



OPERATION  **MERCY**
partnering to build hope, capacity and community

2017

Annual Impact Report



Operation Mercy's Offices

Kazakhstan

Operation Mercy's Partnership Offices

Iran



Dr. Scott Breslin
International Director

Dear friends of Operation Mercy

In our Annual Impact Report for 2017, we endeavour to document how Operation Mercy's activities have made an impact, in alignment with our purpose statement. Our purpose is to:

1. partner with others to
2. restore hope,
3. grow capacity, and
4. promote community through relief and development initiatives that
5. transform lives, including our own.

The five key concepts in our purpose statement are: partnership, hope, capacity, community, and transformed lives. These five notions provide the outline for this Annual Impact Report.

In 2017, 270 Operation Mercy staff engaged in humanitarian and development activities with commitment and competence. This is a summary of their stories. You can find more information at our website www.mercy.se. In this report, we describe how our activities helped improve the lives of hundreds of thousands of programme participants and beneficiaries, as well as the lives of our staff. In 2017, we successfully operated programmes in Afghanistan, Iran, Iraq, Jordan, Kazakhstan, Macedonia and Tajikistan. We were also engaged in projects in Bangladesh, Mauritania, Sudan, Egypt, Pakistan and Kyrgyzstan through partnerships with like-minded civil society figures.

A TOUGH YEAR

2017 was indeed a tough year for Operation Mercy: On 21 May attackers stormed a residential facility in Kabul Afghanistan killing an Afghan guard and one of our German programme managers. The attackers also abducted and held a Finnish staff member for six months. This event and its aftermaths were dark and difficult—yet it also revealed the dogged perseverance, dedication and courage of our staff.

It was also a difficult year financially. Our expenses continued to exceed our income and we needed to dip into our reserves again to cover our bills. The transition from being an all-volunteer headquarters administration staff to an all-salaried administrative staff takes time; our income is increasing, but not at the rate we hoped for. We are pressed for people and funding resources. It is important that we find new ways to increase our undesignated income without affecting our project funding levels. We also need to improve our recruiting and retention of volunteer staff.

On the upside, we successfully operated projects that benefited over 822,000 people in some of the most difficult contexts on earth. 2017 was also the first year that our financial management software (WINPACCs) was fully implemented and our fields began to experience its benefits after a longer-than-expected worldwide rollout.

FUTURE

In 2018, we are conducting a 'Preferred Future' study to discern the best way forward for Operation Mercy. We are asking ourselves, "What is the optimal way to position ourselves for the future to better fulfill our organisation's purpose? Globally, there has been continued turmoil in places where Operation Mercy works, particularly in Afghanistan and Iraq. In spite of the challenges, Operation Mercy plans to move forward into difficult places so as to accomplish the purposes of our organisation.

I am proud of the achievements of Operation Mercy in 2017. In the following pages, we provide a summary of both our successes and challenges.

Sincerely,

Dr. Scott Breslin
International Director

Who we are

Operation Mercy is a purpose driven global community of project managers, administrators, accountants, engineers, health professionals, therapists, community workers, teachers, and other occupations. Our staff of nearly 300 people come from many different nations, speak dozens of languages, represent different faiths (primarily Muslim and Christian), and come from diverse walks of life. Our international headquarters are located in Örebro, Sweden. Our programmes focus on helping the poor and marginalised of Central Asia, North Africa and the Middle East.

Our Purpose and Vision is to work in partnership with others to restore hope, grow capacity, and promote community through relief and development initiatives that help transform lives, including our own. We believe that as we invest in others we will also be transformed.

Our Values

Two stanzas from renowned poets of the 12th Century eloquently summarise many of the shared aspirations of Operation Mercy's community of humanitarian and aid professionals.

The first is a verse from the poem Gulistan by the great Persian poet Sa'di (1213 -1291)

*"Human beings are members of a whole,
In creation one essence and one soul.
When one member is afflicted with pain,
Other members will not at rest remain."*

The second poem is in the form of a prayer attributed to the joyful troubadour of Europe, St. Francis of Assisi (1182-1226)

*"Lord, make us an instrument of your peace.
Where there is hatred, let us sow love.
Where there is injury, pardon.
Where there is doubt, faith.
Where there is despair, hope.
Where there is darkness, light.
Where there is sadness, joy.
Lord, grant that we may not so much seek
to be consoled as to console;
to be understood as to understand;
to be loved as to love."*

Our Core Development Principles

We approach our work with the following principles in mind. These principles shape the way we understand our contexts and design programmes.

Strength-Based Approach: We focus on strengths and what is present as opposed to weaknesses and what is lacking. Thus we attempt to focus on assets rather than just needs.

Mutual Contribution: We focus on partnership and the fact that every person has something to give. Thus we attempt to focus on joint contribution rather than givers and receivers.

Mutual Transformation: We focus on the fact that there is no transformational development apart from people who themselves are being transformed. We try to see ourselves as fellow learners rather than outside experts.

Bottom-Up Approach: We focus on solutions from within the community as opposed to imposed top-down interventions. We are often heard saying, "Approach it inside-out not outside-in."

Empowerment: We focus on people and developing human capacity as opposed to buildings, equipment, or other fixed assets ("People and Processes" rather than "Products and Projects")

Sustainability & Reproducibility: We focus on simple reproducible ideas that can spread quickly as opposed to expensive one-time projects. We believe that small, fast, and simple is better than big, slow, and complex.

Multiplication: We focus on constantly duplicating ourselves in others who duplicate themselves in others and so on. We often remind ourselves that, "Transformed people transform people."

Values-Based Approach: We try to focus on dealing with root causes rather than simply responding to symptoms. However, the roots of poverty are diverse and complex. Rarely is poverty simply a lack of money. Quite frequently we find it is rooted in hopelessness, aloneness, injustice, and world view.

Rights-Based Approach: We therefore affirm and reinforce the six main principles of the Common Understanding (UN, 2003) of the rights-based approach. These include universality, indivisibility, inter-dependence, equality, participation, and accountability.

Örebro Sweden's Operation Mercy

As a signatory to the United Nations Sustainable Development Goals (SDG) Sweden along with 195 countries of the UN General Assembly adopted the following goals:



Operation Mercy, with its headquarters and donor base in Örebro, Sweden, is proud of its contribution towards the UN's Sustainable Development Goals. Our programmes are specifically addressing 13 of the 17 goals. In particular, No Poverty, No Hunger, Good Health, Quality Education, Gender Equality, Clean Water and Sanitation, Good Jobs, Reduced Inequalities, Sustainable Communities, Peace & Justice, and Partnerships.

We also demonstrate our agreement to Sweden's Policy for Global Development, which was approved by the Swedish Parliament in 2003. The main focus of the policy is to contribute to the achievement of equitable and sustainable global development. In our work we tirelessly support the development of local Community Based Organisations (CBO) and the growth of civil society.

Measuring Impact

Our strategy in designing and implementing programmes is to develop opportunities to achieve positive and quantitative changes in hope, capacity, and community. However measuring quantitative changes in hope, capacity, and community is an imprecise science. When we teach literacy to women in Mauritania or Afghanistan, it is not so difficult to measure how many women have learned to read, but literacy is more of a means to an end rather than the end itself. Our primary purpose of teaching literacy is to help these women:

1. Increase their optimism for the future (i.e. hope) by having an increase in self confidence and greater sense of self worth.
2. Develop capacities they did not have before (i.e. help her children with school work, read instructions on medicine, or open a business and be able to read written records).
3. Become core valued contributors to their community (i.e. family, neighbourhood, tribe, etc). We aim to integrate these concepts of hope, capacity and community into our project design, organisational structures, monitoring and evaluation cycles and hence develop a culture of positive change out of poverty.

In this report we have provided the reader with some statistics, such as the actual number of direct participants and a conservative estimate of the number of indirect beneficiaries. This is one way of measuring and demonstrating impact. Yet it is not totally satisfying. We have tried to supplement the statistics with stories and testimonies of people who have participated in Operation Mercy programmes and had their lives improved and transformed. We hope that this combination of numbers and narrative present a balanced view of Operation Mercy's overall impact.

Not everyone who participates in Operation Mercy's programmes have their lives transformed. Admittedly, we choose to include the 'success stories' in our annual impact report. We are not ashamed of the fact that some people were not significantly affected by participating in Operation Mercy programmes. We do not claim that all participants in our programmes have had their lives transformed only that some have. Our staff are also changed in the process. We adhere to the adage, changed people change people. Here, we celebrate the transformed lives and hope to learn from everyone.

Operating Costs

25,589,486 SEK

10%

Administrative Costs

90%

Programme Costs



Gift Income

24,019,802 SEK

68%

Income from International Sources

32%

Income from Sweden



Beneficiaries



65%

Female Beneficiaries

822,125
Estimated Beneficiaries

35%
Male Beneficiaries



Volunteer Hours

35,443,248 SEK
Estimated Value



91,346
Volunteer Hours



Organisational Partners in 2017

Dozens of organizations and hundreds of individuals partner with Operation Mercy each year. Besides funds, our partners provide expertise, material goods, and free or discounted services. In 2017 our funding partner organisations included:



Atlas Copco AB, Water4All	Sweden and Tajikistan	ORA	Netherlands
Cedar Fund	Hong Kong	PRISMA	Netherlands
Embassy of Australia	Iran	RED International	UK
Embassy of Germany	Tajikistan, Iran	Samaritan's Purse	UK
Embassy of Switzerland	Iran	SEND International	Macedonia
EO Metterdaad	Netherlands	SIGA	Global
Firstfruit	USA	SMC/SIDA	Sweden
GR-Vaksince	Macedonia	Svampen Konferens & Restaruang	Sweden
House of Hope-Vales	Macedonia	Swiss Relief	N. Iraq
Husman Lokaler AB	Sweden	TEAR Australia	Australia
ID-Säkerhet	Sweden	Tearfund	UK
IN-form Tech	Macedonia	Tennhults Pressgjuteri AB	Sweden
International Aid Service	Sweden	Um Al Resas Women's Coop.	Jordan
Jönköpings Fastigheter	Sweden	UNHCR	Global
KindernotHilfe	Germany	UN Women	Jordan
Kågeskolan	Sweden	UNICEF, WHO & WFP	Tajikistan
Lalmek	Sweden	Villstads Församlings Sykrets	Sweden
Linda Norgrove Foundation	UK	VOM	Jordan
Läkarmissionen	Sweden	ZOA	Netherlands
Mercy Corp	Macedonia		
Nerikes Allehanda	Sweden		
OM	Global		

Building Hope

LIFE-CHANGING LESSONS

The elderly mother of one participant in our Birth Life Saving Skills project (BLISS) came to visit from a distant rural area. She was 85 years old and literate. Every day, she read the papers and BLISS lessons along with the two books that were given with the graduation gift: *The Way of Health* and *The Miracle of Life*. She was very interested in BLISS and told her daughter that the lessons were very useful, that they would help women who are pregnant and also help after delivery. She said, "I know the value of these lessons. If God helps me, I will go back to my home, collect people together and tell them all about BLISS. I will especially talk to the men who do not take good care of their wives and do not respect them. I will teach that many women's problems are dependent on men making good decisions, so they should help their wives."

From OPM Afghanistan

BREAKING THE CYCLE OF REJECTION

Alim (11) cannot remember his father, who left the house when Alim was born. Alim's mother works 11-hour days in a tailor shop, and cannot remember when Alim started to stammer. They live with his uncle and grandparents (11 family members in all) but the family doesn't want him in the house. Often he would pick a fight with smaller cousins. His mother cannot take him to the tailor shop as her co-workers want to work without head cover and Alim is now too old to be among them. He was expelled from school when defending his mother being called bad names because of her divorce, finally beating up the bully.

After a long search, Alim's mother found an NGO which runs a day school. She had one request: "Please don't even accept him if you might reject and kick him out in the end." The staff decided to give him a new chance. They recognized Alim's stammering problem and looked for professional help. Alim was referred to Operation Mercy and was taken into the speech therapy programme. When he started to misbehave, the rehabilitation social worker and the therapist designed a motivational plan for Alim. Small, reachable goals were set; each time he reaches a goal he is allowed to put together a piece of a wooden helicopter—something he had been dreaming of for a long time. 'My brain is too stupid for this' Alim says to himself while trying to fit the pieces but the DARP staff reinforce: 'You have a clever brain—look what you have learned already.' Today Alim does his homework diligently, comes to therapy regularly by himself and his eyes shine when the social worker and therapist praise him for his achievements and bring out the helicopter. Quickly he finds the next pieces, sands them carefully and fits them in, one piece at a time. One day this helicopter will fly.

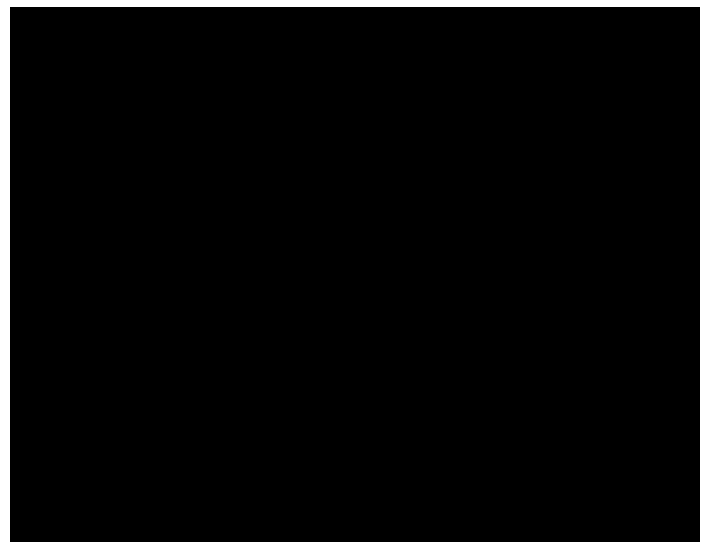
From OPM Iran.

THE TESTIMONY OF A CHRISTIAN FAMILY FROM IRAQ WHO HAVE FOUND NEW LIFE!

"We ran away from Baghdad because of worsening harassment, especially of our two daughters. We lived in constant fear of kidnapping. When we could no longer stay, we quietly left in the middle of the night, leaving everything behind and arrived in Mosul to stay with relatives. Shortly afterwards, ISIS invaded the area. With only the clothes on our back we fled to Erbil and settled in a church. Realising there was no way back, we joined other families traveling to Jordan to seek asylum. The only thing we carried were bad memories and hope for the future.

Arriving in Jordan, we discovered there was almost no assistance available for Iraqi refugees, not from the UN or embassies. We were exhausted from living, but this was the Lord's plan for us. He wanted us to know Him more than we ever have when we lived in Iraq. Hearing about a church from our neighbours, we found a place of love and care. The pastor taught us the words of Jesus and explained the gospel as we had never heard before. They were a comfort to our hurting souls, picking us up spiritually and psychologically. Our whole family has since put our faith in Jesus Christ as Saviour and Lord. Now our hearts are filled with faith while food parcels fill our needs every month. We are grateful to have something to eat from them and you. I was only a Christian by name before, but now I am eager to attend the meeting all day Wednesday to hear the Lord's word, that my heart may be filled with faith. Thanks to everyone who has helped us when we needed it the most—especially Operation Mercy, as they were the first to help us with desperately needed food. We are very grateful and deeply love what you have done. God bless all your work."

From OPM Jordan





DISADVANTAGED YOUTH: DUSHANBE

Davron, 22, experienced no vision problems when younger. After finishing school, he left for Russia to enter university. He studied there for one year and then got the flu; it took him a long time to recover. Days passed and he felt some change in his vision. One day he looked in the mirror and couldn't see his own face. When his father heard of Davron's partial blindness, he asked him to return to Tajikistan in 2014 to continue his studies. Unfortunately, he couldn't do that. He consulted with several eye doctors, but the feedback was always negative. He was homebound and disappointed about what had happened to him. His father worried and hired a psychologist. After a while he started to learn how to move outside. His father works at the Blind Society as an assistant to the director. He brought Davron to English lessons to both learn and to be among a community.

He attended the English course for six months, improved his English and became very close to his friends in the group. He happily entered university this year. Another five students from this English study group also entered university this year. He says: "My friends in this group motivated me to enter university. I had an English entrance exam and my score was good, which also helped me to be accepted."

From OPM Tajikistan

STEADY VICTORIES

Stories still come into us on social media of a new life some of our Syrian, Iraqi and Afghan friends are experiencing after the despair of war and seeming loss of hope. Ali tells us he will never forget our (OPM relief staff's) kindness in Macedonia as his group made its way from war to peace north through the Balkans. Ali had been a translator with his group that had arrived the day after the borders with Hungary and the EU had been fully closed. His family has lost almost all of what they had brought on the way. His wife's sister had lost her identity papers and her husband had gone missing. Another of the party was seriously ill with liver cancer. Ali translated for one of our staff as she prayed for a future, healing and a way forward on that dark day. Today, Ali is settled in Austria and writes about the birth of his first child. Our staff receives ongoing messages from the lady who was healed that day with subsequent clear scans. We heard news from another young man who travelled alone and was one of the last guests of the refugee transit area; he wants us to help him look at a reference for a job in Denmark. All is not easy, but these ones have made it to a new life.

From OPM Macedonia

All the pictures have been used with permission and all the names are pseudonyms.

Growing Capacity

EPIC SOLUTIONS SMALL BUSINESS DEVELOPMENT

Follow-up coaching two months after training revealed that, of 11 trainees, 9 were conducting business. All had started something new and different than what they had done during training.

Stories from the follow-up meeting

Um Mohannad (Mohannad's mother) and her daughter Nancy: Nancy had her own business making handmade accessories and selling them to friends at school. She now studies at university while living at home and helping her mother in her catering business. Um Mohannad was the first woman to run a catering business in her village. People mocked her and said it is religiously forbidden, "Haram! You should not be doing this!" But Um Mohannad didn't listen. After a while, her opponents started to order food from her, and a few women began cooking and selling food as she did! Um Mohannad converted a small room next to her front door into a little market. There are no shops or mini-markets in her village, so she took the initiative to start one. She buys cleaning materials from her brother's shop, brings them home and makes a small profit. We encouraged her that she indeed had found needs in her community and met them.

From OPM Jordan



ANOTHER CAPACITY BUILDING STORY FROM CLIMBING TRAINING

There is not another climber in the world that knows more about Rum than Wilfried Colonna. On the day before the training started, we held a meeting to look at the Desert Young Adult Association's climbing gear, and we discussed expectations and the training schedule. However, the first hour was spent listening to Wilfried's stories. He has been coming to Rum since the late '80s and owned a horse trekking business in Rum. As he mentioned people—names of Bedouins, sheiks, government officials, etc. As they talked about climbing and various routes, he would say things like, "the first two pitches are easy. The third is tricky; then it's easy." When the Shabab asked about a route, Wilfried would clarify such as, "Do you mean the left side or the right with the crack?" They were stunned at his detailed knowledge of almost every possible route. One day, one of the Shabab said, "Oh, you put these bolts in the rock? When did you do that?" Wilfried replied, "When we opened the route 20 years ago." The climbing training that we have provided in the past, as well as training in March 2017, has substantially prepared the young men in Rum, not only for current work, but for future state certification, which can lead to tremendous opportunities. Mufleh, one of the Climbing Club members, said, "Now, after Wilfried's training, we are confident to take on climbs that before we only looked at. When we see a route, we can figure out how to climb it." Attallah, who organizes clients wanting to climb, said that the guys get practice, "when clients simply want us to take them to climbing routes, they often want guys to climb with them to share skills and knowledge." He talked about the difference now, "Before, there were a couple of climbers in Rum, but they worked alone. Through this project, we have learned to climb and work together."

From OPM Jordan

WORD OF MOUTH TESTIMONY

The goal of the Hope and Health programme is for women to take responsibility for their maladies, to realise that they can change their situation, strengthen their own bodies and improve their life quality. (Hope and Health focuses on valuing women by relieving and strengthening the backs of those with debilitating spinal issues.) What an encouragement to hear positive feedback from the Hope and Health fitness clinic situated downtown: "Your exercises have healed me!" reported a visitor to the centre. Of all the participants, no one had taken the programme more seriously than she. She is 65 with only two upper teeth for her big smile and always brings a new neighbour each time she comes. She is one of our best



advertisers! More and more are discovering what their own bodies can do, moving muscles they have not used for decades, moving a neck they were previously unable to move—all through their own commitment to physio exercises. From OPM Macedonia

ORCHARD IMPROVEMENT AND FRUIT PROCESSING

The juice initiative portion of the fruit project has been a great vehicle for building hope in the Pamirs. As we have written in previous years, the village of Buni has been a community we have closely connected with. Two families in particular We work closely with two families in particular, but that work branches out to the rest of the village where we have also established relationships.. These lasting friendships have greatly helped Operation Mercy understand how to approach this culture and context. A father and son, who work together producing and selling juice, are very open with us about concerns and needs within and beyond the project. During a recent visit, we asked the son how this small-scale juice business has impacted his life. The conversation took a quick serious turn, and he said simply, “This gives me something to do. I had nothing to do before I started juicing.” Buni, like many other villages, is full of men without work who succumb to alcoholism, complacency, and depression. Simply having something significant to do keeps our partner farmers from

these issues commonly found elsewhere. Their time is spent productively, and they see the results of their labour. These men are known in their community for the quality of the juice here: All of the juice produced in 2016 was sold before May 2017, which is not even peak season. With their own hands, these men have produced and sold product successfully in their own community. It has been rewarding.

From OPM Tajikistan

UM RAAD

The village of Um Al Resas, where we were meeting, has historical ruins. There is a visitors' centre with a cafeteria and small shop, where some women sell handmade products. Um Raad runs the cafeteria and shop, and expressed discouragement because so few tourists buy from them.

Angela (the trainer) asked a number of questions to determine the problems, and came up with the following for Um Raad:

1. Tourists come to Um Al-Rasas on short stopovers. They may only want tea/coffee/juice or water, then see the ruins and leave. Um Raad is now researching what types of drinks tourists want.

2. The shop is not selling the handmade products the women are making. Angela tried to spark analytical thinking in Um Raad: What's the need? If you were a tourist, what would you buy? Angela tasked her with observing what tourists look at when in the shop, observing carefully what they buy. How do they return to their home countries? What would they want or not want to carry on the plane? These activities opened their minds to things they never thought of. Her advice was: Be proactive. Be a woman with a plan!

From OPM Jordan



Promoting Community



FINDING SOLUTIONS TOGETHER

The Wahdat Cluster Level Association (CLA) represents a number of self-help groups in the area started by OpMercy in recent years. Because the CLA represents over 100 women, they have a significant voice of influence in their communities. Six years ago, a doctor from Afshar hospital tried to connect with the leader of the community in order to bring better health care, but had no success. Someone informed him about the SHGs and suggested contacting them. The women welcomed bringing health care to their community. Their representatives requested a mobile clinic from the hospital be set up in their village, staffed by eight doctors from the hospital. This has increased polio vaccinations in the area and facilitated neo-natal care. About 200 people visit on the busiest Saturdays, paying a nominal service fee, part of which is returned to the CLA whose health committee maintains strong ties with the hospital, gets relevant updates, and gives suggestions. Because of the strong support of the CLA, there are now five clinics working in different areas.

From OPM Afghanistan

A woman in Etifaq village told her story: “A family lived near us whose children always had diarrhea. She was taking them to the doctor, but still they did not get well. One of her children was developing malnutrition. I told her that their drinking water might be contaminated with microbes. She said that they received water from a hand pump and that is clean. I told her what we learned from lessons given by WaSH facilitators

that microbes cannot be seen; you should boil water or clean it with chlorine. She started to use these simple methods to ensure that the water for her family was clean and her children began getting well. The hand pump had a hole and dirty water was mixed with clean water.”

From OPM Afghanistan

EARNING RESPECT, RESTORING DIGNITY

“We were nobodies, belonging nowhere, worth nothing: a group of Afghan women that nobody bothered to acknowledge on the streets.” Robabeh’s eyes filled with tears when she remembered what life was like as foreigners in an Iranian village. She continued, “We were treated like enemies, renting their houses, getting their jobs, and occupying their seats in public transportation. We were not welcomed or accepted! We were poor, jobless, refugees—but those words did not hurt much. What hurt the most was the humiliation and rejection. We needed respect!”

“We had no hope until an Operation Mercy team came to our village and helped us form the first self-help group for Afghan women. Within these groups, we recovered our confidence and started to help ourselves and solve our own problems. The Iranians would not do anything for us, or share their resources with us. We had to count on ourselves. We had to support one another.”

After two years, Robabeh’s self-help group (SHG) caused a huge change in Iranians’ attitudes toward Afghans as the SHG

established the first library in the village and generously let Iranian children use it as well. The SHG cleaned the whole village and planted trees. The positive changes that SHGs have brought about enhanced the position of Afghan refugees in their society. Afghan women have gained the respect they deserve for their community.

Robabeh says, "When we used to approach the village administrator before we established the library, the village administrator would not even respond to our greetings when we approached him, now all the employees in his office treat us kindly. We were able to do something positive for the village children. We are treated as human beings now, not judged by our nationality or status as refugees."

From OPM Iran

WAY OF HOPE

There was a happy buzz in the room as mothers and their children with disabilities gathered for our end of year celebration. Some mothers have attended the groups for two years and know us and each other well. One mother started attending with her severely disabled daughter, Saida, only a few months ago. Saida has very stiff muscles from cerebral palsy, and is unable to move or sit by herself. She has mostly been at home in her room these last years. Coming to the group, the mother has learnt that there are many things she can do at home to help her daughter. She has been encouraged by meeting other mothers, knowing she is not alone—and need not keep her daughter homebound. She has seen other children with disabilities, and how their mothers are coping and hopeful. She has heard that her child is not cursed by God, nor is it a punishment for her sins. She is coming to a place where her child is loved and accepted by those who understand her situation. Coming to the celebration, Saida's mum happily brings out a new dress for her daughter. She says, emotionally, that she had never before thought about doing something special for her daughter,



because there has never been a special event for her daughter to go to. We all smile as we see Saida in her beautiful new dress. Saida's mum is happy that she and her daughter can participate in this community event. There are games for the children, music, small gifts, crafts and a time to spend together eating cake and sweets. There is time for reciting Tajik poetry, and also a short message sharing about God's love for these children. There is happy conversation between mothers who enjoy each other's company, and each other's children, knowing that here neither are judged or rejected. A new community is forming, where children participate in events outside of the confines of their homes.

From OPM Tajikistan

COMMUNITY BASED REHABILITATION

One day, walking through our village, I saw a neighbour who has a disabled child. Her son was sitting up, laughing, and singing the song 'Assalom, assalom!' (Hello, hello!). I couldn't believe my eyes; before, her child was not able to do any of these things. I also have a child with a disability, so I eagerly asked, 'Where have you been taking your child? Did you go to alternative medicine? Did you go to a specific doctor or hospital?' She told me she had been taking her son to a Community Based Rehabilitation (CBR) centre run by the organisation, Harakat. The child had been getting therapy for only three months! So, I started to take my child, too." Now the staff at the CBR centre are helping Dilbar's son prepare to go to local school in the future. She had nothing but praise for the local staff that care for and teach her son. "I saw Azizjon run to his teacher; she hugged him, showed him affection and taught him that he has value and worth. I have learned through this experience that I have to love my child with all of my heart, genuinely and with kindness. I used to yell at him and beat him, but now I love him and hug and kiss him and tell him he has value. I am also doing this with my other children. I used to ignore them when they would come and kiss my elbow before bed. I waved them off, but now I tuck them in and kiss them goodnight. I want to be a good mother, a loving mother, and I have learned that through this CBR centre."

Dilbar's husband and others in the family have seen the changes, and it has improved their relationship as well. Azizjon's father would get very angry at Dilbar for yelling at and beating Azizjon, although he himself never interacted much with the child. Now he is very excited to see his son and asks him questions about what he is learning at the centre. Dilbar told us, "I had a heart of stone, not a mother's heart. I was so impressed by the love and the care of the teachers. I saw that they loved my child, but I did not. I was so embarrassed and ashamed at my hard heart. Now my heart has softened and I am learning to love my children, too."

From OPM Tajikistan

Transforming Lives, Including Our Own

A SMILE FOR A NEW YEAR

A few days ago, I was interrupted in my office by a wonderful noise: a giggle of joy from the therapy room. As I peeked in, Amir, a boy of five years with cerebral palsy was standing upright in a frame—for the first time in his life—playing ball with our therapist! These are the moments we labour for in our little rehabilitation centre for Afghan refugees with disability. When a child begins to laugh and a mother's face lights up, we know we are on the right track.

From OPM Iran

OPPORTUNITIES AT CAMP

Our disability project team were invited by a partner organisation to speak at a camp that they were holding for children with disabilities and their parents. The project team spent time with the children around and then addressed the caregivers separately, promoting basic rehab principles, encouraging caregivers and promoting the essential idea of self-care. To practically remind them of this, we gave small care packages to the caregivers for them to take home. Then our team met with each child and caregiver. To some children we gave assistive devices to increase their independence in daily living activities e.g. a hand grip which can be put on a pen or fork for a 12-year-old boy. This delighted him, and he immediately set to try writing. Through their involvement at the camp, our disability project group increased the capacity of caregivers as well as those special kids.

From OPM Kazakhstan

MOHAMMED

Every month, our staff visits Muhammed, a thirteen-year-old Syrian refugee with a sweet smile. They spend time with him and his caretakers, listen to their joys and difficulties and help the boy exercise to increase his mobility. Two years ago, Mohammed lost his right arm and leg when a bomb exploded. His family fled Syria and sought refuge in the Kurdish Region of Iraq, where our staff met Mohammed in July 2017. Because of his trauma and disability, Mohammed wouldn't talk to many people. He was sad all the time, had no friends and seldom smiled. Now things have changed for him and his family. They still live in the camp, experiencing the same difficulties as thousands of others. However, through our mobility project, they received love, compassion and a listening ear, as well as have a prosthetic leg fitted for their son! Now Mohammed can walk wherever he wants, see whomever he misses and play whenever he feels like it. He wants to continue his education, as he is able to go to school again by himself. Our staff continues to visit the family and are encouraged to see the change in his ability to walk and his emotional well-being. In the words of the project coordinator: "The most beautiful thing is the big smile on his face".

From OPM Iraq



WHEELCHAIR PROJECT: KHOJAND

Before his illness, Mirzosaid was a tractor driver on a collective farm. He had no health concerns but, in 2015, after constantly increasing blood pressure, he had a stroke. Being a man of movement and loving his profession, he was very worried and became withdrawn. He did not want his wife to care for him. With no mobility, he stayed in his home and needed help to move outside for fresh air.

After being provided a wheelchair, he became very happy. He says: "I can go out, meet friends and breathe fresh air." His wife is always next to him; when the weather is good they go for a walk along the river where, his wife says, he becomes calm and cheerful.

"I thought that my life would end in these four walls. I did not think that a wheelchair would give me so much opportunity. It is my main mode of transportation: I can go out for a walk, or visit friends and relatives. The wheelchair has improved my health and I already see the difference."

From OPM Tajikistan

Transforming Lives, Including Our Own

A WORLD OF DISCOVERY

Fatemeh, an adult literacy course student, is an affectionate housewife with two sons. She recently got a library membership for her children and herself. Being a mother at home, women like Fatemeh prefer books about psychology and child rearing. I try to introduce her to books on these topics. Fatemeh makes every effort to be a good role model for her children and have a beneficial impact on their future success. Fortunately, the appropriate range of books suitable for different ages has made it easier to introduce good ones to Fatemeh. I am delighted to see the library's beneficial effect on her family.

From OPM Iran

CRITICAL CARE

Farideh is 30, with two children aged 10 and 15. Her husband worked in a carpentry shop but had a heart attack and quit. As his disease has worsened, Farideh makes a living by working in a sewing factory. All her hard effort is for her children to be able to continue their education. One day, she came desperately in need of financial help for her husband's treatment. I contacted two charities to provide financial aid for his operation and, after many repetitive calls to social workers of Firoozgar Hospital, the first steps to hospitalise him were taken. After an angioplasty, his doctor decided that Farideh's husband had to have a biopsy operation that needed insurance to cover; they had to pay just 10 per cent of the cost which was then covered by a charity. They received some assistance from Operation Mercy. Months later, Farideh's husband is going to work in a furniture shop with a reference from the social worker. From OPM Iran



Operation Mercy
Org nr 826001-5279

Årsredovisning för räkenskapsåret 2017 **Annual report for the year 2017**

Styrelsen avger följande årsredovisning.
The Board of Directors hereby submit the following annual report.

Innehåll / Content	Sida
- management report / förvaltningsberättelse	2
- profit and loss statement / resultaträkning	5
- balance sheet / balansräkning	6
- notes / noter	8

Om inte annat särskilt anges, redovisas alla belopp i kronor. Uppgifter inom parentes avser föregående år.

All figures are shown in SEK, if nothing else is specified. Figures in bracket concerns previous year.

Management report / Förvaltningsberättelse

Management report

Allmän information om verksamheten / General information about operations

Operation Mercy är en internationell biståndsorganisation med huvudkontor i Örebro, Sverige. Vårt syfte är att arbeta i partnerskap med andra och öka kapaciteten och främja samhällsengagemanget genom bistånds- och utvecklingsprojekt, vilka bidrar till att inge hopp och att förändra liv, även våra egna. 2017 hade vi fler än 270 personer som arbetade för att hjälpa människor som lever i fattigdom och som marginaliseras genom både bistånds- och utvecklingsprojekt i Afghanistan, Iran, Irak, Jordanien, Kazakstan, Makedonien och Tadzjikistan. Vi samarbetade även med civila samhällsorganisationer i Bangladesh, Egypten, Kirgizistan, Mauretanien, Pakistan och Sudan.

Operation Mercy is an international relief and development organization headquartered in Örebro, Sweden. Our purpose is to work in partnership with others to restore hope, grow capacity, and promote community through relief and development initiatives that help transform lives, including our own. In 2017 we had over 270 staff working to improve the lives of the poor and marginalized in Afghanistan, Iran, Iraq, Jordan, Kazakhstan, Macedonia and Tajikistan through development and humanitarian aid projects. We were also engaged in projects in Bangladesh, Egypt, Kyrgyzstan, Mauritania, Pakistan and Sudan through partnership with like-minded civil society actors.

Ekonomi / Finance

2017 var ett ekonomiskt svårt år. Våra kostnader fortsatte att vara högre än våra intäkter och vi tvingades att ta från vår reserv för att betala våra fakturor. Övergången från att endast ha volontärer på huvudkontoret till att alla är avlönade tar tid att genomföra. Våra intäkter ökar, men inte i den takt vi hoppats på. Vi tog tacksamt emot en ospecificerad gåva på 60 000 USD. Projektintäkterna är fortsatt goda. Vi växer, men har ofta brist på resurser. Det fortsätter således att vara viktigt för oss att öka våra ospecificerade intäkter, utan att på samma gång sänka projektens intäkter.

2017 was a difficult year financially. Our expenses continued to exceed our income and we needed to dip into our reserves again to cover our bills. The transition from being an all-volunteer headquarters administration staff to an all-salaried administrative staff takes time. Our income is increasing, but not at the rate we hoped. We gratefully received a large undesignated gift of 60.000 USD. Our project funding is in good shape. We are growing, but often pressed for resources. It continues to be important that we find new ways to increase our undesignated income without dropping our project funding levels.

Styrelse och Ledning / Board and governance

Styrelsen består av sex ordinarie ledamöter och två adjungerade ledamöter, kvinnor och män, olika ålder och nationalitet. Styrelsen träffades tre gånger under 2017, det konstitutionella styrelsemötet efter årsstämman inräknat. De styrelsemedlemmar som bor i Sverige, har regelbundna möten med den internationella ledaren.

The board consists of six regular members and two non-voting partner members and is diverse in gender, age, and nationality. The board met three times in 2017, including the constitutional board meeting after the annual general meeting. The board members who live in Sweden also met regularly with the International Director between the board meetings.

Viktiga händelser under räkenskapsåret / *Significant events during the financial year*

De ständigt pågående konflikterna i Afghanistan, Syrien, Jemen och Irak gjorde vår personal och andra deltagare i projekten särskilt utsatta vad gäller säkerheten. Den 21 maj 2017 attackerades en bostad i Kabul, Afghanistan. En afghansk vakt och en tysk projektledare dödades vid attacken. En finsk medlem i vår personal kidnappades och hölls fången i sex månader. Denna händelse och dess följder var mörka och svåra. Samtidigt framhävde det vår personals engagemang, mod och uthållighet.

Bemanningen vid våra fältprojekt och på huvudkontoret utgör en ständig utmaning. 2017 var inte något undantag, då flera viktiga personalomflyttningar genomfördes. Några av dessa inkluderade vår ekonomichef, projekthandläggare samt insamlingsansvarig. Dessa funktioner har dessbättre blivit ersatta eller kommer inom kort att ersättas av kompetent personal.

2017 var det första året när vårt globala bokförings- och ekonomistyrningsprogram Winpaccs" användes av alla våra OPM-fältkontor och våra projekt har nu börjat erfa fördelarna med Winpaccs efter en längre än förväntat implementering av programvaran.

Våra medarbetare i Afghanistan, Iran och Tadzjikistan genomförde med framgång SMR/Sidafinansierade projekt. Fler än 18 600 kvinnor deltog i 96 olika Självhjälpsgrupper i Afghanistan och 14 000 kvinnor i Sudan. 2 500 afghanska kvinnor deltog i förlossnings- och mödraskapsutbildningar och tusentals flyktingar fick hjälp i Irak, Jordanien, Makedonien och Iran.

The unrelenting conflicts in Afghanistan, Syria, and Iraq continue to make our staff and program participants vulnerable to security issues. On 21 May 2017 attackers stormed a residential facility in Kabul, Afghanistan killing an Afghan guard and one of our German program managers. The attackers also abducted and held a Finnish staff member for six months. This event and its aftermaths was dark and difficult. Yet, it also brought out the dogged perseverance, dedication and courage of our staff.

Staffing our field projects and HQ functions is an on-going challenge. 2017 was no different with many significant staff transitions. Some of these included our CFO, and HQ special projects leader and a fund raiser. Fortunately, these roles have been or shortly will be filled with other high-quality personnel.

2017 was the first year that our financial management software WINPACCS was fully implemented and our fields began to experience its benefits after a longer-than-expected worldwide rollout.

Our staff in Afghanistan, Iran and Tajikistan successfully implemented SMC/Sida funded projects. More than 18,600 women participated in 96 Self-Help Groups in Kabul and 14,000 women in Sudan. 2,500 Afghan women participated in maternity health training and thousands of displaced persons were served in Iraq, Jordan, Macedonia, and Iran.

Viktiga händelser efter räkenskapsåret / *Significant events after the financial year*

Under 2018 genomförs en "preferred future" studie där vi undersöker den bästa vägen framåt för Operation Mercy.

Globalt har det varit fortsatt oroligt i området där Operation Mercy arbetar, särskilt i Afghanistan och Irak. Trots utmaningarna planerar Operation Mercy att fortsätta arbetet i området för att uppnå vår organisations syfte.

Vår nuvarande ekonomichef tar under våren rollen som administratör. Detta har gjort det nödvändigt att utse en ny ekonomichef som påbörjar sin tjänst den 16 maj.

In 2018, we are conducting a "Preferred Future" study to take a hard look at the best way forward for Operation Mercy.

Globally there has been continued turmoil in places where Operation Mercy works, particularly in Afghanistan and Iraq. Despite the challenges, Operation Mercy plans to move forward into difficult places so as to accomplish the purposes of our organization.

Our current CFO is taking on the role of Administrator. This has necessitated appointing a new CFO, starting from 16 May 2018.

Resultat / Results

Vår personal runt om i världen fortsätter att göra ett imponerande arbete, vilket har gynnat närmare 822 000 utsatta och marginaliserade människor i Centralasien, Mellanöstern och Nordafrika. Ungefär 65% av de som deltog i våra projekt var kvinnor. Operation Mercy hade 2017 fältkontor i sju länder och projekt i samarbete med partners i ytterligare sju länder. Vi hade cirka 270 anställda som arbetar i våra projekt. Vi uppskattar att våra volontärer arbetade 91 346 timmar under 2017.

Our staff around the world continue to do impressive project work in 2017 benefiting approximately 822,000 poor and marginalized in Central Asia, Middle East and North Africa. Approximately 65% of our project beneficiaries were women. In 2017 Operation Mercy had field offices in seven countries and partner projects in an additional seven countries. We had approximately 270 staff worldwide engaged in project work. We estimate that our volunteers worked 91,346 hours during 2017.

Flerårsöversikt

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2012</u>	<u>2011</u>
<u>Revenue and cost analysis / Intäkts- och kostnadsanalys (tkr)</u>					
Gifts / Insamlade medel	16 241	21 121	22 544	15 199	14 300
Remaining balance brought forward / Årets resultat efter förändring av ändamålsbestämda medel	517	-353	230	-496	-91
<u>Financial status / Ekonomisk ställning</u>					
Designated funds / Eget kapital för särskilda ändamål (tkr)	7 357	9 383	7 509	7 573	6 391
Surplus brought forward / Fritt eget kapital (tkr)	1 034	517	870	640	1 135
Solidity / Soliditet %	77	82	75	91	95

Equity / Eget kapital

	Designated funds / Ändamåls- bestämda medel	Profit/loss brought forward / Balanserat kapital	Total equity / Totalt eget kapital
Opening balance / Ingående balans	9 382 807	516 831	9 899 638
Change in designated funds / Årets förändring av ändamålsbestämda medel	-2 025 470	-	-2 025 470
Deficit/surplus for the year / Årets resultat		517 203	517 203
Closing balance / Utgående balans	7 357 337	1 034 034	8 391 371

Profit and loss statement / Resultaträkning	Not	2017	2016
Revenues of the association / Föreningens intäkter	1		
Gifts / Gåvor	2, 3	16 241 335	21 120 880
Grants & Contribution / Bidrag	4, 5	5 211 323	3 886 981
Other income / Övriga verksamhetsintäkter		2 567 144	2 334 015
Total revenues of the association / Summa verksamhetens intäkter		24 019 802	27 341 876
Costs of the association / Föreningens kostnader	3		
Operational costs for projects / Ändamålskostnader		-24 068 231	-24 390 163
Fundraising and marketing costs / Insamlings- och marknadsföringskostnader	6	-52 031	-116 035
Administration costs / Administrationskostnader	6, 7	-1 469 224	-1 319 023
Total costs of the association / Summa verksamhetens kostnader		-25 589 486	-25 825 221
Results of operations / Verksamhetsresultat		-1 569 684	1 516 655
Results from financial investments / Resultat från finansiella poster			
Other interest income and similar profit/loss items / Övriga ränteintäkter och liknande resultatposter		61 417	3 901
Total income from financial investments / Summa finansiella intäkter		61 417	3 901
Net profit / loss for the year / Årets resultat		-1 508 267	1 520 556
Change in designated funds / Förändring av ändamålsbestämda medel			
Profit / loss for the year according to the profit and loss statement / Årets resultat enligt resultaträkningen		-1 508 267	1 520 556
Change in designated funds / Förändring av ändamålsbestämda medel		2 025 470	-1 873 530
Remaining balance brought forward / Årets resultat efter fördelning		517 203	-352 974

Balance sheet / Balansräkning	Not	2017-12-31	2016-12-31
Assets / Tillgångar			
Fixed assets / Anläggningstillgångar			
Equipment /Inventarier, verktyg och installationer	8	894 027	1 032 326
Total fixed assets / Summa anläggningstillgångar		<u>894 027</u>	<u>1 032 326</u>
Current Assets / Omsättningstillgångar			
ICH Balance /Fordran ICH		1 800 403	754 897
Other receivables /Övriga fordringar		-	208
Prepaid expenses and accrued income / Förutbetalda kostnader och upplupna intäkter		346 057	272 069
Total current assets / totala omsättningstillgångar		<u>2 146 460</u>	<u>1 027 174</u>
Cash and bank balances / Kassa och bank		7 913 934	10 079 128
Total Current Assets / Summa omsättningstillgångar		<u>10 060 394</u>	<u>11 106 302</u>
Total Assets / Summa tillgångar		<u>10 954 421</u>	<u>12 138 628</u>

Balance sheet / Balansräkning	Not	2017-12-31	2016-12-31
Equity and Liabilities / Eget kapital och skulder			
Equity / Eget kapital			
Designated funds / Ändamålsbestämda medel		7 357 337	9 382 807
Surplus brought forward / Balanserat kapital		516 831	869 805
Deficit/Surplus for the year / Årets resultat		517 203	-352 974
Total Equity / Summa eget kapital		<u>8 391 371</u>	<u>9 899 638</u>
Current Liabilities / Kortfristiga skulder			
Accounts payable / Leverantörsskulder		80 547	26 502
Liabilities of not used grants / Skuld av erhållna ej nyttjade bidrag	5	392 514	388 430
Other liabilities / Övriga skulder		219 881	136 853
Accrued expenses and deferred income / Upplupna kostnader och förutbetalda intäkter		1 870 108	1 687 205
Total Current Liabilities / Summa kortfristiga skulder		<u>2 563 050</u>	<u>2 238 990</u>
Total Equity and Liabilities / Summa eget kapital och skulder		<u>10 954 421</u>	<u>12 138 628</u>

Notes / Noter

Not 1 Accounting and valuation principles / Redovisnings- och värderingsprinciper

Årsredovisningen upprättas med tillämpning av årsredovisningslagen (1995:1554) och Bokföringsnämndens BFNAR 2012:1 Årsredovisning (K3).

The annual report has been prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Accounting Standards Board's (BFN) rule BFNAR 2012:1 Annual report (K3).

Resultaträkningen / Statement of financial activities

Verksamhetsintäkter / Programme service revenue

Endast det inflöde av ekonomiska fördelar som föreningen erhållit eller kommer att erhålla för egen räkning redovisas som intäkt. Intäkter värderas, om inget särskilt anges nedan, till verkliga värdet av det som erhållits eller kommer att erhållas.

Only the inflow of economic benefits that the organization has received or will receive on its own account is recognised as revenue. Unless otherwise indicated below, revenue is measured at the fair value of what has been received or will be received.

Gåvor och bidrag / Donations and grants

En transaktion i vilken föreningen tar emot en tillgång eller en tjänst som har ett värde utan att ge tillbaka motsvarande värde i utbyte är en gåva eller ett erhållet bidrag. Om tillgången eller tjänsten erhålls därför att organisationen uppfyllt eller kommer att uppfylla vissa villkor och om organisationen har en skyldighet att återbetala till motparten om villkoren inte uppfylls, är det ett erhållet bidrag. Är det inget bidrag är det en gåva.

Any transaction through which the organization receives an asset or a service that has a value and does not provide corresponding value in return is a donation or a grant received. If the asset or service is received because the organization has fulfilled or will fulfill certain conditions and if the organization has an obligation to repay the counterparty if the conditions are not fulfilled, it is considered a grant received. If it is not a grant, it is a donation.

Gåvor / Donations

Gåvor redovisas enligt huvudregeln som intäkt när de erhålls. En gåva som intäktsförts redovisas antingen som en tillgång eller en kostnad beroende på om gåvan förbrukas direkt eller inte. Övriga gåvor redovisas som omsättningstillgångar. Gåvor värderas som huvudregel till verkligt värde.

Donations are, as a main principle, recognised as revenue when received. A donation recognised as revenue is accounted for as an asset or a cost, depending on whether the donation is used directly or not. Other donations are recognised as current assets. Donations are, as a main principle, recognised at fair value.

Bidrag / Grants

Bidrag redovisas som intäkt när villkoren för att erhålla bidraget har uppfyllts. Erhållna bidrag redovisas som skuld till dess villkoren för att erhålla bidraget uppfylls. Bidrag som erhållits för att täcka vissa kostnader (t.ex. för administration) redovisas samma räkenskapsår som den kostnad bidraget är avsett att täcka. Erhållna bidrag värderas till det verkliga värdet av den tillgång som organisationen fått eller kommer att få.

Grants are recognised as revenue when the conditions for receiving the grant have been fulfilled. Grants received are recognised as liabilities until the conditions for receiving the grant have been fulfilled. Grants received to cover certain costs (for example, for administration) are recognised in the same fiscal year as the cost the grant is intended to cover.

Leasing / Leasing

Föreningens samtliga leasingavtal redovisas som operationella, d v s leasingavgiften (inklusive första förhöjd hyra) redovisas linjärt över leasingperioden.

All the organizations leases are accounted for as operating leases, that is, the leasing charge (including the first increased rent) is accounted for on a straight-line basis over the term of the lease.

Inkomstskatt / Income tax

Föreningen är befriad från inkomstskatt i sin ideella verksamhet eftersom den uppfyller kraven som samhällsnyttig enligt skattelagstiftningen.

The organization is released from income tax in its non-profit activities because it fulfills the demands as advantage of society according to the Swedish tax legislation.

Balansräkningen / Balance Sheet

Tillgångar, skulder och avsättningar värderas till anskaffningsvärde om inget annat anges nedan.

Assets, liabilities and provisions are measured at acquisition value, unless otherwise indicated below.

Materiella anläggningstillgångar / Property, plant and equipment and intangible non-current assets

Materiella anläggningstillgångar värderas till anskaffningsvärde minskat med avskrivningar enligt plan. Avskrivning sker linjärt över tillgångens beräknade nyttjandeperiod. Följande avskrivningstider tillämpas:

Datautrustning	3 år
Övriga inventarier	5 år

Property, plant and equipment and intangible non-current assets are measured at acquisition cost less depreciation according to plan. Depreciation is applied on a straight-line basis over the estimated useful life of the particular asset. The following periods of depreciation are applied:

Computers	3 year
Other Equipment	5 year

Fordringar / Receivables

Fordringar värderas individuellt till det belopp som beräknas inflyta.

Receivables are measured individually at the amount that is expected to be received.

Utländska valutor / Foreign currencies

Fordringar och skulder i utländsk valuta värderas till balansdagens kurs.

Receivables and liabilities in foreign currencies are measured at the rates on the balance sheet date.

Ändamålsbestämda medel / Designated funds

I posten Ändamålsbestämda medel i eget kapital redovisas ännu inte förbrukade gåvor och andra ändamålsbestämda medel. Se även noten till eget kapital.

The heading Designated funds in equity includes donations not yet spent and other Designated funds. See also the Equity note.

Not 2 Gifts / Gåvor

	<u>2017</u>	<u>2016</u>
<i>Gifts according to the profit and loss statement / Gåvor redovisade i resultaträkningen</i>		
Undesignated gifts / Fria gåvor	974 120	710 281
Gift to designated funds / Ändamålsbestämda gåvor	15 267 215	20 410 599
Total / Summa	<u>16 241 335</u>	<u>21 120 880</u>
<i>Giver / Givare</i>		
Individual giving / Allmänhet (%)	37	45
Institutional gifts / Andra organisationer (%)	63	55
<i>Giver / Givare</i>		
Sverige (%)	32	22
Andra länder (%)	68	78

Not 3 Volunteers/ Volontärer

Merparten av den internationella personalen är volontärer och har donerat 91 346 arbetstimmar under 2017. Föreningen har ingen anställd personal i Sverige. De personer som arbetar på föreningens huvudkontor är anställda av sina respektive givarorganisationer.

Most of the international staff are volunteers who have donated 91.346 work hours during 2017. The organization has no employees in Sweden. The people that work at the headquarter of the organization are employed by their partner organizations.

Not 4 Grants / Bidrag

	<u>2017</u>	<u>2016</u>
Public grants / Offentliga bidrag		
Grants from Sida / Bidrag från Sida	4 143 123	2 421 881
Grants from Radiohjälpen / Bidrag från Radiohjälpen	-	400 000
Grants from Läkarmissionen / Bidrag från Läkarmissionen	870 000	950 000
Grants from Vatten åt alla / Bidrag från Vatten åt alla	35 000	85 100

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	<u>2017</u>	<u>2016</u>
Interact Evangeliska Frikyrkan	163 200	30 000
	<u>5 211 323</u>	<u>3 886 981</u>

Not 5 Liabilities of not used grants / Skuld erhållna ej nyttjade bidrag

	<u>2017</u>	<u>2016</u>
Opening balance / Ingående balans	388 430	916 110
Received during the year / Erhållet under året	5 211 323	3 886 981
Used during the year / Ianspråktaget under året	-5 207 240	-4 414 661
	<u>392 513</u>	<u>388 430</u>
Specification of closing balance / Specifikation av utgående balans		
Grants from Sida / Sida-bidrag	376 513	388 430
Other received grants / andra erhållna bidrag	16 000	-
	<u>392 513</u>	<u>388 430</u>
Total / Summa	392 513	388 430

Not 6 Other external expenses / Övriga externa kostnader

	<u>2017</u>	<u>2016</u>
Administration expenses / Administrationskostnader	284 662	313 131
Public relation expenses / Reklam o PR	52 031	116 035
Business travel expenses / Resekostnader	180 261	193 153
Other expenses / Övriga kostnader	1 004 301	812 739
	<u>1 521 255</u>	<u>1 435 058</u>

Not 7 Operational lease agreements / Operationella leasingavtal - leasetagare

	<u>2017</u>	<u>2016</u>
Future lease fees which shall be charged according to non-terminable lease agreements: / Framtida minimileaseavgifter som ska erläggas avseende icke uppsägningsbara leasingavtal:		
Within 1 year / Förfaller till betalning inom ett år	38 288	38 288
1-5 years / Förfaller till betalning senare än ett men inom fem år	36 576	114 864
Lease cost during the year / Under perioden kostnadsförda leasingavgifter	38 288	38 288

The organization has rental for office premises. The agreement carries at 3 years at a time. Right now the agreement carries to 2019-12-31. Cancellation time is 9 months.

/ Föreningen hyr kontorslokaler. Avtalet löper på 3 år i taget och sträcker sig i dagsläget till 2019-12-31. Uppsägningstiden är 9 månader.

Not 8 Equipment / Inventarier

	<u>2017-12-31</u>	<u>2016-12-31</u>
Opening acquisition value / Ingående anskaffningsvärde	1 610 151	732 093
Purchases for the year / Inköp	205 135	878 058
Sales or disposal for the year / Försäljningar och utrangeringar	-98 065	-
Closing accumulated acquisition value / Utgående ackumulerade anskaffningsvärden	1 717 221	1 610 151
Opening depreciation / Ingående avskrivningar	-577 825	-280 325
Sales or disposal for the year / Försäljningar och utrangeringar	95 375	-
Depreciation for the year / Årets avskrivningar	-340 744	-297 500
Closing accumulated depreciation / Utgående ackumulerade avskrivningar	-823 194	-577 825
Closing residual value according to plan / Utgående redovisat värde	<u>894 027</u>	<u>1 032 326</u>

Örebro 2018-05-16



Dr. Scott Breslin
International Director



Wim Goudzwaard
Ordförande / Chairman



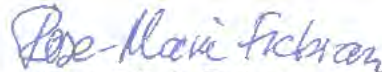
Susanne Lindholm



Fredrik Karlsson



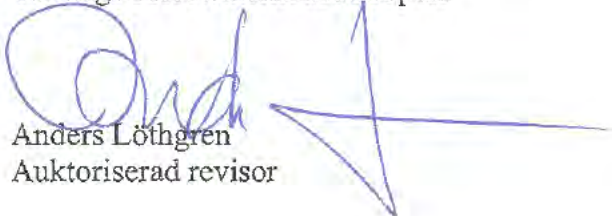
Grant Michels



Rose-Marie Frebran

Our audit report was presented on 2018-05-16
Vår revisionsberättelse har lämnats 2018-05-16

Öhrlings PricewaterhouseCoopers



Anders Löthgren
Auktoriserad revisor

Revisionsberättelse

Till årsmötet i Operation Mercy, org.nr 826001-5279

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för Operation Mercy för år 2017.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av föreningens finansiella ställning per den 31 december 2017 och av dess finansiella resultat för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till föreningen enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens ansvar

Det är styrelsen som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen ansvarar även för den interna kontroll som den bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller på fel.

Vid upprättandet av årsredovisningen ansvarar styrelsen för bedömningen av föreningens förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen avser att likvidera föreningen, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller på fel, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller fel och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen, vare sig dessa beror på oegentligheter eller på fel, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risker för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på fel, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.
- skaffar vi oss en förståelse av den del av föreningens interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.
- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens uppskattningar i redovisningen och tillhörande upplysningar.
- drar vi en slutsats om lämpligheten i att styrelsen använder antagandet om fortsatt drift vid upprättandet av årsredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om huruvida det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om föreningens förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det

finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att en förening inte längre kan fortsätta verksamheten.

- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen, däribland upplysningarna, och om årsredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de betydande brister i den interna kontrollen som vi identifierat.

Rapport om andra krav enligt lagar och andra författningar

Uttalande

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens och den internationella direktorns förvaltning för Operation Mercy för år 2017.

Vi tillstyrker att årsmötet beviljar styrelsens ledamöter och internationella direktorn ansvarsfrihet för räkenskapsåret.

Grund för uttalande

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till föreningen enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för vårt uttalande.

Styrelsens och internationella direktorns ansvar

Det är styrelsen och den internationella direktorn som har ansvaret för förvaltningen.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot eller internationella direktorn i något väsentligt avseende företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot föreningen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot föreningen.

Som en del av en revision enligt god revisionssed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen grundar sig främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för föreningens situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet.

Örebro den 16 maj 2018

Öhrlings PricewaterhouseCoopers AB



Anders Löthgren
Auktoriserad revisor



Auditor's report

To the annual meeting of Operation Mercy, corporate identity number 826001-5279

Report on the annual accounts

Opinions

We have audited the annual accounts of Operation Mercy for the year 2017.

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 Operation Mercy as of 31 December 2017 and its financial performance for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts.

Basis for Opinions

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

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

Responsibilities of the Board of Directors

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

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

Auditor's responsibility

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

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

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the association's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting in preparing the annual accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts. Our conclusions are



based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the association to cease to continue as a going concern.

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

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

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts, we have also audited the administration of the Board of Directors and International Director of Operation Mercy for the year 2017.

We recommend to the annual meeting that the members of the Board of Directors and the International Director be discharged from liability for the financial year.

Basis for Opinions

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

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

Responsibilities of the Board of Directors and International Director

It is the Board of Directors and International Director who is responsible for the association's organization and the administration of the association's affairs.

Auditor's responsibility

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

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

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

Örebro den 16 May 2018

Öhrlings PricewaterhouseCoopers AB

Anders Löthgren
Authorized public accountant



Operation Mercy International Headquarters

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Hjälmarberget
702 36 Örebro
SWEDEN

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www.mercy.se

Organisation number: 826001-5279

Photo credit: Operation Mercy staff and Brian Carderelli

All names have been changed