

ANNUAL REPORT

2016



**SAMMEN FÅR VI  
HJELPEN HELT FREM**



 **Norwegian Red Cross**



# THE FUNDAMENTAL PRINCIPLES OF THE INTERNATIONAL RED CROSS AND RED CRESCENT MOVEMENT

## **HUMANITY**

The International Red Cross and Red Crescent Movement, born of a desire to bring assistance without discrimination to the wounded on the battlefield, endeavours, in its international and national capacity, to prevent and alleviate human suffering wherever it may be found. Its purpose is to protect life and health and to ensure respect for the human being. It promotes mutual understanding, friendship, cooperation and lasting peace amongst all peoples.

## **IMPARTIALITY**

It makes no discrimination as to nationality, race, religious beliefs, class or political opinions. It endeavours to relieve the suffering of individuals, being guided solely by their needs, and to give priority to the most urgent cases of distress.

## **NEUTRALITY**

In order to continue to enjoy the confidence of all, the Movement may not take sides in hostilities or engage at any time in controversies of a political, racial, religious or ideological nature.

## **INDEPENDENCE**

The Movement is independent. The national societies, whilst auxiliaries in the humanitarian services of their governments and subject to laws of their respective countries, must always maintain their autonomy so that they may be able at all times to act in accordance with the principles of the Movement.

## **VOLUNTARY SERVICE**

It is a voluntary relief movement not prompted in any manner by desire for gain.

## **UNITY**

There can be only one Red Cross or one Red Crescent Society in any one country. It must be open to all. It must carry on its humanitarian work throughout its territory.

## **UNIVERSALITY**

The International Red Cross and Red Crescent Movement, in which all societies have equal status and share equal responsibilities and duties in helping each other, is worldwide.

*Proclaimed by the 20th International  
Conference of the Red Cross, Vienna, 1965.*

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The 2016 Annual Report has been prepared by the Communications and Marketing Department of the Norwegian Red Cross.

Graphic design: Bring Dialog  
Front page photo: Olav A. Saltbones  
Published: 2017

# 2016: Scope for humanitarian action under pressure

*The world needs the Red Cross – more now than for a long time*



**W**e live in a changing world. The humanitarian challenges we face are changing as well, both internationally and here at home in Norway. At the same time, we are seeing a considerable rise in volunteering in response to these great needs. The Norwegian Red Cross's voluntary work is helping people locally, nationally and internationally.

In 2016, the Norwegian Red Cross had more than 50,000 volunteers and was represented in every county in the country. We also increased our membership to 150,000. This allows the Norwegian Red Cross to help many people in Norway.

The number of conflicts is increasing; more people are being forcibly displaced and international crises continue. At the same time, emergency aid workers, both volunteers and full-time medical personnel, and civilians are being attacked in conflict areas. The Red Cross is extremely concerned about the international community's inability to protect civilians and the warring parties' lack of respect for the rules of war.

In 2016, we saw the serious crises in Syria, Iraq, Yemen, South Sudan, and Afghanistan,

as well as the situation around Lake Chad, escalate and worsen. Drought and conflicts have struck East Africa. Given this, it is distressing to note that an ever-increasing number of aid workers and hospitals are being attacked. The number of bombings, bombardments and kidnappings of aid workers has more than doubled in ten years.

The fundraising telethon hosted by the Norwegian Broadcasting Corporation (NRK) on 23 October for the Norwegian Red Cross raised no less than NOK 230 million, thanks to an impressive collective effort nationwide. Under the slogan "Together we get aid right to where it is needed", the event helped ensure that two million people will receive essential help. This proves that the spirit of voluntary work is by no means dead; rather the desire to help is perhaps stronger than it has been for a long time.

Great needs require great humanitarian efforts, and we have seen good results from our work. The Norwegian Red Cross saw an historic increase in its migration-related activities in 2016, during both the asylum seeking phase and the integration phase.

At the same time, the contribution made by our emergency response teams is significant. Our volunteers in the Search and Rescue Corps carried out a record number of operations in 2016. They have been out in treacherous weather, totally voluntarily, in order to help others simply because they care.

These efforts are absolutely vital to saving the lives and protecting the health of people who require emergency assistance. This voluntary response is worth a lot, both in terms of money and also because volunteering can function like a glue in society and increase people's trust in each other.

Thank you to all of the more than 50,000 volunteers in the Norwegian Red Cross who have put in thousands of hours because they care about others.

These days we can see that there are great humanitarian needs, both internationally and in Norway. Our scope for humanitarian action is under pressure. In such a situation, the need for a strong Red Cross is considerable. The world needs the Red Cross – more now than for a long time.

Bernt G. Apeland  
Secretary General

Sven Mollekleiv  
President of the Norwegian Red Cross



LIVE ON TV: Telethon leader Vibecke Østby (left) together with presenters Helene Sandvig, Jenny Skavlan and Misgina Ghebremeskel.

## The Norwegian Red Cross's telethon on NRK raised more than NOK 230 million

In October, 100,000 fundraisers went on their most important walk of the year and knocked on doors across the country to collect money for the Norwegian Red Cross's work for victims of war and conflict. Under the slogan "Together we get aid right to where it is needed", private individuals, schools, teams and associations mobilised to ensure that two million people will receive vital aid.

All of the funds raised will be used within five years. This allows us to provide quality, long-term help to victims of war and conflict.

The money will go to the Red Cross's work in nine countries: Syria, Lebanon, South Sudan, Afghanistan, Myanmar, Somalia, El Salvador, Guatemala and Honduras. The money will also go to help refugees who have arrived in Norway.



PATRONS: HM The Queen and HRH The Crown Princess were both patron's of the year's fundraising telethon. For the first time, the telethon had two royal patrons.

*It is 23 years since the Norwegian Red Cross last had a telethon on NRK.*



*EVERYONE SHOWED UP: Volunteers, celebrities, the royal family and politicians all helped with the fundraising telethon and contributed to a very good result.*

*(All photos: Olav A. Saltbones)*



Together we ensure comprehensive disaster preparedness and a more inclusive society.



**MUTUAL LEARNING:** "I like trying new things," said Olav Lundegaard. He has been a refugee guide for Faiz Juda and Ferah Zerie for a year. (Photo: Bjørn Sodeland)

## Language is the key to everything

**"Language is the key to understanding society. Without language, no communication, and without communication, no integration," says Faiz Juda (29) from Sudan.**

Faiz arrived in Norway alone five years ago and is now in his second year at Porsgrunn Upper Secondary School. We met him in a café in Skien together with his friend Ferah Zerie (19) from Eritrea and Red Cross volunteer Olav Lundegaard (65) from Norway. Ferah came to Norway with his family and is now taking his high school equivalency certificate at an adult learning centre.

Olav is an above-average active refugee guide who in his day-to-day work is an architect. He has been a refugee guide for four years, always taking on two at a time, and stays in touch with everyone for whom he has been a guide.

"Olav is both a friend and a grandfather. He's someone we can talk to about anything," said Faiz. The difference in age means nothing to them.

## The Norwegian Red Cross calls for an end to hostile comments

**In its 8 May campaign, the Norwegian Red Cross urged Norwegians to oppose hostile comments directed at refugees.**

With its "If you can talk, you can help" campaign, the Norwegian Red Cross wanted to awaken the silent majority who disagree with hostile comments, but who do not speak up against them. The limits for what is deemed acceptable are constantly being pushed further, and comments fields on social media are overflowing with ugly and untrue claims. Our goal was to increase respect for, and knowledge about, asylum seekers and refugees, and to ensure that they feel welcome. The Norwegian Red Cross's message was that successful integration requires us to talk with refugees and not about them.



**UGLY COMMENTS:** Hostile comments such as "Kick them out!" "Hope the whole lot go home again." "It's tragic witnessing Norway filling up with criminal individuals from a foreign culture," got people involved. (Illustrative photo)

In order to get people involved, the Norwegian Red Cross produced a film in which children who have moved to Norway read out actual hostile online comments.

The campaign generated 85,000 likes, more than 4,000 comments and was shared more than 26,000 times. Together with Try Reklame, the campaign won a gold Max Marketing Mix award.



**NORWEGIAN LANGUAGE TRAINING:** Every Wednesday, girls from different cultural backgrounds meet up at Bærum Red Cross to contribute to integration and build networks. (Photo: Thea Rabe)

## More language lessons needed in refugee reception centres

**To succeed with integration, we need more and better Norwegian language training. The Norwegian Red Cross is disappointed that the government is continuing to cut language lessons in refugee reception centres.**

In the autumn, the government cut language lessons in reception centres from 250 hours to 175 hours. The cuts continue and, in addition, 50 of these hours will have to be spent on mandatory lessons on culture and civics. This means a further reduction in the provision of Norwegian language training.

The Norwegian Red Cross is pleased that local authorities are receiving more money to support their settlement work. It is especially important that the extra grant of NOK 100,000 for settling unaccompanied minors is protected. The Norwegian Red Cross is also pleased that the government is relaxing the conditions for work permits for asylum seekers.



Farah Airifae, head the Syrian Arab Red Crescent's water team. They have installed water tanks on many roofs, including in the town of Al Hosn in the Homs region of Syria. (Photo: Olav A. Saltbones)

## Critical situation for civilians in Aleppo

**The intense fighting in Aleppo is threatening the civilian populations' chances of survival. "It will become impossible to meet vital needs if the fighting is not de-escalated," warned Sven Mollekleiv.**

"This is one of the worst urban conflicts in modern times and the parties must arrive at a solution that enables humanitarian aid to get in," said Mollekleiv in a clear message.

Food reserves are shrinking dramatically day by day. The main routes in are blocked because of the fighting and supplies are not getting into the city.

At the moment, the Syrian Arab Red Crescent is able to distribute food and

meet humanitarian needs in West Aleppo, but the security situation is very difficult. Supplies are not getting into East Aleppo, and the situation for civilians here is intolerable. The Red Crescent stands ready with supplies for more than 55,000 families and could increase its efforts if the supplies could get in.

The Red Crescent feeds 49,000 people every day in Aleppo, people who are internally displaced and cannot flee the city. 10,000 rations of bread are also distributed in various areas. 70,000 get their drinking water from water tankers. 33 water tanks have also been installed for the internally displaced in the city in 14 areas and help around 5,800 people.

## Volunteers' efforts make a difference!

**In Syria, the Red Crescent is providing vital help to ever more people. President Sven Mollekleiv praised the efforts of the volunteers.**

"They cross the front lines to bring out wounded every single day. They are playing a leading role in the largest humanitarian crisis for many decades. Without these volunteers, the situation inside Syria would have gone from terrible to indescribable," said Mollekleiv.



Almost 150 civilians were evacuated at night from a hospital in the old city district of Aleppo, helped by volunteers from the Syrian Arab Red Crescent and others. (Photo: Abdul Samea Homs/ Syrian Arab Red Crescent)



PROVISION: Solveig Horne received a "Friend diploma" from Bergen Red Cross Youth. (Photo: Annette Fischer)

## Kick-start for new youth project in Bergen

**On a visit to Bergen Red Cross, the Minister of Children and Equality, Solveig Horne, announced some good news. The Norwegian Red Cross will receive funds to start an open, social meeting place for youth.**

The project is based on the youth activities Street Mediation, Multimix and Homework Support starting a social meeting place for young people several nights a week. The funds will be provided by the Directorate for Children, Youth and Family Affairs and

were applied for in collaboration with the City of Bergen because both the local authority and Bergen Red Cross saw a need for provision for young people that is both religiously and politically neutral.

"The low threshold provision that Bergen Red Cross will offer is vital for creating safer and more inclusive childhood environments. I am glad that the funds being granted will allow them to continue their efforts to prevent young people falling through the cracks," said the Minister of Children and Equality, Solveig Horne.



Yohannes (19) and Kidsan (18) from Eritrea experienced the fissures on the Svellnos glacier. (Photo: Eivind Sørli)

## Record number To the Summit in 2016

**More than 1,000 immigrants and volunteers travelled to Galdhøpiggen during Norway's biggest and most vigorous integration measure.**

"Really fantastic!" Atef (19) has clambered across the Svellnos glacier's spectacular fissures.

"We have many high mountains in Eritrea, but no snow and no glaciers. This is the first time I've used sunblock!" he said.

Participants and volunteers could enjoy the hot sun and cloudless sky in Jotunheimen in 2016.

To the Summit brings together immigrants and volunteers in local hiking groups. The hiking groups can enjoy a number of activities, before, during and after the event.

## More search operations

**Our volunteers in the Search and Rescue Corps carried out a record number of operations in 2016.**

The Norwegian Society for Sea Rescue, Norwegian People's Aid and the Norwegian Red Cross are all nationwide disaster preparedness organisations that ensure people can be saved in all imaginable weather conditions in Norway. The government is proposing that these three should receive a fixed, annual percentage of the surplus from Norsk Tipping. In practice, this means that the government is earmarking the annual distribution of lottery funds to these organisations.

Both the Norwegian Society for Sea Rescue and the Norwegian Red Cross have defined roles in Norwegian disaster preparedness, through sea rescue services and accident prevention work along the coast and through the Norwegian Red Cross as a provider of support to the Norwegian authorities in times of both war and peace.

Volunteers in the Search and Rescue Corps went out in all sorts of weather, regardless of the time of day, to help others.



*TROLLTUNGA: Five tourists lost their way on the return hike from Trolltunga and the Search and Rescue Corps in Odda was mobilised. Operations leader Bjørn Arild Fjeldsbø received updates from the search teams. They have been in action many times this season.*

(Photo: Arild Blomkvist)



## Haiti and Cuba

**5 October 2016**

When hurricane Matthew was raging at its worst in October, the Red Cross quickly commenced aid efforts in Haiti and on Cuba. 4,000 volunteers from the Red Cross helped evacuate people to safe places and care for the wounded.

The Red Cross would like to thank everyone who donated to our various fundraising campaigns in 2016.

## Red Cross saving lives in the Mediterranean



*The Red Cross has now deployed its own rescue ship to help save the lives of people attempting to cross the Mediterranean to seek refuge and safety in Europe. (Photo: The Italian Red Cross)*

### **The Red Cross has deployed its own rescue ship to help save the lives of people attempting to cross the Mediterranean.**

In the space of 24 hours, the "Responder", which is based out of Malta, saved 327 migrants who were attempting to cross the Mediterranean to Italy. These included 19 children and 104 women.

In August, the rescue ship started its first 21-day patrol of the route between North Africa and Italy where most of the 3,100 drowning accidents occurred in 2016.

Volunteers from the Red Cross and the crew on board provide, among other things, first aid, medical assistance, food, dry clothes, blankets and toiletries. The team comprises a doctor, two nurses, a logistics coordinator and a cultural intermediary who helps the migrants with translation, information and other support. The operation is a collaboration between the Red Cross and the independent, non-profit organisation, Migrant Offshore Aid Station (MOAS).

The Norwegian Red Cross has contributed NOK 2.5 million to this important work. This came from funds raised from the Norwegian people to help migrants in need. We also stand ready to contribute medical personnel should this be necessary.

## First aid needs maintaining

### **"Too many Norwegians are not adequately prepared for crises," shows a new report.**

In a new survey conducted by TNS Gallup for the Norwegian Red Cross, 91% responded that they know what to do if someone collapses in the street and needs first aid. At the same time, the figures show that almost six out of ten (57%) possess outdated first aid knowledge.

In the last two years, the Norwegian Red Cross has focused on the preparedness of national and local authorities. However, this time it turns the spotlight on the general public's personal preparedness in its report "Together we can save more lives". In the same way as the Norwegian Mountain Code asks people to plan before they set out on excursions, all of us are being encouraged to take more responsibility.



*HAVE TO TRAIN: Illustration of basic first aid.*

*(Photo: Olav A. Saltbones)*



*MEETING PLACE: Working Together (Fellesverket) in Trondheim is a popular meeting place for young people.*

*(Photo: Marius Sunde Tvinnereim)*

## New youth activity centres

### **The Norwegian Red Cross and IKEA believe that good meeting places for young people are more important than ever. Activity centres are being launched in eight Norwegian cities.**

"We live in a performance-oriented society. Young people are under more pressure than ever before. Our activity centres provide them with a place where they do not need to perform – they can just be. This will help more young people feel a sense of coping, inclusion and being seen," says the President of the Norwegian Red Cross, Sven Mollekleiv.

This is the Norwegian Red Cross's first national project focusing on social meeting places for young people. Young people will now have a chance to get homework help, street mediation, work training and a place to be themselves.

In addition to financial support, IKEA will contribute expertise and knowledge to ensure that the activity centres place focus on the users' needs.

Thank you for helping to make a difference to people's lives.

# ANNUAL REPORT 2016

*In 2016, the Norwegian Red Cross's year was characterised by international crises, attacks on emergency aid workers and civilians, a record number of rescue operations in Norway and the telethon.*

*The world needs the Red Cross – more now than for a long time.*

In spite of fantastic progress in the world in the last 25 years with lower child mortality, a halving of extreme poverty, more people gaining access to clean water and schooling – major challenges still exist.

The number of conflicts in the world is rising – like Syria, Iraq, Yemen, South Sudan and Afghanistan. More people are being forcibly displaced. Climate changes are having an impact with stronger winds, heavier floods and more extreme weather.

We can see great humanitarian needs, both for emergency aid and also when it comes to the long-term strengthening of our local communities – sustainability and resilience – where people live. In line with the priorities of the Main Programme, the Norwegian Red Cross provides the most vulnerable in society with help, support and a hand to hold when a crisis strikes. We help with care and preparedness, warm hearts and fast hands when it really matters.

2016 was both a dramatic and an eventful year. We saw that global challenges also affect us at home – whether it be extreme weather due to global warming, migration or exclusion and the need for social inclusion. During the year, our record number of volunteers rolled up their sleeves and made an impressive effort for their fellow man in local communities – whether it was help with homework, as a refugee guide, as a member of the Search and Rescue Corps or as a visitor.

## **INTERNATIONALLY: ATTACKS ON CIVILIANS, EMERGENCY AID WORKERS AND MEDICAL PERSONNEL**

The Red Cross is extremely concerned about the international community's inability to protect civilians. In 2016, we saw the serious crises in Syria, Iraq, Yemen, South Sudan, and Afghanistan, as well as the situation around Lake Chad, escalate and worsen. The big losers in these conflicts are the civilians caught between the front lines, who often also lack essentials such as food, water and medicines.

The combination of drought and conflict is making the situation critical for 20 million people in the Middle East and East Africa who are trapped in a famine after a year with little rain and a high level of conflict.

The conflict in Syria continues. Our emergency aid work was struck when an aid convoy carrying food and medicines for 75,000 people was bombed from the air on the night of Monday, 19 September 2016. We are seeing a steadily increasing number of attacks on aid workers and hospitals. The lack of respect for international humanitarian law is underscored by the fact that the number of bombings, bombardments and kidnappings of aid workers has more than doubled in ten years.

Attacks on aid workers impact the civilian population in two ways: immediately, because medical personnel who can provide emergency help are affected, and in the long-term, because chronic illnesses can become life threatening without follow-up.

2016 was an unusual year for international relations. New enemy images, the building of walls rather than bridges, and increasing populism and extremism are challenging the room for humanitarian efforts. This is occurring at a time when the needs are greater than they have been for a long time.

## **A STABLE PARTNER**

Internationally, the Norwegian Red Cross enjoys a solid position in the Red Cross and Red Crescent Movement. When international crises strike, we are able to respond in a relevant and effective way as a part of the whole Movement. We do so against an ever more demanding backdrop with increasing humanitarian needs due to crises and natural disasters.

In the long-term humanitarian programmes, the Norwegian Red Cross is seen as a predictable and competent partner. With our presence in five parts of the world and 18 countries, we are able to support and contribute to the development of needs-oriented activities and services based on the voluntary services of 32 sister societies.

In 2016, a decision was made, with the encouragement of the National Board, that the President of the Norwegian Red Cross, Sven Mollekleiv, would stand as a candidate for the presidency of the International Federation of Red Cross and Red Crescent Societies (IFRC) at the general meeting in autumn 2017. The Norwegian Red Cross believes that Mollekleiv can help to make our international movement even stronger so we can help even more people.

## **A WORLD IN FLIGHT**

Globally, 65.3 million people were displaced at the start of 2016. 24.3 million of them had fled across a national border. 40.8 million of them were internally displaced. Children made up half of those who had been displaced.

The crisis in Syria was responsible for displacing the most people.

The countries that take in most refugees are Jordan, Turkey, Pakistan, Lebanon, South Africa, Iran, Ethiopia and Germany.

The refugee crisis is influencing the Red Cross's work, both nationally and internationally. The number of asylum seekers who arrived in Norway dropped dramatically from 2015 to 2016. The Norwegian Red Cross has met the humanitarian needs of migrants across the country, been there during the entire asylum seeking process and played an active role during the integration phase. There was an historic increase in the number of activities in 2016, both during the asylum seeking phase and the integration phase. We have had a presence at more than 60% of ordinary refugee reception centres and 50% of reception centres for unaccompanied minors.

In 2016, 34 local branches started a refugee guide service and this is now offered in 99 local authorities nationwide – and continues to grow. The Norwegian Red Cross also chose to focus on a new activity – Refugee Friend. This will forge contacts between young migrants and young Norwegians. Gaining a Norwegian friend gives young migrants a unique opportunity to establish



a network in their local community, learn about Norwegian culture, and practise the language. Norwegian language training provision has also been dramatically expanded and is now available in 111 local authorities. These increases in services would not be possible without an enormous mobilisation of volunteers, representatives and staff at all levels of the organisation.

The migration activities in the Norwegian Red Cross have also enjoyed a substantial financial boost, including thanks to increased external donations and grants. Going forward the challenges involve continuing to expand provision and being a key stakeholder in the collective integration work taking place locally in neighbourhoods nationwide.

The Norwegian Red Cross also works on at a legal and political level in the area of migration, as well as running awareness campaigns. The organisation highlighted the situation of unaccompanied minor asylum seekers in Norway to the authorities after we received numerous reports of concern from our volunteers. Unaccompanied minors are a vulnerable group and have experienced many traumatic experiences in their homelands and while seeking refuge. Reports of desperation, suicidal thoughts and mental health problems due to temporary residence permits that expire upon the child reaching the age of majority, worry the Norwegian Red Cross.

As part of our awareness raising work vis-à-vis integration, on 8 May we launched a campaign called *If you can talk, you can help* on Facebook. The premise of the campaign was that if we are to be successful when it comes to integration in Norway, we must be open and inclusive. We must start to talk to asylum seekers, not just *about* them. The campaign reached no fewer than 2.6 million people in Norway with its strong message and got a lot of people involved. The awareness raising campaign was supported by Red Cross Youth's own campaign "Be a bit friendlier". It does not take much to be a bit friendlier to each other.



### TELETHON RAISES NOK 230 MILLION

If there is one thing in particular that has had an impact on the Norwegian Red Cross in 2016, it was NRK's telethon on 23 October.

Thanks to an impressive team spirit nationwide and in all parts of the Norwegian Red Cross, we raised NOK 230 million – and achieved the target we had set. Under the slogan *Together we get aid right to where it is needed*, the event contributed to more than two million people, victims of war and conflict, receiving vital aid.

Nonetheless, this was so much more than just a fundraising event – it gave the Norwegian Red Cross an opportunity to show its wide-ranging, professional weight, who we are and what we stand for. We produced completely new digital teaching materials for schools. We saw immense local commitment – where communal efforts, fairs, friends breakfasts at refugee reception centres, events in schools, in kindergartens and at companies, celebrities and the royal family all contributed in their own way to help those who need help the very most.

### RECORD NUMBER OF RESCUE OPERATIONS

The Norwegian Red Cross is an important emergency preparedness organisation and stakeholder within civil protection in Norway.

The disaster preparedness year 2016, was very demanding and extremely hectic for the Norwegian Red Cross. Our volunteer Search and Rescue Corps carried out a record number of operations during the year: 1,641 operations, compared with 984 the year before. This is a 60% increase!

The dramatic rise in the number of rescue operations was due to many factors. However, the big increase in the number of international tourists visiting the Norwegian mountains accounted for a significant portion of the growth.

The local Search and Rescue Corps near Trolltunga particularly felt the effects of this. There were 42 operations here in 2016, compared with four in 2014. The pressure is very challenging and results in wear and tear



on both the teams and the equipment. We are proud of the work the Search and Rescue Corps do locally – across the country! The Search and Rescue Corps near Trolltunga were named *Rescue Heroes of the Year* by TV-Norge's "Norske Helter" programme. NRK Brennpunkt also made a programme about Trolltunga, which focused heavily on our work and volunteers. The execution of the operations, as well as their public visibility, was impressive and has really put the Search and Rescue Corps on the map – in a time where more extreme weather and more avalanches/landslides are making new demands on our communal preparedness.

The Norwegian Red Cross notes that going forward there will be a big need for evacuation, search and rescue, ambulance, avalanche and landslide, and water rescue operations.

There is also a pressing need for the general public to learn more about first aid. The Norwegian Red Cross has highlighted *personal preparedness* so that both individuals and we as a society will be better prepared for unforeseen events. Among other things, this was the Norwegian Red Cross's main theme during Arendal Week. The goal of our information work is to reduce society's vulnerability by ensuring more people are better physically, mentally and practically prepared for a crisis. A common thread runs from our international work, through building resilient communities, to carrying out first aid training at home, informing people and encouraging the public to have sufficient food, water and alternative heating sources in case a crisis occurs.

### NEW CHILDHOOD PROJECT AND MORE VISITORS

Norway is not just facing major challenges with respect to physical preparedness – new demands are also being made on our *social preparedness*. The Norwegian Red Cross's work on the inclusion of both vulnerable young people and lonely seniors is wide-ranging.

Norway is a good place to grow up in today – for the vast majority. Most children and young people have faith in the future, have



better relationships with both their parents and their peers, are doing better at school and are using fewer intoxicants compared with previous generations of young people.

Thanks to our activities, the Norwegian Red Cross comes into contact with children and young people every day through *Homework Help*, we talk with them in our counselling services *Cross My Heart* and we go on holiday with those who cannot afford to in *Holiday for All*.

Norway is one of the world's happiest countries to live in. But there is a darker side to this. The threshold is much higher for those who cannot afford to join in, for those whose home life is not good and for those who fall through the cracks than it is for those who are more fortunate.

The number of children growing up in persistent poverty is increasing. Since 2000, the proportion of children in poor families has more than doubled in Norway. More than 98,200 children in Norway are growing up in persistent poverty.

The Norwegian Red Cross works to identify, prevent and alleviate suffering. Every child is entitled to an equal chance. That is our starting point.

*Working Together* is the Norwegian Red Cross's nationwide, youth arenas project. Activity centres are being rolled out in eight Norwegian cities: Oslo, Bergen, Trondheim, Drammen, Ålesund, Tønsberg, Porsgrunn and Sandvika. The Norwegian Red Cross wants vulnerable young to feel safer and a sense of belonging in their every day lives. The Norwegian Red Cross wants to improve the childhood environments of children and young people by offering free, low-threshold activities that include, do not stigmatise, and meet young people on their own terms and provide them with a sense of confidence, mastery and satisfaction. We want to facilitate skills and networks, and help reduce the pressure to perform and loneliness amongst children.

The Norwegian Red Cross has, through 11 core activities and many local activities for children and young people, been there for vulnerable children across the country. The

activities range from the Children's Red Cross (BARK) to Homework Help, the role-playing game "Seeking Refuge" and Street Mediation.

Loneliness is still a big taboo subject. The number of seniors is increasing dramatically and one out of ten of those who live alone report a serious degree of loneliness. The Norwegian Red Cross offers visits and gives those who feel lonely the chance to talk to and be visited by a volunteer. In 2016, almost 7,000 of our visitors (600 of them with dogs) visited 12,000 lonely seniors. We have also put loneliness on the agenda with a conference about the topic that was visited by the Minister of Health and Care Services, Bent Høie. On the darkest day of the year, 21 December, we encouraged the public to light up someone else's day and become a visitor.

#### WARM HEARTS AND FAST HANDS

Volunteering plays a key role in the development of the Norwegian welfare state – in meeting the humanitarian needs we see.

While the public sector bases its activities on the obligation it has to fulfil the rights of individuals, volunteering meets that needs that the public sector cannot or will not meet. Where the welfare state fails, or where it has falls short, the Norwegian Red Cross and voluntary sector step in. We are both a safety net and a supplement. We identify needs and respond to them, as historically we always have done.

On several occasions it has been the Norwegian Red Cross that has taken the initiative to solve humanitarian needs. We led the way with respect to training nurses, building hospitals, receiving refugees, children's health, services for the disabled and kindergartens and daycare. The Norwegian Red Cross has taken the initiative. Many times the state has taken over the work started by the voluntary sector.

Today, we continue to meet needs that the state does not view as its job. We offer free homework help, medical help for undocumented migrants and emergency shelter for poor new arrivals.

In 2016, the Norwegian Red Cross had more than 50,000 volunteers and was represented in every county in the country. The number of volunteers has increased by no less than 20% since 2014. This level of commitment means that we have a unique opportunity to respond to humanitarian challenges at home and to be a strong voice for the most vulnerable in society.

#### FINANCIAL HIGHLIGHTS

The annual accounts cover the non-profit organisation known as the Norwegian Red Cross, a society whose purpose is not financial gain. The group accounts include the society accounts and the subsidiaries Røde Kors Sentrene AS, Røde Kors Husene AS, Røde Kors Førstehjelp AS, Hogst AS and Fairchance Norway AS. The organisation's head office is at Hausmannsgate 7 in Oslo.

The annual accounts do not cover the regional and local Red Cross branches in Norway, as these are independent organisations with their own by-laws. However, the accounts show the portion of the finances of the regional and local branches that comes from transfers from the Norwegian Red Cross. The accounts for 2016 show an operating surplus of NOK 68 million for the society, and NOK 62 million when subsidiaries are included.

Røde Kors Sentrene AS posted a surplus of NOK 0.8 million in 2016, while Røde Kors Førstehjelp AS posted a surplus of NOK 0.3 million and Røde Kors Husene AS posted a result close to break even. Fairchance Norway AS posted a deficit of almost NOK 5.0 million, while Hogst AS, in which the Norwegian Red Cross owns an 80% stake, posted a deficit of NOK 0.5 million in its start-up year.

Gross funds obtained for humanitarian purposes in 2016 were NOK 2,035 million for the society alone, and NOK 2,121 million inclusive of subsidiaries. In 2016, the Norwegian Red Cross had national revenues of NOK 1,090 million, of which NOK 982 million was for the international work of the Red Cross. This is NOK 318 million more than in 2015 and, together with the telethon, is the reason for the increase in revenues. Public grants for our work in Norway also rose from NOK 88 million in 2015 to NOK 108 million in 2016.



In 2016, the Norwegian Red Cross raised a total of NOK 543 million from members, private donors and the business community. This amount also includes membership fees and revenues from the Panto lottery, as well as NOK 192 million from the telethon. In addition to the telethon, the Norwegian Red Cross received NOK 40 million from the government, which in line with good accounting practice will be recognised as revenue as the funds are spent.

Income from the business community amounted to NOK 134 million, including Panto lottery revenues of NOK 32 million. NOK 41 million was from agreements entered into and NOK 61 million was from fundraising. In 2016, the Norwegian Red Cross had the following major partners: DNB, TINE, Det norske Veritas (DNV GL) and Statkraft.

NOK 38 million was raised from private donors for the victims in Syria. The Norwegian Red Cross's focus on regular donors was also very successful in 2016. Both the number of regular donors and the number of members rose. The Norwegian Red Cross now has a total of 78,818 regular donors (2015: 69,355) and 154,613 members (2015: 139,425). Private donors contributed, exclusive of the telethon and membership income, almost NOK 195 million to the Norwegian Red Cross's national and international work.

The Norwegian Red Cross presents its annual accounts after its activities for 2016 in accordance with accounting standards for non-profit organisations. In 2016, the Norwegian Red Cross spent NOK 1,690 million on humanitarian work (NOK 1,725 million including subsidiaries). Special-purpose expenses account for 90% of the society's total expenditure.

The Norwegian Red Cross spent NOK 53 million on administration of the organisation. This constitutes almost 2.8% of total expenditure. In addition to purely administrative expenses, NOK 58 million was spent on among shared expenses such as ICT, accounting/payroll, service centres and property in 2016.



The return on the financial portfolio generates an annual contribution to the humanitarian work of the Norwegian Red Cross. This ensures a stable income and long-term funding. Neither money collected through fundraising nor public grants are invested in the financial portfolio and the return ensures that we can withdraw NOK 90 million each year for humanitarian activities. Our aim is not only to help today, but also in the future. The funds allocated to the financial portfolio are funds saved from the era of gaming machine revenues.

At the end of the year, the Norwegian Red Cross had NOK 2,669 million invested in market-based current financial assets. All investments are made in securities funds and their composition takes into consideration security, risk diversification and liquidity.

The funds are managed in accordance with the guidelines adopted by the National Board, which stipulate, among other things, that all investments in equity funds are subject to ethical guidelines. The Norwegian Red Cross does not invest in companies that breach international conventions on human rights, working conditions, child labour and the environment, or companies which contribute to serious violations of the rights of individuals in war or conflict situations. In addition to this, the Norwegian Red Cross does not own shares in companies that invest in or manufacture weapons, tobacco, pornography or alcohol. The Norwegian Red Cross's vision is to move towards a fossil-free investment portfolio and it wants to achieve a lower proportion of carbon in its portfolio than the market. Similarly, no investments are made in companies from which the Government Pension Fund Global has withdrawn. All investments are subject to external review twice a year to ensure compliance with the ethical guidelines.

The interest portfolio carries a moderate credit risk and a good spread of issuers and number of securities. Money market funds had an average term of 0.2 years and bond funds 4.0 years. The Norwegian Red Cross has satisfactory liquidity and no measures have been adopted to change the liquidity risk.



The Norwegian Red Cross's pension scheme is with the Norwegian Public Service Pension Fund and it has a premium model in which the year's premium is the year's costs. This is a defined-benefit pension scheme for staff, although for accounting purposes it is treated as a defined-contribution pension. The obligation for the year is to pay the year's premium. Therefore, given the current model, the Norwegian Red Cross has no significant liability item that is recognised in the balance sheet and it is the Norwegian Public Service Pension Fund that is responsible for future pension disbursements.

## ORGANISATION AND THE ENVIRONMENT

The Norwegian Red Cross works actively in relation to sick leave and breaches of working hours provisions. The total sick leave rate in 2016 was 3.6% (1.3% short-term sick leave and 2.3% long-term sick leave). This is a decrease from 2015 when the sick leave rate was 4.2% (1.5% short-term and 2.7% long-term).

The Norwegian Red Cross has a working environment committee (AMU) which is also attended by representatives of the occupational health service. Safety deputies have been assigned for all safety areas. The occupational health service acts as an advisory service vis-à-vis following people on sick leave, safety inspections, working environment surveys and adapting workplaces. In 2016, the occupational health service primarily provided assistance within the areas of the psychosocial working environment, the follow-up of staff with health problems, and medical examinations in connection with travelling abroad and vaccinations. There were no serious injuries or accidents related to activities.

Social inclusion and diversity are important to the Norwegian Red Cross, and these are among the main areas of focus in the long-term and overall programmes. A read through of the staff list on 31 December 2016 indicated that around 15% of the staff have names that indicate an ethnicity other than Norwegian. As of March 2016, immigrants and those born in Norway to immigrant parents represented 16.3% of the total population. The Norwegian Red Cross's staff



represent a good balance in terms of age and gender, and the proportion of women in management positions is more than 50%. The Norwegian Red Cross encourages all qualified applicants to apply for advertised positions, regardless of age, gender, national or ethnic background, or disability. The workplace is adapted where necessary.

The organisation has a zero tolerance policy on corruption, fraud and abuse. Procedures have been established for issuing external and internal warnings within the Norwegian Red Cross.

The Norwegian Red Cross does not pollute the external environment beyond what is normal for this type of organisation.

**GOING CONCERN**

In accordance with section 3-3a of the Norwegian Accounting Act, it is confirmed that the assumptions for a going concern are in place. This is based on surplus forecasts for 2017 and long-term strategic forecasts for the Norwegian Red Cross in the coming years. The Norwegian Red Cross is in a healthy economic and financial position.

The 2016 Annual Report has been approved by the National Board.

Oslo, 28 April 2017

Sven Mollekleiv  
President of the Norwegian Red Cross

Hanne M Heggdal  
Vice President

Bernadette Nirmal Kumar

Irene Thorvaldsen

Olav Aasland

Mawra Mahmood

Audun Tron

Turid Ramsland Mong

Tone Sissel Kise

Snorre Gundersen  
Vice President

Charlott Nordström

Njål Høstmælingen

Benedikte Nilsen

Ole Gladsø

Morten Støldal

Ann-Rigmor Lauritsen

John Sjørusø

Bernt Apeland  
Secretary General

# ACTIVITY ACCOUNTS

All figures in thousands of NOK

GROUP				SOCIETY	
2016	2015		Note	2016	2015
<b>ACQUISITION OF FUNDS</b>					
39,573	39,294	Income from membership fees		39,573	39,294
1,090,143	771,904	Contributions from public authorities	1	1,090,143	771,904
246,574	250,366	Other contributions	2	246,574	250,366
472,711	302,432	Revenues from fundraising and donations	3	470,850	302,189
Revenues earned from activities divided by:					
62,559	56,539	- operational activities that fulfil the organisation's objectives	4	28,925	26,670
102,993	80,282	- revenue-generating activities		52,854	38,236
104,245	210,793	Financial and investment income		104,005	210,648
2,287	3,994	Other revenue		2,287	3,994
<b>2,121,085</b>	<b>1,715,604</b>	<b>GROSS REVENUE OBTAINED FOR HUMANITARIAN PURPOSES</b>		<b>2,035,210</b>	<b>1,643,301</b>
<b>FUNDS EXPENDED</b>					
Expenditure on generating funds:					
115,417	70,716	- fundraising costs	6, 8	115,417	70,716
76,605	62,436	- other expenditure on generating funds	6, 8	20,224	16,629
Special-purpose expenses:					
0	990	- donations, contributions, grants for org. objectives		0	990
- Costs of activities/contributions for org. objectives					
2.1 Prevention and response to save lives					
846,019	510,114	Contributions to ICRC/IFRC/sister societies		846,019	510,114
12,064	12,428	Contributions to regional/local branches		12,064	12,428
174,391	187,034	Costs of activities		174,391	187,034
2.2 Helping to protect health and livelihoods					
85,094	98,279	Contributions to ICRC/IFRC/sister societies		85,094	98,279
38,410	30,278	Contributions to regional/local branches		38,410	30,278
36,786	40,379	Costs of activities		36,786	40,379
2.3 Working for social inclusion and diversity					
14,100	13,673	Contributions to ICRC/IFRC/sister societies		14,100	13,673
46,530	30,379	Contributions to regional/local branches		46,530	30,379
53,392	52,729	Costs of activities		18,409	22,112
3.1 Building and developing strong, needs-oriented RC societies					
31,370	32,270	Contributions to ICRC/IFRC/sister societies		31,370	32,270
53,272	52,078	Contributions to regional/local branches		53,272	52,078
71,882	84,413	Costs of activities		71,882	84,413
3.2 Preventing and reducing vulnerability through advocacy					
Contributions to ICRC/IFRC/sister societies					
Contributions to regional/local branches					
35,568	33,545	Costs of activities		35,568	33,545
3.3 Developing an effective and sustainable organisation					
2,072	1,207	Contributions to ICRC/IFRC/sister societies		2,072	1,207
114,227	111,571	Contributions to regional/local branches		114,227	111,571
109,170	90,159	Costs of activities		109,170	90,159
43,173	39,007	Resources expended on organisational administration	8	52,926	38,829
<b>1,959,543</b>	<b>1,553,687</b>	<b>TOTAL</b>		<b>1,877,933</b>	<b>1,477,085</b>
<b>161,542</b>	<b>161,917</b>	<b>ANNUAL SURPLUS/DEFICIT FROM ACTIVITIES</b>		<b>157,277</b>	<b>166,216</b>
<b>INCREASE/DECREASE IN EQUITY</b>					
Equity with external restrictions				173,800	56,858
Equity with internal restrictions				16,927	0
Other equity				-33,450	109,358
<b>TOTAL ALLOCATED</b>				<b>157,277</b>	<b>166,216</b>

# BALANCE SHEET AT 31 DECEMBER

All figures in thousands of NOK

GROUP				SOCIETY	
2016	2015		Note	2016	2015
		<b>ASSETS</b>			
		<b>Fixed assets</b>			
		<b>Intangible assets and tangible fixed assets</b>			
241,192	243,899	Land, buildings and other real estate	13	241,192	243,899
22,582	18,877	Fixtures and fittings, inventory, equipment and means of transport	13	20,877	17,049
<b>288,211</b>	<b>289,650</b>	<b>Total intangible assets and tangible fixed assets</b>		<b>262,068</b>	<b>260,948</b>
		<b>Financial fixed assets</b>			
0	0	Investments in subsidiaries	14	100	28,500
26,170	26,170	Investments in equities and bonds	15	26,170	26,170
6,000	3,100	Other non-current receivables	16	45,816	19,056
<b>32,170</b>	<b>29,269</b>	<b>Total financial fixed assets</b>		<b>72,086</b>	<b>73,725</b>
<b>320,381</b>	<b>318,919</b>	<b>TOTAL FIXED ASSETS</b>		<b>334,154</b>	<b>334,673</b>
		<b>Current assets</b>			
32,348	28,062	Inventory	17	29,988	24,046
50,888	49,503	Accounts receivable		42,473	49,759
33,191	27,386	Other receivables	18	32,543	24,448
2,669,447	2,663,034	Market-based financial assets	19	2,669,447	2,663,034
499,903	319,935	Cash and cash equivalents	20	480,154	296,876
<b>3,285,777</b>	<b>3,087,919</b>	<b>Total current assets</b>		<b>3,254,605</b>	<b>3,058,163</b>
<b>3,606,158</b>	<b>3,406,839</b>	<b>TOTAL ASSETS</b>		<b>3,588,759</b>	<b>3,392,836</b>
		<b>EQUITY, RESTRICTED ASSETS AND LIABILITIES</b>			
		<b>Equity</b>			
522,540	348,740	Equity with external restrictions	21	522,540	348,740
16,927	0	Equity with internal restrictions	21	16,927	0
2,861,499	2,890,686	Other equity	21	2,849,408	2,882,858
<b>3,400,966</b>	<b>3,239,426</b>	<b>Total equity</b>		<b>3,388,875</b>	<b>3,231,598</b>
		<b>Current liabilities</b>			
78,381	70,849	Suppliers		71,694	62,555
29,663	17,287	Public duties payable		26,553	14,703
57,149	39,842	Unused public funds	1	57,149	39,842
39,998	39,435	Other current liabilities	22	44,488	44,139
<b>205,191</b>	<b>167,413</b>	<b>Current liabilities</b>		<b>199,884</b>	<b>161,238</b>
<b>205,191</b>	<b>167,413</b>	<b>Total liabilities</b>		<b>199,884</b>	<b>161,238</b>
<b>3,606,158</b>	<b>3,406,839</b>	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,588,759</b>	<b>3,392,836</b>

The Annual Accounts for 2016 have been approved by the National Board.

Oslo, 28 April 2017



Sven Mollekleiv  
President of the Norwegian Red Cross



Bernt Apeland  
Secretary General



Hanne M Heggdal  
Vice President



Snorre Gundersen  
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Mawra Mahmood



Ole Gladso



Audun/Tron



Morten Støldal



Turid Ramsland Mong



Ann- Rigmor Lauritsen



Tone Sissel Kise



John Sjørso

# CASH FLOW STATEMENT

All figures in thousands of NOK

GROUP			SOCIETY	
2016	2015		2016	2015
161,542	161,917	<b>Annual surplus/deficit from activities</b>	157,277	166,216
		<b>ITEMS IN THE ACTIVITY ACCOUNTS THAT HAVE NO DIRECT BEARING ON LIQUIDITY</b>		
15,958	11,731	+ depreciation, write-downs and reversal of write-downs	11,710	11,124
-372	-3,957	+/- loss/profit on disposal of other tangible fixed assets	-2,205	-3,957
15,586	7,774	<b>Total</b>	9,504	7,167
		<b>INVESTING, DISPOSAL AND FINANCING ACTIVITIES</b>		
-14,700	-5,942	- acquisition of other tangible fixed assets	-12,881	-3,925
616	13,491	+ selling price on disposal of other tangible fixed assets	616	13,491
0	4,000	+/- net investment/disposal of investments	28,400	4,000
-2,900	3,556	+ repayment/- assumption of current and non-current receivables	-26,760	-7,000
0	-910	- repayment/+ assumption of non-current liabilities	0	-310
<b>-16,985</b>	<b>14,195</b>	<b>Total</b>	<b>-10,625</b>	<b>6,255</b>
		<b>OTHER CHANGES</b>		
-7,190	6,195	+/- changes in accounts receivables and other receivables	-808	1,667
37,778	41,925	+/- changes in accounts payable and other current liabilities	38,646	39,017
-4,286	-3,570	+/- change in inventory	-5,942	-2,081
-64	109	+/- change in other accruals	1,639	-22
<b>26,238</b>	<b>44,659</b>	<b>Total</b>	<b>33,535</b>	<b>38,580</b>
186,381	228,545	<b>TOTAL CHANGES IN CASH AND CASH EQUIVALENTS DURING THE YEAR</b>	189,690	218,218
2,982,969	2,754,423	+ Holdings of cash and cash equivalents at 1 Jan	2,959,910	2,741,692
<b>3,169,350</b>	<b>2,982,969</b>	<b>= Holdings of cash and cash equivalents at 31 Dec</b>	<b>3,149,600</b>	<b>2,959,910</b>

Cash and cash equivalents include cash, bank deposits and financial assets assessed at fair value.

# NOTES

*The annual accounts cover the non-profit organisation known as the Norwegian Red Cross, a society whose purpose is not financial gain. The group accounts include the subsidiaries specified in Note 14. The annual accounts thus do not include the regional or local branches of the Norwegian Red Cross. These are independent organisations with their own statutes and are not controlled by the Norwegian Red Cross.*

## ACCOUNTING POLICIES

The annual accounts have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting practices for non-profit organisations.

### CONSOLIDATION POLICIES

The group accounts include the society accounts and the subsidiaries, Norges Røde Kors Sentrene AS, Røde Kors Husene AS, Røde Kors Førstehjelp AS, Fairchance Norway AS and Hogst AS. The group accounts have been prepared as if the group was a single economic entity. Transactions and balances between group companies have been eliminated. The group accounts have been prepared according to consistent principles, with the subsidiaries adhering to the same accounting principles as the parent company.

Acquired subsidiaries are included in the group accounts based on the purchase price to the parent company. Purchase price is linked to identifiable assets and liabilities in the subsidiary, which are entered in the group accounts at fair value at the time of acquisition. Any excess value over and above that which can be linked to identifiable assets and liabilities is entered in the balance sheet as goodwill. Excess value in the group accounts is depreciated on a straight line basis over the expected lifetime of the acquired assets.

### SUBSIDIARIES/ASSOCIATED COMPANIES

Subsidiaries and associated companies are assessed according to the cost method in the society accounts and associated companies are assessed according to the cost method in the group accounts. The investment is stated at acquisition cost for the shares unless writing down has been necessary. Writing down to fair value is carried out when the reduction in value is due to causes that cannot be deemed temporary and when it is deemed necessary in accordance with good accounting practice. Write-downs are reversed when the basis for the write-down is no longer present.

### REVENUE RECOGNITION

Revenue from members is recognised when it is received. Contributions from the public authorities to which restrictions are attached, are recognised as income in line with expenditure linked to the supported activity. Contributions that have not been recognised as income are entered on the balance sheet as a liability under "Unused public funds". Contributions and donations from other donors and revenues earned from activities are recogni-

sed as income when the organisation has the legal right of ownership to the contribution or donation, and the value can be reliably measured. The value of funds raised and donations is appraised at fair value on the date of receipt.

### CLASSIFICATION OF EXPENDITURE

In the activity accounts, expenditure is divided into three main categories: expenditure on generating funds, expenditure to achieve objectives and administrative expenses. Further details can be found in Notes 6, 7 and 8.

### CLASSIFICATION AND EVALUATION OF ASSETS AND LIABILITIES

Current assets and short-term liabilities comprise items that fall due within one year of the balance sheet date, as well as entries linked to circulation of stock. Other items are classified as fixed assets/non-current liabilities. The first year's repayment of a non-current liability is classified as a current liability.

Current assets are valued at the lower of acquisition cost and fair value.

Fixed assets are stated at purchase price but are written down to fair value unless the reduction in value is expected to be temporary.

### RECEIVABLES

Accounts receivable from customers and other receivables are entered on the balance sheet at face value less a provision for expected losses.

### INVENTORY

Inventory is valued at the lower of acquisition cost and real value.

### TANGIBLE FIXED ASSETS AND RIGHTS

Tangible fixed assets and rights are entered in the balance sheet and depreciated on a straight line basis over the expected lifetime of the asset. Direct maintenance of operating equipment is entered under operating expenses on an ongoing basis, while additional costs or improvements are added to the cost price of the fixed asset and depreciated in line with the fixed asset.

### MARKET-BASED FINANCIAL ASSETS

All of these financial investments are in highly liquid money market, bond and equity funds for which daily rates are listed in active markets, primarily the Oslo Stock Exchange.

Market-based financial assets are appraised at fair value on the balance sheet date without any deductions for expenses associated with the sale. A portion of the money market funds is held primarily for the purpose of sales or buy-backs in the short term, while the remaining funds are placed in a long-term portfolio of identified instruments which are managed together. Any changes in fair value are recognised in the income statement as financial and investment income/expenses. Market value and cost price for the various investments are specified in the accompanying notes to the accounts.

### PENSION OBLIGATIONS

The Norwegian Red Cross has a pension insurance agreement with the Norwegian Public Service Pension Fund that satisfies the requirements of the Norwegian Mandatory Occupational Pensions Act.

The Norwegian Red Cross's pension scheme in the Norwegian Public Service Pension Fund is a defined-benefit pension scheme for the employees, i.e. they have a right to a future pension based on factors such as the length of service and salary at the time of retirement. Consequently, in principle, the employer has an obligation to the employees to contribute to this pension. The scheme is a multi-enterprise scheme in which the premium is determined on the basis of all the enterprises covered by the scheme. The Norwegian Public Service Pension Fund has not made sufficient information available to allow the obligation relating to this scheme to be calculated. In line with good accounting practice in Norway, such multi-enterprises schemes are treated as defined-contribution plans for accounting purposes. In practice, this means that the period's pension expenses equal the premium paid to the Norwegian Public Service Pension Fund.

### ASSETS AND LIABILITIES IN FOREIGN CURRENCY

Financial items in foreign currency are entered at the exchange rate valid at the end of the accounting year.

### CASH FLOW STATEMENT

The cash flow statement is prepared in accordance with the indirect method. Cash and cash equivalents include cash, bank deposits and financial assets assessed at fair value.

**NOTE 1 - CONTRIBUTIONS FROM PUBLIC AUTHORITIES**

All figures in thousands of NOK	GROUP AND SOCIETY	
	2016	2015
Ministry of Foreign Affairs	902,433	599,216
Norad	79,900	84,309
Ministry of Justice	26,444	22,992
Directorate for Children, Youth and Family Affairs	16,145	14,184
Grants from the Distribution Committee (FUV)	1,386	1,501
Peace Corps	2,435	2,450
Directorate of Integration and Diversity (IMDi)	4,200	1,575
Directorate of Health/Ministry of Health and Care Services	12,403	9,922
Ministry of Defence	152	231
Gaming and Foundation Authority	26,706	20,610
Labour and Welfare Administration	250	1,600
Directorate of the Norwegian Correctional Service	1,841	1,474
Others	15,847	11,840
<b>Total</b>	<b>1,090,143</b>	<b>771,904</b>

The grants must be repaid if the scale of activities fails to correspond with the assumptions on which they are based. NOK 57,149,000 of the received public grants had been set aside as unused public funds at 31 December 2016 (the corresponding figure at 31 December 2015 was NOK 39,842,000). These funds are expected to be recognised as revenue in 2017 based on ongoing activities, accrued as unused public funds.

**NOTE 2 - OTHER CONTRIBUTIONS**

All figures in thousands of NOK	GROUP AND SOCIETY	
	2016	2015
Gaming and Foundation Authority	215,159	215,159
Contributions from sister societies	5,518	18,699
Echo	17,031	8,601
Health and rehabilitation	5,633	4,095
Norwegian Children and Youth Council (LNU)	3,233	3,204
Other	0	608
<b>Total</b>	<b>246,574</b>	<b>250,366</b>

**NOTE 3 - REVENUE FROM FUNDRAISING AND DONATIONS**

All figures in thousands of NOK	GROUP		SOCIETY	
	2016	2015	2016	2015
Endowments	12,515	3,387	12,515	3,387
Unrestricted donations/contributions	7,161	8,295	5,300	8,117
Donor programme	139,602	120,117	139,602	120,117
Trade and industry agreements	30,990	53,360	30,990	53,360
Fundraising	268,806	98,800	268,806	98,800
Memorial donations	568	582	568	582
Donations in the form of goods and services	5,656	9,873	5,656	9,873
Legacies	7,413	7,951	7,413	7,951
Investment support	0	65	0	0
<b>Total</b>	<b>472,711</b>	<b>302,432</b>	<b>470,850</b>	<b>302,189</b>

**NOTE 4 - REVENUES THAT FULFIL THE ORGANISATION'S OBJECTIVES**

All figures in thousands of NOK	GROUP		SOCIETY	
	2016	2015	2016	2015
Income from online store	6,458	6,114	6,458	6,114
Advertising revenues	203	206	203	206
Delegate fees	1,451	1,324	1,451	1,324
Rental income	14,004	13,639	14,004	13,639
Share revenue/sale of equipment, global work	4,419	3,663	4,419	3,663
Sales revenue, primary customers	33,634	29,869	0	0
Christmas campaign, sale of goods	618	540	618	540
Travel commission	76	37	76	37
Other revenue	1,696	1,148	1,696	1,148
<b>Total</b>	<b>62,559</b>	<b>56,539</b>	<b>28,925</b>	<b>26,670</b>

**NOTE 5 - DISTRIBUTION OF JOINT EXPENSES - SOCIETY**

All figures in thousands of NOK

All employees of the Norwegian Red Cross are employed to work on one or more objective activity/activities and the costs for these persons are distributed over the various activities. Joint expenses are allocated to the main activities according to the number of full-time equivalents linked to each activity.

**Joint expenses consist of the following:**

	2016	2015
Service centre/HR	10,624	9,143
Property management	11,522	12,097
ICT	24,254	25,601
Financial administration	11,577	10,941
<b>Total</b>	<b>57,977</b>	<b>57,782</b>

Joint expenses	Service centre/HR	Property	ICT	Financial administration.	TOTAL	
Total	10,624	11,522	24,254	11,577	57,977	
Expenditure on generating funds	771	837	1,761	841	4,210	7.3%
Special-purpose expenses:						
2.1 Prevention and response to save lives	5,872	6,369	13,406	6,399	32,046	55.3%
2.2 Helping to protect health and livelihoods	912	989	2,081	993	4,975	8.6%
2.3 Working for social inclusion and diversity	450	488	1,026	490	2,454	4.2%
3.1 Building and developing strong, needs-oriented RC Societies	890	966	2,032	970	4,858	8.4%
3.2 Preventing and reducing vulnerability through advocacy	202	219	462	220	1,104	1.9%
3.3 Developing an effective and sustainable organisation	1,282	1,391	2,928	1,397	6,998	12.1%
Administrative expenses	244	265	557	266	1,332	2.3%
<b>Total</b>	<b>10,624</b>	<b>11,522</b>	<b>24,254</b>	<b>11,577</b>	<b>57,977</b>	<b>100.0%</b>

**NOTE 6 - EXPENDITURE ON GENERATING FUNDS**

All figures in thousands of NOK

	GROUP		SOCIETY	
	2016	2015	2016	2015
<b>Fundraising costs</b>				
Fundraising and donations	99,542	62,240	99,542	62,240
Proportion of joint expenses	15,876	8,476	15,876	8,476
<b>Total</b>	<b>115,417</b>	<b>70,716</b>	<b>115,417</b>	<b>70,716</b>
<b>Other expenditure on generating funds</b>				
Costs of maintaining membership numbers and affiliation	16,384	14,171	16,384	14,171
Games/royalties	158	824	158	824
Proportion of staff functions	439	212	439	212
Expenses in subsidiaries	56,381	45,807	0	0
Proportion of joint expenses	3,243	1,422	3,243	1,422
<b>Total</b>	<b>76,605</b>	<b>62,436</b>	<b>20,224</b>	<b>16,629</b>

**NOTE 7 - EXPENDITURE ON OBJECTIVES - SOCIETY**

All figures in thousands of NOK

**Principal objective 1 – Prevention and response to save lives by:**

- strengthening our ability to identify and anticipate extraordinary events and crises, while making local communities aware of potential threats
- working to create safe local communities through local capacity building and prevention of serious incidents and humanitarian crises
- contributing to strengthening the national associations we work with to improve their response to humanitarian needs in their own countries
- having well-trained and competent personnel, and the equipment necessary for providing humanitarian assistance in various crisis situations and rescue operations
- helping people with acute needs, both physical and mental, as a result of disasters and crises, particularly in the areas of health, water and sanitation
- strengthening our care and emergency preparedness
- assisting and protecting people affected by violence and armed conflict
- developing and strengthening international humanitarian law such that it meets the challenges of present-day conflicts
- ensuring that the gender perspective is addressed

	2016	2015
National	64,371	52,691
International	955,015	645,792
Proportion of joint expenses	13,088	11,094
<b>Total</b>	<b>1,032,474</b>	<b>709,576</b>

**Principal objective 2 – Helping to protect health and livelihoods by:**

- strengthening efforts in care and public health work
- helping to give children and young people a safe upbringing
- helping to prevent child abuse
- contributing to the development of programmes for good health services and preventive efforts throughout the entire Red Cross and Red Crescent movement
- contributing to the achievement of international Red Cross objectives to reduce mortality and the number and scale of diseases and infections

	2016	2015
National	47,289	36,540
International	111,194	131,015
Proportion of joint expenses	1,807	1,381
<b>Total</b>	<b>160,290</b>	<b>168,936</b>

**Principal objective 3 - The Red Cross shall work for social inclusion and diversity by:**

- being an inclusive organisation where people can use their resources
- working to ensure different community groups are represented among the volunteers, elected officials and participants
- providing information about and working to combat all forms of discrimination, oppression, intolerance and racism
- promoting equality at work to ensure human dignity
- having activities that promote social inclusion and prevent loneliness
- alleviating the loneliness and isolation of prison inmates
- having activities that contribute to after-care and social inclusion of people with substance abuse, people who have been released from prison or people suffering from mental illness
- providing humanitarian assistance to migrants in need, and monitoring their rights
- ensuring that the gender perspective is addressed

	2016	2015
National	60,953	48,631
International	15,486	16,473
Proportion of joint expenses	2,373	1,059
<b>Total</b>	<b>78,812</b>	<b>66,163</b>
	<b>2016</b>	<b>2015</b>
<b>Total for principal objectives 1-3</b>	<b>1,271,576</b>	<b>944,676</b>

**NOTE 8 - PERCENTAGE SPENT ON ADMINISTRATION AND OBJECTIVES- SOCIETY**

All figures in thousands of NOK

According to accounting standards for non-profit organisations, administration refers to those activities carried out in order to run the organisation and those expenses that cannot be attributed to specific activities. These expenses include costs relating to senior management, audit and legal fees, preparation of public accounts, as well as costs associated with the National Board and committees. The distribution of joint expenses is described in note 5. The administration has its share of distributed joint expenses. From and including 2008, financial expenditure is reported as a proportion of resources used for administering the organisation.

	2016	2015	2014	2013	2012
Total administrative expenses	52,926	38,829	40,009	31,073	21,503
Total expenditure	1,877,933	1,477,085	1,341,198	1,294,845	1,148,417
<b>Percentage for administration</b>	<b>2.8%</b>	<b>2.6%</b>	<b>3.0%</b>	<b>2.4%</b>	<b>1.9%</b>
Expenditure on objectives	1,689,365	1,349,920	1,236,200	1,193,264	1,071,473
Total expenditure	1,877,933	1,477,085	1,341,198	1,294,845	1,148,417
<b>Percentage for objectives</b>	<b>90.0%</b>	<b>91.4%</b>	<b>92.2%</b>	<b>92.2%</b>	<b>93.3%</b>
	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
<b>Fundraising percentage:</b>					
Revenue from fundraising and donations	470,850	302,189	218,659	192,445	132,114
<b>Total funds raised</b>	<b>470,850</b>	<b>302,189</b>	<b>218,659</b>	<b>192,445</b>	<b>132,114</b>
Expenditure on generating funds	135,642	87,345	65,039	70,508	55,414
Other expenditure for generating funds	-20,224	-16,629	-16,563	-12,651	-12,409
<b>Expenditure on generating funds</b>	<b>115,417</b>	<b>70,716</b>	<b>48,476</b>	<b>57,856</b>	<b>43,004</b>
Net funds raised	355,432	231,472	170,183	134,588	89,110
<b>Fundraising percentage</b>	<b>75.49%</b>	<b>76.60%</b>	<b>77.83%</b>	<b>69.94%</b>	<b>67.45%</b>

**NOTE 9 - CLASSIFICATION BY TYPE**

All figures in thousands of NOK

GROUP			SOCIETY	
2016	2015		2016	2015
		<b>Revenues</b>		
1,090,143	771,904	Contributions from public authorities	1,090,143	771,904
246,574	250,366	Other contributions	246,574	250,366
472,711	302,432	Donations and contributions	470,850	302,189
207,412	180,109	Other operating income	123,639	108,194
<b>2,016,840</b>	<b>1,504,811</b>	<b>Total revenues</b>	<b>1,931,205</b>	<b>1,432,653</b>
		<b>Expenses</b>		
98,313	92,047	Cost of goods sold	62,066	64,067
322,945	306,665	Payroll costs	289,159	275,981
15,958	11,731	Depreciation	11,710	11,124
0	0	Write-downs	0	0
266,968	239,771	Other operating expenses	249,886	222,616
1,250,489	901,597	Cash contributions	1,250,489	901,597
<b>1,954,673</b>	<b>1,551,811</b>	<b>Total expenses</b>	<b>1,863,310</b>	<b>1,475,386</b>
<b>62,167</b>	<b>-47,000</b>	<b>Operating surplus/deficit</b>	<b>67,895</b>	<b>-42,733</b>
4,267	6,316	Interest income	4,026	6,172
99,979	204,477	Change in value of financial assets	99,979	204,477
0	0	Write-downs of equities/subordinated loans	10,000	0
4,871	1,876	Interest charges	4,623	1,699
<b>99,375</b>	<b>208,916</b>	<b>Net financial items</b>	<b>89,382</b>	<b>208,949</b>
<b>161,542</b>	<b>161,917</b>	<b>Year's surplus/deficit</b>	<b>157,277</b>	<b>166,216</b>
		<b>Allocation of year's surplus/deficit</b>		
		Transfer to/from equity/ext. restr.	173,800	56,858
		Transfer to/from equity/ext. restr.	16,927	
		Transfer to other equity	-33,450	109,358
		<b>Total allocated</b>	<b>157,277</b>	<b>166,216</b>

**NOTE 10 - NUMBER OF FULL-TIME EQUIVALENTS (FTEs)**

	GROUP		SOCIETY	
	2016	2015	2016	2015
Number of FTEs - full-time employees	318	290	244	230
Number of FTEs - temporary employees	42	27	42	27
<b>Total</b>	<b>360</b>	<b>317</b>	<b>286</b>	<b>257</b>

Average full-time equivalents at the regional offices were 268 permanent/43 temporary, (these are not included in the table above). The corresponding FTEs figures for 2015 were 246/19. Less than 22 of the increase in temporary staff FTEs from 2015 to 2016 in the society's head office were directly linked to the telethon.

**NOTE 11 - REMUNERATION TO MANAGEMENT**

All figures in thousands of NOK

Remuneration to executive personnel	SECRETARY GENERAL	NATIONAL BOARD
Payroll	1,126	0
Pension costs	20	0
Other remuneration	117	104
<b>Remuneration to the auditor is distributed as follows:</b>	<b>GROUP</b>	<b>NORWEGIAN RED CROSS</b>
Auditing services	586	449
Other certification services	1,321	1,313
Advice on taxes and fees	104	8
Other assistance	328	191
<b>Total</b>	<b>2,339</b>	<b>1,961</b>

In addition, BDO Rådgivning conducted a project worth NOK 268,000 relating to safety and preparedness.

**NOTE 12 - TRANSACTIONS WITH CLOSE ASSOCIATES**

All figures in thousands of NOK

The Norwegian Accounting Act requires disclosure of transactions with close associates. The International Federation of Red Cross and Red Crescent Societies (IFRC), all Red Cross regional offices, local Red Cross branches, subsidiaries and the Norwegian Red Cross Humanitarian Fund are close associates of the Norwegian Red Cross. An overview of important transactions with these parties is shown below.

Employer responsibility for staff at the Norwegian Red Cross and 18 of the 19 regional offices lies with the Norwegian Red Cross. The regions are invoiced monthly for salary costs. The regional offices also receive a proportion of pro bono joint services such as switchboard, ICT, HR, accounts and payroll.

	<b>2016</b>	<b>2015</b>
<b>To the IFRC</b>		
Contributions to various programmes	214,245	133,134
Membership fees	6,938	5,130
<b>From Norwegian Red Cross regional offices</b>		
Donations for disasters	321	1,126
Salaries/travel expense	123,707	101,552
<b>To Norwegian Red Cross regional offices</b>		
Salaries/travel expenses	123,707	101,552
Framework transfers	73,338	71,410
Services provided (pro bono)	27,831	25,003
Support for various local activities	7,895	11,741
Support for care activities	14,095	19,313
Support for disaster preparedness and search and rescue corps work	3,986	2,435
Transfers of proportion of membership fees	2,277	2,604
Transfers of business community support	2,268	6,039
Transfers from ExtraStiftelsen	1,571	2,185
Support for child and youth activities	36,223	30,268
Support for youth delegates	527	642
Support for the refugee crisis	26,236	11,478
Skills enhancement	1,975	
<b>From local branches</b>		
Donations for disasters	1,461	7,809
<b>To local branches</b>		
Transfers of proportion of membership fees	23,435	26,531
Support for disaster preparedness and search and rescue corps work	4,534	1,903
Transfers of share of Panto lottery	16,046	14,550
Support for care activities	3,401	1,324
Transfers from FriFond	3,071	3,051
Support for child activities	3,709	246
Transfers from ExtraStiftelsen	881	862
Support for the refugee crisis	1,000	
<b>To subsidiaries</b>		
Purchase of stays at centres and first aid products	3,334	3,472
<b>From subsidiaries</b>		
Rent and telephony	3,088	2,709
<b>From the Norwegian Red Cross Humanitarian Fund</b>		
Contributions for objectives	195	260

The Norwegian Red Cross Humanitarian Fund is an independent foundation, but has the same board as the Norwegian Red Cross.



**NOTE 14 - INVESTMENTS IN SUBSIDIARIES**

All figures in thousands of NOK

The Norwegian Red Cross directly owned the following companies at 31 December 2016:

Company	Acquisition year	Voting share/ Stake	Cost price	Balance sheet 31.12.15	Balance sheet 31.12.16	Equity ratio at 2016	Share of Surplus/deficit 2016
Røde Kors Husene AS, Hausmannsgt 7, 0186 Oslo	2004	100%	26,919	100	100	75	-21
Norges Røde Kors Sentrene AS, Hausmannsgt 7, 0186 Oslo	2004	100%	13,281	2,000	0		
Røde Kors Førstehjelp AS, Sandbrekkveien 95, 5225 Nesttun	2008	100%	5,000	1,400	0		
Fair Chance Norway AS, Hausmannsgt 7, 0186 Oslo	2013	100%	25,000	25,000	0		
			<b>70,200</b>	<b>28,500</b>	<b>100</b>	<b>75</b>	<b>-21</b>

The Norwegian Red Cross indirectly owned the following companies via Røde Kors Husene AS at 31 December 2016:

Company	Acquisition year	Voting share/ Stake	Acquisition cost	Equity share 31.12.16	Share of result 31.12.16
Norges Røde Kors Sentrene AS, Hausmannsgt 7, 0186 Oslo	2016	100%	1,008	1,852	844
Røde Kors Førstehjelp AS, Sandbrekkveien 95, 5225 Nesttun	2016	100%	4,408	4,719	311
Fair Chance Norway AS, Hausmannsgt 7, 0186 Oslo	2016	100%	25,000	14,074	-4,988
Hogst AS, Klæbuveien 118, 7031 Trondheim	2016	80%	4,000	3,559	-441
			<b>34,416</b>	<b>24,205</b>	<b>-4,274</b>

**NOTE 15 - SHARES IN OTHER COMPANIES**

All figures in thousands of NOK

	Voting share/ Stake	Acquisition cost Cost	Book value 31.12.16	Book value 31.12.16
Shares in other companies				
Shares in Norsk Pantelotteri AS	40%	28,000	24,000	24,000
Shares in De 10 Humanitære AS	13%	15	15	15
Shares in Ambulanseforum AS	44%	44	44	44
Shares in Fair Chance Group AS	1%	3,047	1,947	1,947
Other		164	164	164
<b>Total</b>		<b>31,270</b>	<b>26,170</b>	<b>26,170</b>

**NOTE 16 - OTHER LONG-TERM CLAIMS**

All figures in thousands of NOK

Other non-current receivables	GROUP		SOCIETY	
	2016	2015	2016	2015
Other non-current receivables that mature in more than one year constitute:				
Loans to subsidiaries	0	0	39,816	12,400
Loan to Red Cross societies - 2nd priority mortgage	6,000	3,100	6,000	6,656
<b>Total</b>	<b>6,000</b>	<b>3,100</b>	<b>45,816</b>	<b>19,056</b>

**NOTE 17 - STOCK**

All figures in thousands of NOK

	GROUP		SOCIETY	
	2016	2015	2016	2015
Disaster preparedness stores	27,541	22,167	27,541	22,167
Other goods	4,807	5,894	2,448	1,878
<b>Total</b>	<b>32,348</b>	<b>28,062</b>	<b>29,988</b>	<b>24,046</b>

**NOTE 18 - OTHER RECEIVABLES**

All figures in thousands of NOK

Other receivables	GROUP		SOCIETY	
	2016	2015	2016	2015
Accrued income	17,246	17,095	17,246	17,095
Prepaid expenses	15,855	10,200	15,207	7,263
Other current receivables	90	90	90	90
<b>Total</b>	<b>33,191</b>	<b>27,386</b>	<b>32,543</b>	<b>24,448</b>

**NOTE 19 - MARKET-BASED FINANCIAL ASSETS**

All figures in thousands of NOK

Fund type	2016				2015			
	Market value	Cost price	Yield	Yield in %	Market value	Cost price	Yield	Yield in %
Bond funds	864,305	829,926	28,100	3.36%	836,205	856,705	9,312	1.11%
Money market funds	536,542	535,776	10,392	2.08%	526,412	537,180	5,113	1.04%
Equity funds	1,268,600	736,819	58,054	4.69%	1,300,417	793,099	186,629	15.52%
<b>Total</b>	<b>2,669,447</b>	<b>2,102,521</b>	<b>96,546</b>	<b>3.80%</b>	<b>2,663,034</b>	<b>2,186,984</b>	<b>201,054</b>	<b>8.43%</b>

The Norwegian Red Cross has invested NOK 2,669 million in market-based equities and bonds. All of the investments are in securities funds and have been designed to take account of safety, the spread of risk, liquidity and ethical considerations, in accordance with the guidelines laid down by the Board.

The Norwegian Red Cross adopts a conscious attitude to relative risk in the various markets in which it invests. In order to manage the risk relative to the index/market, some parts of the interest and equity portfolio will always be attempted to be invested under index-linked or near-index-linked management. Relative risk is an indication of how much the active return on the fund may fluctuate both positively and negatively in relation to the market (i.e., in relation to the reference index).

**The active returns on investments in 2016 were as follows:**

Norwegian shares:	1.8%
Foreign shares:	2.6%
Norwegian interest (Norwegian bonds + Norwegian money market):	0.8%
Foreign interest:	1.5%

**NOTE 20 - CASH AND CASH EQUIVALENTS**

All figures in thousands of NOK

	GROUP		SOCIETY	
	2016	2015	2016	2015
Cash and cash equivalents	499,903	319,935	480,154	296,876
<b>Of which the following is restricted:</b>				
Withholding tax	17,906	15,890	16,416	14,399
Unused public funds*	58,198	40,856	58,198	40,856
<b>Total restricted funds</b>	<b>76,105</b>	<b>56,745</b>	<b>74,614</b>	<b>55,254</b>
<b>Liquid funds at the disposal of the Norwegian Red Cross</b>	<b>423,798</b>	<b>263,189</b>	<b>405,540</b>	<b>241,622</b>

\* According to the terms for such funds, the credited interest devolves to the state not the Norwegian Red Cross.

**NOTE 21 EQUITY**

All figures in thousands of NOK

<b>NORWEGIAN RED CROSS GROUP</b>	<b>Equity external restriction</b>	<b>Equity internal restriction</b>	<b>Other equity</b>	<b>Total equity</b>
Equity at 1 Jan	348,740		2,890,686	3,239,426
Funds carried over	477,011	20,000	4,263	501,274
Funds transferred to activities	-303,211	-3,073	-33,450	-339,734
Year's surplus/deficit	173,800	16,927	-29,187	161,542
Redistributed funds/other				
<b>Equity at 31 Dec</b>	<b>522,540</b>	<b>16,927</b>	<b>2,861,499</b>	<b>3,400,966</b>

<b>SOCIETY GROUP</b>	<b>Equity external restriction</b>	<b>Equity internal restriction</b>	<b>Other equity</b>	<b>Total equity</b>
Equity at 1 Jan	348,740		2,882,858	3,231,598
Funds carried over	477,011	20,000		497,011
Funds transferred to activities	-303,211	-3,073	-33,450	-339,734
Year's surplus/deficit	173,800	16,927	-33,450	157,277
Redistribution				
<b>Equity at 31 Dec</b>	<b>522,540</b>	<b>16,927</b>	<b>2,849,408</b>	<b>3,388,875</b>

**NOTE 22 - OTHER NON-CURRENT LIABILITIES**

All figures in thousands of NOK

<b>Other non-current liabilities</b>	<b>GROUP</b>		<b>SOCIETY</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
Allocated holiday pay	30,883	27,643	29,972	26,661
Accrued interest on funds from MFA/Norad	1,049	1,014	1,049	1,014
Prepaid income	0	0	0	0
Income to be redistributed	23	2,369	23	2,369
Other current liabilities	8,043	8,408	13,444	14,095
<b>Total</b>	<b>39,998</b>	<b>39,435</b>	<b>44,488</b>	<b>44,139</b>



BDO AS  
Munkedamsveien 45  
Postboks 1704 Vika  
0121 Oslo

## Independent Auditor's Report

To the Control Committee of Norwegian Red Cross

Report on the Audit of the Financial Statements

### Opinion

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We have audited the financial statements of Norwegian Red Cross. The financial statements comprise:

- The financial statements of the society, which comprise the balance sheet as at 31 December 2016, and the activity statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The financial statements of the group, which comprise the balance sheet as at 31 December 2016, and the activity statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- The financial statements are prepared in accordance with the law and regulations.
- The accompanying financial statements give a true and fair view of the financial position of the society as at 31 December 2016, and its financial performance for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.
- The accompanying financial statements give a true and fair view of the financial position of the group as at 31 December 2016, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

### Basis for Opinion

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We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society and the Group as required by laws and regulations, and we have fulfilled our other 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 opinion.

### Other information

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Management is responsible for the other information. The other information comprises the National Board's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

#### Responsibilities of the National Board and the Secretary General for the Financial Statements

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The National Board and the Secretary General (management) are responsible for the preparation in accordance with law and regulations, including fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Society's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

#### Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:



- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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 internal control relevant to the 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 Society's or the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society'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 financial statements or, if such disclosures are inadequate, to modify our opinion. 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 Society to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the National Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit

## Report on Other Legal and Regulatory Requirements

### Opinion on the National Board's report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the National Board's report concerning the financial statements, the going concern assumption, and the proposal for the allocation of the profit is consistent with the financial statements and complies with the law and regulations.



#### Opinion on Registration and Documentation

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Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the society's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Oslo, 24. May 2017  
BDO AS

Erik Lie  
State Authorised Public Accountant

Note: This translation from Norwegian has been prepared for information purposes only.

### CONTROL COMMITTEE 2014-2017

Chair: Pål Hauge, Hordaland Red Cross  
Vice-chair: Bjørn Valvik, Sogn og Fjordane Red Cross  
Member: Anne Jorun Kjær, Oslo Red Cross  
Member: Trude Mathisen, Nord-Trøndelag Red Cross  
Member: Trond Midtbøen, Telemark Red Cross  
Co-opted member: Ivar Elshaug, Sør-Trøndelag Red Cross  
Co-opted member: Bernt Tore Djuv Meling, Rogaland Red Cross

### SECRETARY GENERAL

Åsne Havnelid until 19 August 2016  
Tørris Jæger, acting, from 19 August 2016–1 November 2016  
Bernt Apeland from 1 November 2016

### NORWEGIAN RED CROSS PATRON

HRH Crown Princess Mette-Marit

### NORWEGIAN RED CROSS HONORARY MEMBERS

HM Queen Sonja  
Astrid Nøklebye Heiberg  
Thorvald Stoltenberg  
Roald Sæterdal

### NORWEGIAN RED CROSS MERIT MEDAL

Helge Arnt Vatne, Møre og Romsdal Red Cross  
Anne Marie Ambli, Hedmark Red Cross  
Tor Damkås, Vest-Agder Red Cross  
Inger Elvevoll Troms Red Cross  
Jorunn Ringstad, Sogn og Fjordane Red Cross  
Odd Erik Loftesnes, Sogn og Fjordane Red Cross  
Bjørn Knutsen, Rogaland Red Cross

### NORWEGIAN RED CROSS SEARCH AND RESCUE MERIT MEDAL

Karina Spilde, Oslo Red Cross  
Gro Anita Sætherbakken, Østfold Red Cross  
Sissel Myklebust, Sogn og Fjordane Red Cross

### NATIONAL BOARD 2014-2017

President: Sven Møllekleiv  
Vice President: Snorre Gundersen  
Vice President: Hanne Heggdal  
Members: Njål Høstmælingen  
Bernadette Nirmal Kumar  
Charlott Nordström  
Morten Støldal  
Irene Thorvaldsen  
Audun Tron  
From the Central Council: Tone Sissel Kise  
Arne Gerdt Sørby until March 2016  
Ann Rigmor Lauritzen from March 2016  
Turid Mong  
Benedikte Nilssen  
Search and Rescue Corps: Ole Gladsø  
Care Activities: John Sjursø  
Youth: Espen André Breivik until October 2016  
Mawra Mahmood from October 2016  
Employee representative: Olav Aasland  
Co-opted member: Bernt Grimstvedt  
Mette Skavnes

### Co-opted from the Central Council

1st co-opted member: Erik Arnesen  
2nd co-opted member: Dag Røberg  
3rd co-opted member: Synnøve Sande  
4th co-opted member: Geir Langeland

### Co-opted, Search and Rescue Corps

Sven Bruun  
Co-opted, Care Activities: Magali Hytten  
Co-opted, Youth: Hanne Sofie Wernøe Nilsson  
Co-opted, employee representative: Morten Hagen





**Norwegian Red Cross**

PO Box 1 Grønland, 0133 Oslo  
Hausmanns gate 7, 0186 Oslo  
Telephone +47 22 05 40 00 | Fax +46 22 05 40 40  
[www.rodekors.no](http://www.rodekors.no)