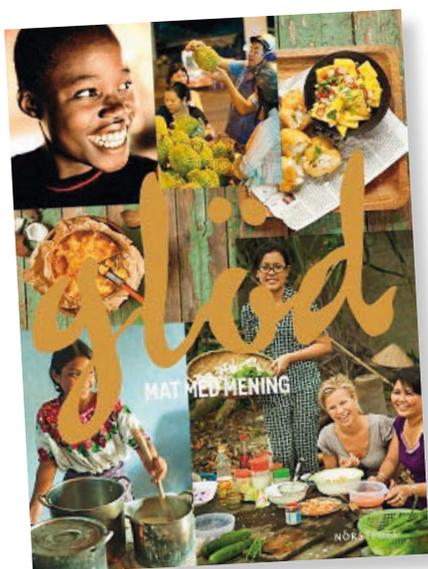
The regional offices of LRF in

Gävleborg, Halland, Jämtland, Jönköping, Dalarna, Norrbotten, Skåne, Sydost, Västra Götaland, Värmland, Västerbotten, Östergötland, Örebro

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Support our work, so we can continue to reduce poverty – together

Achieving our vision of a just and sustainable world free from poverty will take time, but witnessing the progress in our development work spurs us to continue in our efforts to support people living in poverty around the world. You can help too.



In We Effect's gift shop you will find everything from jewellery made by women's groups in Tanzania to handbags from weavers in Guatemala.

- Become a monthly donor. Regular contributions provide long-term support and also help enable long-term planning of our work
- Gift cards can be ordered for a variety of occasions, such as anniversaries.
- Buy stylish gifts that do good. Choose from a variety of products in our online store made by women's groups from around the world.
- Always buy Fairtrade – and you will be contributing to improved living conditions for the people behind the products.
- Spread the word. By reading our reports and getting involved in our campaigns you can help us to spread our message about how we can reduce poverty.

Find out more about what we do and what you can do at www.weeffect.se



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