

# Annual Report 2022

Björkåfrihet



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# 1 DIRECTORS' REPORT

2022 has been a year of many challenges, but also a year in which we have gathered our forces and returned following a tough period during the pandemic. Our partner organisations that work to combat colonialism and occupation have faced increasing repression. Persecution, harassment and attempts to label acts of resistance as acts of terrorism have made it hard for these organisations to carry out their work, and have increased insecurity for the fearless activists and representatives working within our partner organisations. Here in Sweden we have a right-wing government that, with the support of the Sweden Democrats, has put forward more nationalistic, authoritarian and conservative policies than Sweden has ever seen before. During the last months of the year, we have had to prepare for a future of wider divides, the normalisation of racism, reduced aid and a climate policy that does not come close to stopping climate change.

The first month of the year was characterised by the pandemic and restrictions that had a negative impact on sales in our shops. Sales subsequently rose slowly but surely, and during the autumn we enjoyed excellent growth in sales. The year has largely involved recovering from the pandemic and identifying profitability in our business again. This will enable us to pay back the loans we took out during the pandemic in the coming years, and eventually restore our previous aid levels. After two years of fighting for the organisation's survival and focusing sharply on finances, we began to strengthen our political profile and focus on values and solidarity once again during the year. We ended the year buoyed by positive financial results and a determination to keep building a sustainable world that features greater solidarity.

# 1.1. GENERAL INFORMATION ABOUT THE ORGANISATION

Björkåfrihet is a not-for-profit association with the corporate ID number 829500-1112. Björkåfrihet's registered office is in Gothenburg.

## *Vision and object*

Björkåfrihet is an autonomous, active organisation that works determinedly and independently to end deprivation and the causes of deprivation within a socialist tradition. Deprivation and its causes are complex, but are not the consequence of any laws of nature. They are structural and financial, have developed historically, and express themselves in political distribution of power and resources – a situation that cannot be resolved through charity. The object of the association is to work to eradicate these problems by focusing on international solidarity, sustainable development and social responsibility in the labour market.

## *Significant partnerships*

Björkåfrihet has many collaborations and relationships that promote our activities and create the right conditions for achieving our goals.

Björkåfrihet collaborates with like-minded organisations in Sweden, Palestine, Lebanon, Western Sahara and Algeria which, just like us, want to eradicate the causes of poverty. Björkåfrihet is a member of ForumCiv, which brings together Swedish civil society organisations that work with aid funding.

In Sweden, Björkåfrihet works with over 40 municipalities to undertake daily collections of items donated for reuse. The organisation also works in partnership with the municipalities and the Swedish Prison and Probation Service to employ people experiencing various forms of hardship and to enable them to work to promote sustainability and solidarity.

Björkåfrihet is involved in several research projects looking at reuse and recycling. The organisation also works with many other public, ideologically-driven and private players on reuse and how it can be increased in the community.

## 1.2. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SINCE THE END OF THE YEAR

### *Important changes in the organisation*

In October, an organisational change was made to the management structure. The two managing directorships that had existed within the organisation since 2014 were replaced by a Secretary General. This change was made because the Board was of the opinion that, given the Association's current position, it would allow for a greater emphasis on the Association's political foundation and a more coherent organisation. Kristin Ivarsson, Managing Director with responsibility for international work and PR, assumed the role of Secretary General in November. Gesica Tawakkoli Gunmalm, the association's Managing Director with responsibility for second-hand operations, concluded her work for the association in October.

During the year, a new Head of Unit joined the association.

### *Important events in the surrounding world*

Vaccination and measures to limit the spread of infection reduced the devastating effects of the pandemic during the year. However, its effects will be felt for many years to come. For example, many millions of people are living in extreme poverty as a consequence of the economic impact of the pandemic.

Russia's invasion of Ukraine in March 2022 affected not only the Ukrainian people, but also the entire world in terms of higher prices, inflation and the subsequent market downturn. The human tragedy of the invasion reminded us of the humanitarian consequences of war and occupation. As an organisation that has worked against occupation for many decades, we welcome the international solidarity shown to the people of Ukraine and will continue to work to ensure that it extends to the target groups we work with who have suffered the same kind of abuse.

World leaders have continued to ignore climate change, which threatens all life on our planet. The pandemic showed that society can be rapidly and decisively transformed when faced with a crisis. However, the same determination has not been shown when it comes to the transition towards a sustainable future. Nevertheless, the environmental movement has continued to demand change through powerful, innovative methods.

The occupying powers of Israel and Morocco have stepped up their repression against forces fighting the occupations. Israel has followed up last year's terrorist designation of six well-known human rights organisations, including our partner Union of Palestinian Women's Committees (UPWC), with attacks and threats. Condemnation of Israel's terrorist designation has been extensive, but has not been followed up by concrete action. In occupied Western Sahara, too, there was an increase in the repression of activists combatting Morocco's occupation of Western Sahara. The occupying powers have also forged closer ties, with Israel and Morocco now engaging in defence cooperation.

The September 2022 elections resulted in a new right-wing government in Sweden, governing with the support of the Sweden Democrats. The policies they proposed at the end of the year involve normalising racism and dismantling the right to asylum. Policies that would have been considered inhumane and unthinkable a few years ago, such as denying sick people access to interpreters, preventing refugee children from being reunited with their parents or revoking permanent residence permits, are now supported by multiple parties. Understanding of the facts that people have always had to migrate and that seeking asylum is a human right has been rapidly eroded, together with the protection of the principle of everyone's equal value. In addition, climate policy has been decimated and proposals have been put forward that threaten the rule of law.

### *Significant events since the end of the financial year*

The consequences of Russia's invasion of Ukraine are continuing to affect the world, and thus our association, even after the end of the financial year. Inflation and higher prices are affecting our economy. At the same time, we note that our second-hand sales benefit in hard economic times, and the year began with stable retail sales.

## 1.3. PROMOTION OF OUR OBJECT DURING THE YEAR

### 1.3.1. Solidarity projects and programmes

Björkåfrihet's international solidarity projects involve partnerships with local organisations and groups of activists. A partnership is initiated by drawing up an agreement that is signed by both parties. The agreement determines how funds are to be used, anti-corruption procedures, requirements for financial and narrative reporting, etc., and has a project plan, target matrix and budget appended.

During the course of a partnership project, Björkåfrihet's employees are in constant contact with its partner organisations via monitoring visits, video meetings, email and telephone. During the pandemic, we were unable to carry out follow-up visits, but in 2022 we resumed our travels and carried out follow-up visits to Lebanon, Palestine and occupied Western Sahara. This follow-up, combined with regular reporting and external reviews, enables us to monitor how far we are meeting our objectives and the effects of our projects. We can also see how we have managed our finances, whether the budget has been adhered to and whether we have undertaken the activities planned. All projects supported with project funding must meet performance targets.

The effects of project support to be reported on relate solely to the support provided by Björkåfrihet, either self-financed or in the form of earmarked donations and support from other organisations. Effects resulting from other funding available to the recipient are not included in the reports.

Björkåfrihet's efforts are directed at civil society with a view to strengthening people's ability to organise and mobilise themselves so that they can claim their rights and fight injustice, and also to supporting humanitarian projects. Over the years we have worked in partnership with like-minded organisations in Palestine, Lebanon, Western Sahara, Algeria and Sweden.

Björkåfrihet's international anti-occupation programme is called *Seeds of Independence*. There are two sub-programmes within this framework: *Seeds of Independence – Mobilisation and Advocacy* and *Seeds of Independence – Health and Rehabilitation*.

In Sweden, Björkåfrihet partners with organisations that work with refugees and undocumented migrants.

#### *Financial overview of solidarity projects in 2022*

Area	SEK 000
Support in Sweden	1,129
Support in Palestine/Lebanon	4,092
Support in Western Sahara/Algeria	478

## *The world: Seeds of Independence – Mobilisation and Advocacy*

2022 was the second and final year of the second cycle of Björkåfrihet's Seeds of Independence programme. The aim of this programme was to help bring about a progressive and sustainable civil society in Palestine and Western Sahara, which in turn contributes to the fight against occupation and for the right to self-determination. In 2022, seven organisations were involved in the programme, five Palestinian and two Sahrawi, that between them work in five different regions: the West Bank, Gaza, Palestinian refugee camps in Lebanon, occupied Western Sahara and Sahrawi refugee camps in Algeria. Each organisation runs its own project within the programme, and Björkåfrihet is responsible for coordination and joint activities.

### *The Human Call Association*

The Human Call Association (HCA) is one of the main Palestinian grassroots organisations in Lebanon, headquartered in the Ein el-Helweh Palestinian refugee camp. A project within the programme focused on leadership training for young people. HCA has also implemented a number of information initiatives in 2022, on themes such as health, the environment and human rights for people in the refugee camps.

### *Nuwat Social Solidarity Centre*

Nuwat Social Solidarity Centre (Nuwat) is an organisation with its head office at the Ein el-Helweh Palestinian refugee camp in Lebanon. As part of this programme, it ran a project that focused on strengthening young people's capacity to influence their situation and claim their rights as Palestinian refugees. In 2022, Nuwat's activities have included training young people on international law and how to use social media to carry out advocacy work. A network of course participants from various Palestinian refugee camps has been created in order to facilitate synchronised advocacy campaigns.

### *Union of Palestinian Women's Committees*

The Union of Palestinian Women's Committees (UPWC) has its main office in Ramallah in the West Bank, but has local offices throughout the West Bank and Gaza. It is a broad-based women's organisation whose goal is to ensure the inclusion of women in all aspects of society. As part of the programme, it ran a project that focused on strengthening its own organisational capacity, mobilising Palestinian women to claim their political, social and economic rights, and conducting advocacy work. Advocacy campaigns began in 2021 to draw attention to the situation of Palestinian women prisoners in Israeli jails and to combat domestic violence against women, and continued in 2022. UPWC's work continues to be affected by the 2021 Israeli terrorist designation. In 2022, its headquarters in Ramallah were raided by the Israeli military, resulting in significant destruction. Furthermore, Israel prevented UPWC's Secretary General from traveling to the Björkåfrihet programme meeting in Sweden in October 2022, as she was stopped at the Jordanian border. UPWC is part of the 'Stand With The 6' campaign, together with the five other Palestinian organisations that have recently been designated as terrorist organisations by Israel.



*Badil*

In 2020, Björkåfrihet embarked on a partnership with Badil, a resource centre for Palestinian refugees and people who have been internally displaced. It is based in the West Bank, but focuses on Palestinian refugees throughout the world. It generates knowledge about the situation of refugees, both currently and in the past. It uses this knowledge to advocate for refugees' rights, including the right of return and the right to self-determination. The centre's two-year project, focusing on workshops for young people on identity and human rights, continued in 2022. Björkåfrihet also funded a one-year project, supported by the Swedish Institute, in which BADIL produced a research report on young people's participation, which was subsequently presented during a visit to Sweden in December 2022.

*Palestine Institute of Public Diplomacy (PIPD)*

In 2020, Björkåfrihet began a partnership with the Palestine Institute of Public Diplomacy (PIPD), which is a relatively new group based in Ramallah in the West Bank. The group carries out lobbying through digital campaigns, documentaries and social media, focusing on Palestinian culture and politics. In 2022, PIPD coordinated the 'Stop Trade With Settlements' (ECI) and 'Save Masafer Yatta' campaigns, both of which aim to combat Israel's illegal settlements. Its material is usually in English, and it targets an international audience. Much of its material is shared under the name Rabet.

*Equipe Media*

Equipe Media is a media activist network in the occupied area of Western Sahara. It documents and distributes information about human rights violations in occupied territory through social media and contact with politicians and journalists. Under the programme, it runs a project focusing on reinforcing the organisation's capacity to reach out with its material. A new website was launched in 2022, and Equipe Media has produced material in the form of short videos and documentaries on the situation of Sahrawis living under Moroccan occupation.

*Saharawi Voice*

The work of Saharawi Voice focuses on the Saharawi refugee camps in Algeria. Its aim is to raise awareness of the situation in the camps and to humanise the image of the refugees. It works mainly with photography and film, and the project that Björkåfrihet supported in 2022 focused on outward-facing campaigns and media workshops in the refugee camps. Saharawi Voice also focuses on situational monitoring and has corrected misinformation in the international media.

*The world: Seeds of Independence – Health and Rehabilitation*

'Seeds of Independence – Health and Rehabilitation' is Björkåfrihet's programme that focuses on the health and wellbeing of people living under occupation or in refugee camps as a result of occupation. The programme includes supporting hospitals, clinics and rehabilitation centres in occupied territories and refugee camps. The overall objective is that people who are affected by occupation should have access to safe, equitable and affordable health care.

During 2022, Björkåfrihet provided support for the Human Call Association (HCA), which runs a hospital in the Ein el-Helweh refugee camp in southern Lebanon. The project funded by Björkåfrihet has helped to subsidise health care for those patients who are unable to pay for themselves, and has contributed towards the hospital's running costs.

AWDA (which changed its name from the Union of Health Work Committees, UHWC, in 2022) runs a hospital and several clinics around Gaza. Björkåfrihet has funded the purchase of equipment for gynaecology and maternity care, as well as caring for women within these areas.

In 2022, Björkåfrihet began a new collaboration with the Mousawat organisation in Lebanon. Mousawat works with people with disabilities. It runs rehabilitation programmes in several areas of Lebanon. Mousawat works to promote the rights of people with disabilities to participate in public life and to organise themselves. This is done by offering organisational and capacity-building support. However, Björkåfrihet's 2022 grant went towards medical equipment for people with severe disabilities.

### *Sweden: Right of asylum*

Björkåfrihet's work in Sweden aims both to support vulnerable people in our own community and to shape opinion in order to eradicate the causes of poverty and oppression. Our focus is on the rights of migrants and asylum seekers, and on anti-racism.

During 2022, Björkåfrihet made monthly financial contributions to several groups working on the right of asylum, i.e. Asylgruppen i Malmö (the Asylum Group in Malmö), the No One is Illegal Network in Gothenburg and the Rosengren Foundation in Gothenburg. These groups give financial support to undocumented migrants to cover costs for accommodation, food, transport, help with health and medical care, and legal advice. Björkåfrihet also distributed vouchers for undocumented migrants to use in our shops. The amount spent using these vouchers totalled SEK 46,500.

In 2022, work continued with a view to finding new partners in order to expand Björkåfrihet's work in Sweden, focusing on anti-racism and migrant rights.

## **1.3.2. Environment**

### *Collection activities*

During 2022, Björkåfrihet collected 2,843,366 kg of clothes, shoes, accessories and textiles. The organisation also received 1,428,210 kg of reusable items. In total, therefore, Björkåfrihet handled 4,271,576 kg of material from collections via our own units and our partner organisations during the year. This is virtually unchanged compared to 2021 regarding our own collection units in the south and the west. We lose 1% on each fraction. Textile collections via our partnerships with municipalities increased during the year by 9% compared to 2021. From August 2022 until the end of the year, there was a negative trend compared to the previous year, and this drop was also experienced by other collection actors.

*West*

During the year, Björkåfrihet entered into an agreement with Förpackningsinsamlingen (FTI) and Kungsbacka Municipality regarding textile collections at the municipality's recycling stations. It was agreed during the year that Björkåfrihet will be represented at all Kungsbacka's recycling centres.

We lost collections at two municipalities in the west, Härryda and Mölndal, during the year. However, this was offset by increased collections at other collection points.

In 2022, Björkåfrihet ended its agreement with Karlstad Energi as the stated data for estimated collections did not correspond to reality, and thus was not profitable.

*South*

The regional waste group Sysav continued its own management of textile materials in 2022. During the year, cooperation was initiated with the municipal company MERAB in the Höör/Hörby/Eslöv region, where Björkåfrihet is now represented. Discussions with Hässleholm and tendering for a contract with the waste company NSR for collections in northwest Skåne were carried out during the year. The results are due in 2023. We initiated a collaboration with Allmännyttan i Malmö Stad (MKB) regarding kerbside collections, which will be expanded in 2023.

*Collections through partnerships with municipalities*

Our municipal partners have increased their collections during the year compared to the previous year. There was a return to pre-pandemic routines. During the year, we have become aware of organisational changes at some units and a certain shift in municipal political ambitions. This has meant that collection activities in Strömstad and Dals Ed have been terminated/paused, and the number of collection points at some other units has been reduced. During the year, permits have also been granted to other collection operators in municipalities where Björkåfrihet has been involved in cooperation for a long time. In the future, Björkåfrihet will need to identify alternative solutions in order to continue offering environmentally beneficial initiatives to municipal partners.

*Environment-related advocacy work*

Björkåfrihet's ability to collect and manage materials also enables us to carry out advocacy work for increased reuse. During the year we have given lectures at the Nordic Textile Academy, creating dialogue with individuals who work or will work in the textile industry. Here, there are opportunities for alternative business relationships linked to the reuse of materials that Björkåfrihet cannot sell in our shops for various reasons. During the year, the City of Malmö carried out a procurement process for t-shirts to be worn at the Malmö Festival, which Björkåfrihet won. Several municipalities invited us to talks during the year with the aim of establishing reuse at recycling centres, and one municipality implemented this as early as 2022. Furthermore, talks with Sysav Industri AB regarding its SipTex sorting technology and the need for materials for this have continued. During the year, representatives from Red Cross Sweden, Myrorna and Gothenburg City Mission visited our facility at Aröd. We are also in regular contact with the Swedish Environmental Protection Agency, the Swedish Waste Management

Association, the Swedish Trade Federation, TEKO industries, manufacturers and the recycling industry to encourage increased use of collected material.

### *Research and development*

Initiatives and projects regarding the development of the textile value chain have gained new momentum during the year. Björkåfrihet has participated in the twin projects 'Pay it Forward' and 'Pass On Line'. Both are linked to the ambition to contribute towards social enterprises developing digital markets for parts of their second-hand sales. Here, Björkåfrihet has been a listener rather than an active participant, as it is unclear what the risks are of switching to a revenue source with – initially, at least – low efficiency. CITEK (Circular Textile Innovations) has been launched during the year, and a subproject involves investigating the conditions for national mechanical textile recycling and what capacity/potential there is for this. An AI project aiming to create the right conditions for resource-efficient circular fashion began during the year, and Björkåfrihet will have a test station on site in Aröd to build up a data and image bank to take this technology to the next level. The Framework for Circular Textiles project began during the year, and will result in a framework for defining used textiles intended for recycling. Region Västra Götaland (VGR) is working to make the region a vibrant textile centre. This work involved carrying out a feasibility study in 2022 on the region's capacity to become one of five European ReHubs, complete facilities for total management of used textiles. Similarly, a system demonstrator is being developed nationally to bring together all stakeholders in the textile value chain. Actors like Björkåfrihet are considered significant in all these projects, and we are thus partners, or part of a reference groups, for the above projects.

### **1.3.3. Social responsibility in the labour market**

Björkåfrihet seeks to be able to offer people affected by various types of limitations the opportunity to enjoy a working day that is stimulating and sustainable. During 2022, more than 300 people daily had some form of employment organised by or in partnership with Björkåfrihet.

#### *Partnerships with municipalities*

Björkåfrihet has worked on employment in partnership with municipalities in western and southern Sweden since 1989. In 2022, the association had 46 active partnerships in 23 municipalities. These employ people primarily in daily activities (people with cognitive impairments) but also in employment activation schemes. Through Björkåfrihet's partnerships, people who themselves need help in their day-to-day lives get opportunities to help others by contributing to the organisation's solidarity work.

The main activity in the context of partnership work with municipalities is the various aspects of our second-hand business – collection, sorting and sales at Björkåfrihet's 'companion' shops. The participants manage the actual collection from around 150 of Björkåfrihet's collection bins, as well as sorting and sales at their own second-hand shops. The profit from sales at these shops goes to Björkåfrihet's solidarity and aid projects. In spring 2022, most 'companion' shops reopened after having been closed in 2020 and 2021 due to the pandemic. Many customers returned to these shops, and sales got off to a strong start.

Collection and sorting have gone well, and our municipal partners have collected over 800 tonnes and sorted more than 344 tonnes of material.

The 'companion' shop in Lysekil has been closed during the year as a result of moving to new premises, and will reopen in early 2023.

In 2022, participants in our municipal partnerships made 1,900 fabric bags from collected materials that we have sold in our shops. Due to high demand, we added five more businesses at the end of the year that will produce these bags for Björkåfrihet.

### 1.3.4. PR work and visibility

With an interface with both the public and decision-makers, Björkåfrihet is well placed to mould public opinion while also strengthening the brand. However, as a consequence of the pandemic, for a couple of years we have been forced to focus our efforts on marketing communication, and less on opinion work and brand-building communication. At the end of the year, we produced a brand manual and increased our focus on values and on solidarity and sustainability issues.

#### *Window displays*

Among social justice and environmental organisations, Björkåfrihet's second-hand shops give it an almost unique platform in the public realm. The association has traditionally used the window displays on Linnégatan in Gothenburg and Södra Förstadsgatan in Malmö as a stage for political statements. During the year, our new premises in Knallerian in Borås, which has two windows, has also started to be used as an important communication channel.

Our displays during the year included themes such as the right to asylum, socialism, occupation and sustainability. We also used our windows for a photographic exhibition, featuring photos taken by residents of the Ein el-Helweh Palestinian refugee camp in Lebanon.

This spring's 'Round Up' campaign, in which we encouraged our customers to donate a little extra to our solidarity projects, was featured in our windows as we raised money for a new women's hospital in Gaza.

Ahead of the parliamentary elections, we urged customers and passers-by to "Vote anti-racist". The mannequins wore garments with political messages such as "No borders, no nations" and "No one is illegal". These garments were also sold in our shops, and proved extremely popular. After the elections, we added the words "The fight continues!" in red to our window displays.

We also produced several eye-catching window displays for our 'Guldkorn' campaign, which involves selling specially selected and unique garments. These displays drew many people to our shops, both at the start of the campaign and at the end when the products from the windows were sold. For the second year, we now have Guldkorn homewares. These have been a great success with our customers.

This year's Christmas window display featured a wish list for Santa Claus, including a Sweden that does not prevent refugee children from being reunited with their parents, an end to the normalisation of racism in our society, and the rule of law not being

dismantled during the mandate period. The display attracted considerable attention, both in our shops and on social media.

### *Digital presence*

During the year, our social media channels were mainly used to support marketing communication, to provide information about in-store campaigns and to spread our shop window messages. A number of posts focused on providing information about the political situation, both in Sweden, where a new right-wing government was elected in the autumn, and internationally, where Israeli forces stormed the offices of Palestinian human rights organisations. As a comment on the Black Friday buying frenzy, a video was posted on social media showing scenes from Björkåfrihet's sorting processes. This gave followers on Instagram and Facebook an insight into Björkåfrihet's day-to-day work. The impact was greater than expected. By the end of the year, the film had had more than 26,000 views and had reached over 24,000 unique Instagram accounts. The post was widely shared well into December, and the number of followers grew significantly.

### *Press releases*

Board member Pelle Hällje visited Hebron in the West Bank in May. There, he was hit in the shoulder by a stone thrown by Israeli settlers. Björkåfrihet issued a press release regarding this, and took the opportunity to comment on how the current apartheid system is affecting the Palestinian population.

In June, a rocket-propelled grenade launcher, most likely live, was discovered among collected items. The police were called. A widely circulated press release was issued, and Björkåfrihet took the opportunity to comment on the ongoing political tensions in the world.

### *Other campaigns and external events*

The Gothenburg Book Fair returned in its physical format after the pandemic, and we had a presence on Global Square where solidarity organisations exhibit. The sorting units had sorted a selection of books that were suitable for the purpose and the location. Our stand attracted extra attention thanks to a custom-made table, which we created using collected books.

The Borås shop, which opened again in December 2021 after the previous shop burned down, reopened in spring 2022 with a full range of products. The reopening featured a catwalk in the shop, with the slogan 'Auction against occupation'. The catwalk showcased redesigned garments and accessories that were then sold on Tradera.

During the summer we had a stand at the Borås Textile Museum, where we showed our wide range of products.

## 1.4. RESULTS AND POSITION

The year has largely been about economic recovery. There has been a sharp focus on returning second-hand operations to profitability after the pandemic.

2022 got off to a tough start, with new pandemic restrictions that negatively affected sales. However, sales subsequently recovered and were well above budget during the autumn. Our new shops in shopping centres in Burlöv and Borås have fought to attract customers and meet sales budgets. The Burlöv shop took off at the end of the year. Even though the shop in Borås has a little way to go, we saw positive growth.

During 2022, we continued to have limited self-financed aid compared to previous years. This will ensure that we can repay the loans we took out during the pandemic, and can generate a positive result. The repayment of state loans began during the last months of the year. The growth in sales and close control of costs and expenses have enabled us to end 2022 with a better than expected positive result.

## 1.5. FUTURE DEVELOPMENTS

Over the coming years, we will work with four short-term objectives:

1. Repaying loans
2. Achieving pre-pandemic levels of self-financed aid
3. Increased focus on values and solidarity work, both internally and externally
4. Only exporting sorted materials

In order for us to be able to repay our loans and increase aid in the coming years, we need to continue working on targeted delivery and improving the efficiency of second-hand operations. This situation did not allow us to increase self-financed aid in 2022, but the groundwork will be laid to make this possible in the coming years. In 2022, we received positive advance notice from ForumCiv of increased support for our international anti-occupation programme. Despite the new government's cuts to the aid budget, this will mean a significant increase in support for Björkåfrihet's work.

After two years of the pandemic and a sharp focus on our finances and survival, the association will work to return to our core, so that our values permeate and characterise our operations. This will mean an increased focus on our solidarity work, both internally and externally.

We see a need to expand our sale of textiles within Sweden's borders so that we can reduce export sales and only export sorted materials in the long term.

### *Future need for help*

The needs in the regions where Björkåfrihet works are set to increase, as a consequence not only of the coronavirus pandemic but also of conflict escalation, people being forced to flee and the climate crisis. We believe states are failing in their responsibilities and that civil society organisations will continue to play an important role.

The occupations of Western Sahara and Palestine violate international law, and yet they are allowed to continue. There are widespread violations of the human rights of Sahrawis and Palestinians. There is still a major need for international pressure, as well as humanitarian and political support.

In Sweden, the new government's policy will have major consequences for the areas and the people we work with, such as increased vulnerability for refugees and a normalisation of racism. Björkåfrihet's partner organisations within the asylum justice movement are noticing an increased need for help as a result of this, and our continued support is important.



## 1.6. OTHER NON-FINANCIAL INFORMATION

### 1.6.1. Members

As at 31 December 2022, the association had 69 members, which is 26 more than in the previous year. The association is thus breaking the trend of declining membership. Regular membership costs SEK 200 per year, but those who need and want to have the option to pay between SEK 50 and SEK 500 for their membership. Membership confers the right to vote at the association's Annual General Meeting.

#### *Volunteers and volunteer work*

Volunteers have been regularly involved to a limited extent in the ongoing work in our shops and sorting facilities.

The value of this voluntary work has not been recognised in the income statement.

### 1.6.2. Employees

In 2022, Björkåfrihet had an average of 148 employees. Of these, 55 per cent were women and 45 per cent were men. Their duties related to day-to-day operations, including everything from collections, sorting and sales to project management and administration.

The association is affiliated with the employers' organisation Fremia, and has collective agreements with the Commercial Employees' Union and Unionen.

The association's units have held regular workplace meetings about ten times a year. At these meetings, employees have discussed issues such as the working environment and how systems and routines can be improved in terms of efficiency and goal fulfilment.

### 1.6.3. Management

#### *Board of Directors*

As of the Annual General Meeting on 23 April 2022, the association's Board consisted of a Chair, six members and two deputising members. The Chair was Mikela Lundahl Hero. The Board members were Johanna Söderman Wigh, László Sall Vesselényi, Pelle Hällje, Petra Lindberg, Maria Padrón Hernández and Johan Jensen. The deputising members were Selma Aldiri and Johanna Lindblad.

The Board held ten meetings in 2022. All meetings were minuted.

All Board activity was based on the Board's rules of procedure. The Board managed and minuted all attendance at Board meetings, including that of employees and/or co-opted members, and any conflicts of interest that arose.

Board members received fees during the year. With effect from the 2022 Annual General Meeting, SEK 2,000 has been paid per month to every Board member, including deputising members, who attended Board meetings in that month that had been agreed in advance. In addition, a further SEK 2,000 per month was paid to the Chair and SEK 1,000 per month to the Vice Chair that was not conditional on attendance at meetings. Members have also had travel costs reimbursed.

### *Management Team*

Up until October, the association was led by two Managing Directors: Gesica Tawakkoli Gunmalm, responsible for our second-hand operations, and Kristin Ivarsson, responsible for international work and PR. In October, these posts were abolished via an organisational change and replaced with a Secretary General. Kristin Ivarsson assumed the role of Secretary General in November. Gesica Tawakkoli Gunmalm left in October. In addition, the Management Team during the year comprised Helga Bennysdóttir (HR Director), Ann-Jeanet Jörgensen (Financial Director), Ulrica Tholander Edvardsson (Sales Director) and Jerry Larusson (Operational Director).

### *Nomination Committee*

The Nomination Committee positions were left vacant at the Annual General Meeting in April 2022.

### *Auditors*

Auditor: Inger Sjöberg, certified public accountant, Ernst & Young, Gothenburg.

Internal auditor: At the AGM in April 2022, the post of internal auditor was left vacant.

## **1.6.4. Other information**

### *90 accounts*

Björkåfrihet's activity is verified by Svensk Insamlingskontroll (Swedish Fundraising Control) and the association has two official '90 accounts', PlusGiro 90 01 71-0 and BankGiro 900-1710.

### *Representation on other boards*

Björkåfrihet has no representatives on any other organisation's board of directors.

### *Advocacy and sector involvement*

Björkåfrihet engages actively in public advocacy, with everything from window displays and member activities to trade fairs and opinion pieces in the daily newspapers.

Björkåfrihet is a member of CSR Västsverige, a network that works mainly on sustainability issues and in particular social development within ideologically-driven,

public and private organisations. Björkåfrihet is also a member of Avfall Sverige, a stakeholder body for organisations operating within the field of waste management.

### *Contact details*

Telephone: +46 31 23 30 80

Email: [info@bjorkafrihet.se](mailto:info@bjorkafrihet.se)

Address: Aröds industriväg 27, SE-417 05 Gothenburg

### *Internet*

Björkåfrihet can be found online at [www.bjorkafrihet.se](http://www.bjorkafrihet.se), [facebook.com/bjorkafrihet](https://facebook.com/bjorkafrihet) and [www.instagram.com/\\_bjorkafrihet\\_](https://www.instagram.com/_bjorkafrihet_).

### *Shops*

During 2022, Björkåfrihet operated six shops under its own auspices. A number of other shops were also run through partnerships with municipalities, and the addresses of these are listed at [www.bjorkafrihet.se/kompisbutiker](http://www.bjorkafrihet.se/kompisbutiker)

Lantmannagatan 59B	SE-214 48 Malmö, Sweden	+46 40 92 35 40
Linnégatan 9	SE-413 04 Gothenburg, Sweden	+46 31 775 35 40
Södra Förstadsgatan 14	SE-211 43 Malmö, Sweden	+46 40 643 91 88
Bergslenagatan 45	506 30 Borås, Sweden	+46 33 12 48 60
Ångpannegatan 5	SE-417 05 Gothenburg, Sweden	+46 31 51 81 16
Kronetorpsvägen 2	SE-232 37 Arlöv, Sweden	+46 40 643 91 92

## 2. MULTI-YEAR OVERVIEW

### Multi-year overview

SEK 000

From the balance sheet	2018	2019	2020	2021	2022
Cash and bank balances	11,672	14,141	13,776	9,459	12,538
Fixed assets	5,503	4,247	3,568	4,010	3,174
Current assets	20,995	19,804	22,742	25,756	27,145
Total assets	38,170	38,192	40,086	39,225	42,857
Current liabilities	2,511	3,585	8,905	10,763	12,898
Holiday pay liability	6,745	6,320	6,671	7,226	7,389
Trade payables	3,326	3,955	3,515	4,157	4,113
Equity	25,588	24,332	20,995	17,079	18,457
Total liabilities and equity	38,170	38,192	40,086	39,225	42,857

From the income statement	2018	2019	2020	2021	2022
Income from activities	102,696	109,367	92,948	104,444	126,525
Staff expenses	-61,508	-65,838	-56,836	-63,666	-73,653
Other expenses	-29,700	-35,519	-32,743	-37,960	-44,477
Depreciation/amortisation	-1,851	-1,867	-2,036	-1,621	-1,569
Financial income/expenses	-44	208	-118	172	506
Profit/loss before cash support	9,593	6,351	1,214	1,369	7,332
Cash support	-9,203	-7,895	-3,921	-3,928	-5,428
Profit/loss	390	-1,544	-2,707	-2,559	1,904

### Key ratios

	2018	2019	2020	2021	2022
Quick ratio	152%	143%	108%	82%	89%
Equity ratio	67%	64%	52%	44%	43%

#### Definitions of key ratios

*Quick ratio – Cash & Bank + Current assets less stocks/inventories as a percentage of current liabilities*

*Equity ratio – Equity as a percentage of total capital*

### 3. INCOME STATEMENT

SEK 000	Note	2022	2021
<u>Income from activities</u>			
Membership fees		10	9
Funds raised		29	58
Sales	1	117,522	89,517
Project grants	2	3,894	3,944
Wage subsidy received		617	644
Other income from activities	3	4,453	10,272
Total income		126,525	104,444
<u>Cost of activities</u>			
Project costs related to object	4,5 6,7	-9,848	-8,989
Collection costs		-113,826	-97,297
Administrative costs		-1,453	-889
Total costs		-125,127	-107,175
Profit/loss from activities		1,398	-2,664
<u>Result from financial investments</u>			
Interest income and similar profit/loss items		688	364
Interest expenses and similar profit/loss items		-182	-192
Total result from financial investment		506	172
Profit/loss after financial items		1,904	-2,559
Profit/loss for the year		1,904	-2,559

## 4. BALANCE SHEET

SEK 000	Note	31/12/2022	31/12/2021
<b>ASSETS</b>			
Fixed assets			
<i>Tangible fixed assets</i>			
Land and buildings	8	291	309
Equipment	9	2,483	3,701
		<hr/>	<hr/>
		2,774	4,010
Financial fixed assets			
Deposition		400	400
Total fixed assets		3,174	4,410
Current assets			
<i>Stock/inventories</i>			
Goods for resale		17,921	17,056
<i>Current receivables</i>			
Trade debtors		3,042	2,399
Other receivables			346
Tax receivables		649	794
Prepaid expenses and accrued income	10	5,533	4,761
		<hr/>	<hr/>
		9,224	8,300
<i>Current investments</i>			
Cash and bank balances		12,538	9,459
Total current assets		39,683	34,815
Total assets		42,857	39,225

SEK 000	Note	31/12/2022	31/12/2021
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Accumulated capital		16,044	18,603
Designated funds		528	1,035
Profit/loss for the year		1,885	-2,559
		<u>18,457</u>	<u>17,079</u>
<b>Current liabilities</b>			
Trade creditors		4,113	4,157
Other liabilities	11	9,008	7,337
Accrued expenses and deferred income	12	11,279	10,652
		<u>24,400</u>	<u>22,146</u>
<b>Total equity and liabilities</b>		<b>42,857</b>	<b>39,225</b>

## Change in equity (SEK 000)

	Designated funds	Accumulated capital	Profit/loss for the year	Total
Amount at start of year	1,035	18,603	-2,559	17,079
Reclassification of previous year's result		-2,559	2,559	0
Profit/loss for the year			1,904	1,904
Utilised designated funds	-526			-526
Allocation purpose				0
	509	16,044	1,904	18,457

## 5. CASH FLOW STATEMENT

	01/01/2022 - 31/12/2022	01/01/2021 - 31/12/2021
<u>Operating activities</u>		
Profit/loss from activities	1,398	-2,663
Adjustments for items not included in the cash flow		
Depreciation/amortisation	1,569	1,621
Retained interest	688	297
Interest paid	-183	-192
Cash flow from operating activities before changes in working capital	3,472	-938
Change in stock/inventories	-865	-1,152
Change in current receivables	-925	-1,862
Change in current liabilities	2,252	3,055
Cash flow from operating activities	3,934	-897
<u>Investment activities</u>		
Acquisition of tangible fixed assets	-328	-2,064
Cash flow from investment activities	-328	-2,064
<u>Financing activities</u>		
Change in designated funds	*-526	-1,356
Cash flow from financing activities	-526	-1,356
Cash flow for the year Increase/Decrease in cash and cash equivalents	3,080	-4,317
Cash and cash equivalents at the beginning of the year	9,459	13,776
Cash and cash equivalents at year end	12,539	9,459

The cash flow statement has been prepared using the indirect method. The cash flow reported only covers transactions that involved inward or outward payments. The association defines cash and cash equivalents as cash funds and credit available from banks and other credit institutions.

*\*A sum of SEK 526 thousand from designated funds has been utilised to supplement the cash support.*



## 6. SUPPLEMENTARY INFORMATION

### *Accounting and valuation principles*

Björkåfrihet's accounting and valuation principles are in accordance with the Swedish Annual Accounts Act and BFAR 2012:1 Annual Report and Consolidated Financial Statements (K3).

As the value of buildings is a very small amount, it has not been subdivided into components.

The accounting principles are also based on the Guidelines for Annual Reports produced by FRIL (the voluntary organisations' fundraising council).

Björkåfrihet uses an income statement classified by function.

### *Income reporting*

Income is shown at the fair value of what has been or will be received.

Grants from other organisations are shown in terms of the amounts that have been utilised. Unutilised amounts are shown as liabilities.

### *Project costs related to object*

Project costs are costs that are directly related to the vision and mission in Björkåfrihet's constitution. They include costs for our aid projects, information, awareness raising and material aid.

The item includes the salary costs and administrative costs for the staff working on these projects and shared costs allocated across all strands of our work.

### *Collection costs*

Collection costs include all aspects of our second-hand business, starting with the collection of clothing and other items, and finishing with these being sold in our shops. These include costs associated with handling material, such as transport, sorting, price labelling, export sales, retail sales and marketing. Collection costs also include expenditure on staffing and facilities in connection with collection.

### *Administrative costs*

Administrative costs are costs necessary for the administration of Björkåfrihet.

These include some of the salary costs for the organisation's Directors and the administrative staff (finance, HR, IT etc.) and allocated shared costs.

### *Receivables*

Receivables are recognised as the payment expected in each individual case.

### *Valuation of stock/inventories*

Donated goods are measured at their sale value less sales overheads and obsolescence.

### *Fixed assets*

Tangible and intangible fixed assets are measured at cost less depreciation/amortisation according to plan. Assets are depreciated/amortised systematically over their estimated economic life.

The following depreciation/amortisation periods have been applied:

Buildings	30 years
Improvements to another party's property	5–20 years
Equipment and vehicles	3–10 years

### *Accounting principle for the cash flow statement*

The cash flow statement has been prepared using the indirect method. The cash flow reported only covers transactions that involved inward or outward payments. The organisation defines cash and cash equivalents as cash funds and credit available from banks and other credit institutions.

## 7. NOTES TO THE INCOME STATEMENT AND BALANCE SHEET

### Note 1 Sales

	2022	2021
Retail sales	106,289	80,011
Sales through partnerships with municipalities	3,798	2,125
Wholesale sales	7,435	7,381
Total	117,522	89,517

### Note 2 Project grants

	2022	2021
ForumCiv	3,459	3,679
Swedish Institute	435	265
Total	3,894	3,944

Amounts of external grants taken up as income during the year correspond to the amounts of project costs during the year.

Unutilised portions of grants received are shown as liabilities.

The sum above includes grants for administration.

### Note 3 Other income

	2022	2021
Restructuring support	0	1,090
Short-term support	280	0
Compensation for sick pay expenses	517	1,156
Insurance compensation	961	5,437
Other income from activities	2,695	2,589
Total	4,453	10,272

### Note 4 Staffing

Salaries, other remuneration and social security expenses

	2022	2021
Salaries (senior management)*	1,137	1,061
Salaries and other remuneration (other employees)	52,127	44,570
Social security expenses including labour market insurances	19,519	17,123
Other staffing expenses	870	912
Total	73,653	63,666

*\*In 2022, the association was led for most of the year by the managing directors with responsibility for second-hand operations and for international work and PR (2 people).*

*During the year, work has been carried out for the association on a voluntary basis. The value of these efforts has not been reported in the income statement.*

#### Average number of employees

	2022		2021	
		Of whom men		Of whom men
Average number of employees	148	66	126	44

#### Board members and senior management

	2022		2021	
	Numbers at accounting year-end	Of whom men	Numbers at accounting year-end	Of whom men
Board members	9	3	6	2
Other senior management	1	0	2	0

#### Note 5 Leasing

Björkåfrihet primarily leases office, retail and warehousing premises, as well as lorries and trucks.

Leasing charges charged to expenses amount to SEK 18,867 thousand (previous year SEK 15,942 thousand).

Leasing charges fall due in the future as follows:

	2022	2021
Within 1 year	436	745
Within 1–5 years	15,657	10,806
Later than 5 years	3,994	3,984
Total	20,087	15,535

#### Note 6 Project costs related to object

	2022	2021
Support in Sweden	-1,020	-1,080
Support in Palestine/Lebanon		-3,867
-3,403		

Support in Western Sahara/Algeria		-287
-287		
Partnerships with municipalities	-1,285	-1,122
Other, including staffing costs	-3,852	-2,633
Total	-9,848	-8,989

## Note 7 Cash support

A sum of SEK 526 thousand from designated funds has been utilised to supplement the cash support in Sweden and Lebanon.

## Note 8 Land and buildings

	2022	2021
Accumulated cost		
Opening cost	560	560
Disposals	0	0
Closing accumulated cost	<u>560</u>	<u>560</u>
Opening depreciation/amortisation	-251	-233
Disposals	0	0
Depreciation/amortisation in the year	-18	-18
Closing residual value according to plan	<u>-269</u>	<u>-251</u>
Closing residual value according to plan	291	309

## Note 9 Equipment and vehicles

	2022	2021
Accumulated cost		
Opening cost	23,716	22,874
Disposals	-1,487	-1,221
Purchases in the year	333	2,063
Closing accumulated cost	<u>22,562</u>	<u>23,716</u>
Opening depreciation/reversal of disposal	-20,016	-19,634
Disposals	1,487	1,221
Depreciation/amortisation in the year	-1,551	-1,603
Closing accumulated depreciation/amortisation	<u>-20,080</u>	<u>-20,016</u>

Closing residual value according to plan	2,483	3,701
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#### Note 10 Prepaid expenses and accrued income

	2022	2021
Prepaid rental payments	3,559	3,057
Other prepaid expenses	1,916	1,579
Other accrued income	58	125
Total	5,533	4,761

#### Note 11 Current liabilities

	2022	2021
Tax deduction at source (PAYE)	918	908
Gift vouchers and credit notes	311	301
Other liabilities	7,779	6,128
Total	9,008	7,337

#### Note 12 Accrued expenses and deferred income

	2022	2021
Social security contributions and payroll tax	1,897	1,789
Holiday pay	7,389	7,226
Grants received but not utilised	0	435
Other items	1,993	1,202
Total	11,279	10,652

	31/12/2022	31/12/2021
<u>Pledged assets</u>		
Floating charge	7,300	7,300
Contingent liabilities	None	None

*Gothenburg, xx/xx/2023*

Mikela Lundahl Hero

*Chair*

László Sall Vesselényi

*Member*

Petra Lindberg

*Member*

Johanna Söderman Wigh

*Member*

Maria Padrón Hernández

*Member*

Johan Jensen

*Member*

Pelle Hällje

*Member*

Selma Aldiri

*Deputising member*

Johanna Lindblad

*Deputising member*

*Our auditor's report was submitted on 23/03/2023.*

Ernst & Young AB

Inger Sjöberg

Authorised public accountant