

ANNUAL REPORT

2017



THE FUNDAMENTAL PRINCIPLES OF THE RED CROSS

HUMANITY

The Red Cross is founded on a desire to bring assistance without discrimination to the wounded on the battlefield, The Red Cross endeavours, in both its international and national capacity, to prevent and alleviate human suffering. The purpose of the organisation is to protect life and health and to ensure respect for the individual. The Red Cross works to promote mutual understanding, friendship, cooperation and lasting peace amongst all peoples.

IMPARTIALITY

The Red Cross provides aid regardless of nationality, race, religious beliefs, social class or political opinions. Its sole endeavour is to relieve suffering and provide urgent assistance where need is the greatest.

NEUTRALITY

In order to continue to enjoy unilateral confidence, the Red Cross does not take sides in hostilities or engage at any time in controversies of a political, racial, religious or ideological nature.

INDEPENDENCE

The Red Cross is independent. Even though the national Red Cross will assist the authorities during war and in emergencies and is subject to laws of their respective countries, the Red Cross 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

The Red Cross is a humanitarian aid organisation based on voluntary membership and is not prompted in any way by the desire for financial gain.

UNITY

There can be only one Red Cross organization in any one country. It must be open to all and carry out its humanitarian work throughout the country.

UNIVERSALITY

The Red Cross is a worldwide movement, in which all the national Red Cross societies have equal status and share an equal responsibility and duty to help each other.

Adopted at the 20th International Red Cross Conference in Vienna in 1965.

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To uncover, prevent and alleviate human need and suffering



Red Cross works in a constantly changing world. In 2017 we have seen new humanitarian needs both nationally and internationally. What particularly affects us is the extent of the distress we observe out there. Record numbers have been displaced from their homes. Record numbers need emergency aid.

Our mandate is the same as when we were founded: To uncover, prevent and alleviate human need and suffering. To protect life and health.

The Red Cross was born on the battlefield. We're still on the battlefield. On different and changing front lines all over the world. In an age when the respect for international humanitarian laws is challenged by constant attacks on civilians and health workers, we see that the principles of how the Red Cross should work are still relevant. Our task is to protect people. That is why

we work based on principles of humanity, impartiality, and neutrality.

In 2017 in Norway, we have placed special focus on our work with the formative conditions of children and adolescents. Our report on humanitarian needs in Norway – Social Pulse – emphasised children and adolescents as a group with particularly great humanitarian needs. We have in many areas seen that voluntary efforts can make a great difference when we pull together as a team. The Red Cross participated in 1,779 search- and rescue operations in Norway during 2017. This effort has saved lives. 4.000 children and adults have taken part in the Red Cross holiday adventures through "Holidays for All".

At the same time, our international response has ensured that 14,000 patients were treated in our field hospital in Bangladesh at what is now one of the world's

largest refugee camps. We have helped to avert, or rather limit, an anticipated hunger disaster in East Africa and Yemen. Our cholera response in Somalia and Yemen has yielded results.

The National Convention in Haugesund established the direction for our continued work for 2017-2020. The role of the Red Cross:

- Prevention and response to save lives:
- Make communities safe for children and young people
- Provide closeness, inclusiveness and participation

Voluntary service is a powerful force that can change society. Thanks to our almost 50,000 volunteers who care and spend their time on others. You show us that together we make a big difference.

Robert Mood
President of the Norwegian Red Cross.

Bernt G. Apeland
Secretary General Norwegian Red Cross

Focus on formative years

One example of preventative work that the Red Cross carries out for children and young people is the Youth Activity Centre.

The Youth Activity Centre is an open meeting place for young people aged 13–25 years, where a variety of activities are offered and where volunteers, committed and protective adults are present. Thanks to an anniversary gift from Joh. Johansson, we now have Youth Activity Centres in eight cities in Norway (Trondheim, Ålesund, Bergen, Porsgrunn, Tønsberg, Drammen, Sandvika and Oslo). All Centres have four fixed activities: An open, free meeting place for young people, street mediation, homework help, and work training. They are open three or four evenings a week and between 20-100 young people stop by every evening.



MEETING PLACE: The Youth Activity Centre in Trondheim is a popular meeting place for young people. (Photo: Marius Sunde Tvinnereim)



Several serious conversations

At Cross My Heart, children and young people can talk about whatever they like. In 2017, especially conversations about suicide and self-harm increased the most.

Volunteers in Cross My Heart responded to a total of 19,035 contacts by children and young people on chat, by telephone and e-mail last year. As in previous years, chat is the most popular service and is the channel children and young people most prefer.

The volunteers find that there is a greater level of seriousness in the conversations they have with children and young people, and many relate that it can be hard to listen to what is being said. In May 2017, there were as many talks about suicide as in the whole of 2016. Suicide and self-harm are the themes that increase steadily throughout the year. Themes such as love and body image are more frequent during periods approaching the summer, and talks about loneliness have increased in recent years.

VOLUNTEERS RESPOND: Cross My Heart is a national call-in service for anyone up to 18 years of age. It's free and anonymous, and stays open Monday through Friday from 14 – 22 all year round. About 200 Red Cross volunteers with thorough training respond to email, chat and phone on 800 333 21. (Photo: Red Cross)

Record number of rescue missions

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

In 2017, the Red Cross participated in 1,779 missions. A high figure that shows that there is a great deal of activity in the Red Cross throughout the country. The Search and Rescue Corps took part in all the missions they were called out on in 2017 and the Red Cross volunteers have helped to save lives on several occasions.



TRAINING EXERCISES: Rescue team training in an avalanche area. (Photo: Arilde Blomkvist)

Thanks to our members and donors we were able to maintain our local humanitarian activities in 2017 as well.



SKI TOUR: Fahad is 15 years old and came to Norway from Syria 3 years ago. He now lives in Sande. He went on his very first trip to Galdhøpiggen with To theTop on 30 June 2017. (Photo: Thea Rabe)

919 made it all the way to the top

This year's integration project was a success yet again. Fahad (15) was one of the people who made it all the way to the top of Galdhøpiggen.

"We observe that outdoor recreation is being used more and more by immigrants as a venue for networking, creating long-lasting friendships, practicing speaking Norwegian and getting to know their new local environment," said President Sven Mollekleiv, who also took part in the trip to Galdhøpiggen.

Around 1,200 people participated in tours and cultural activities in connection with the event from 30 June to 1 July.

Be more secure with first aid!

In connection with International Red Cross Day on 8 May, the Red Cross conducted a survey on first aid knowledge and personal readiness.

It showed that many people are unsure and afraid of making mistakes. At the same time, more than half have not been on first aid courses for more than three years.

The Red Cross therefore launched a campaign in connection with 8 May to motivate the population to learn first aid, and freshen up the knowledge that can save lives. Of those who were hesitant to give help, as many as eight out of ten replied that they are afraid to make matters worse, while over half are uncertain about what to do. Anyone can call 1-1-3.



PRACTICE: It's important to keep your knowledge up to date. Here from the Norwegian Championships in first aid for the Search & Rescue Corps held in Tromsø. (Photo: Red Cross)



Four-legged visiting friend

– We should have a dog here all the time. "It's so nice," says Hjerdis (94). Peppi, the visitor dog, is being petted and admired, and patiently accepts it. Because she's at work.

– When I show Peppi the Red Cross scarf and I say that today we are going to visit the old people, she starts to wag her tail and is very happy. This is something we both look forward to with pleasure, says Fridtjof Backer-Grøndal.

Do you want to be a visiting friend?

Please contact your local Red Cross.

WELCOME VISIT: Peppi (8) is at work at the Solbakken Living and Treatment Centre every Monday together with her owner Fridtjof Backer-Grøndahl. Hjerdis Langøren (94) greatly appreciates the visit. (Photo: Olav A. Saltbones)



BACK TO HARALDVIGEN: The King got to meet children and families who recounted their fond memories of being included in "Holidays for All". (Photo: Kenneth Pedersen/Delta ikt as)

"Holidays for All"

"Holidays for All" is held all over the country and represents a welcome break for thousands of adults and children each and every year.

In 2017, Red Cross offered free Holidays for All to more than 4,000 children and adults together with more than 600 volunteers. Even so, the Red Cross had to turn down more than 4,000 children and adults.

50 years after Crown Prince Harald received the Haraldvigen Red Cross Centre as a birthday present, he came on a return visit. The Centre, named after the King, is the result of a fundraising event for the 30th anniversary of the then Crown Prince Harald in 1967.

Haraldvigen, one of three Red Cross centres, has given many families a welcome holiday experience and a respite from everyday life.

65.6 million displaced people in the world

Thousands lose touch with their immediate family every year. Minor children are a particularly vulnerable group.

A consequence of war, conflict and catastrophes is that people lose contact with their families and close relatives in the chaos that ensues.

Red Cross is for many people the only chance to get help in tracking down missing family members and friends. The Red Cross can be found in 190 countries and this global network makes it possible to search for missing persons.



CONTACT: Thanks to access to satellite phone from the Red Cross, relatives can get in contact with each other again. (Photo: ICRC)



NETWORK:- If you do not want a normal life for yourself, then you'll get nowhere, says Dag Otto André Pedersen. (Photo: Thomas A. Syvertsen)

-You have to act yourself!

Every morning Otto André Pedersen gets up to repair city bikes. It's an eight-to-four job, and for the 38-year-old the daily routines are a matter of training.

– Getting out of a destructive routine of drugs and crime and into the A4 life, it's a case of adjusting to life after prison. I get used to getting up in the morning, going to work and earning money. A perfectly normal life, that I have not been used to for the last 10-15 years, says Dag Otto. Through the Red Cross activity "Network after Release from Prison" a new pilot project along with Oslo City Bikes, he has a meaningful job to go to.

Oslo City Bikes became a partner with the Red Cross in March 2017 and is contributing to "Network after Release from Prison".



NO SCHOOLING: Many children in Aleppo, like Hamza and his brother, have never attended school. When the war broke out they had to help the family instead of going to school. (Photo: Ingy Sedky/ICRC)

Six years of civil war in Syria

More than half of the inhabitants of Syria have fled, either out of the country, or to other areas of their homeland. Six years of civil war has taken many lives, and destroyed even more.

Syria's Red Crescent is absolutely central to what is now the world's largest and most complex emergency relief operation. Every day, they save lives by providing first aid, health care, handing out emergency aid, helping internally displaced persons and providing access to clean water. The Norwegian Red Cross's main focus in Syria is to assist the Syrian Red Crescent in their emergency aid work.

The violence in Myanmar continues

Three months after the recent violence erupted in Rakhine in Myanmar, the Red Cross movement has reached more than 150,000 people in the Rakhine state with life-saving emergency aid.

The Red Cross is one of the largest humanitarian players that currently is able to operate in the affected areas of Northern Rakhine, and has delivered food and water to more than 100,000 people since August.

First aid, mobile health clinics and the provision of health care to hospitals are also part of the response.



KUTUPALONG IN BANGLADESH: A total of 688,000 people have arrived who have fled the violence in Myanmar. This is one of the largest emergency relief operations carried out by the Red Cross. (Photo: Arild Blomkvist)



OPERATED: Samiva (5) has been operated on at the Red Cross field hospital after being injured in a traffic accident. (Photo: Eivind Sørliie)

Has received more than 600,000 refugees

Since the end of August 2017, the small town of Cox's Bazar on the border with Myanmar has been swamped by 600,000 newly-arrived exhausted mothers, fathers and children. Children without parents and parents without children.

This is one of the largest emergency relief operations carried out by the Norwegian Red Cross for many years. The violence that erupted in Rakhine in Myanmar has evolved to be one of the largest and most complex crises in decades.

Since the Norwegian Red Cross decided to send its largest field hospital to Bangladesh, more than 100 Norwegians and about 120 people of other nationalities have operated the hospital together with local health professionals and volunteers. This effort has saved lives.

The delegation to Bangladesh is the largest the Norwegian Red Cross has sent out since the earthquake in Nepal in 2015. In total, 135 delegates were sent out in 2017.



Famine in East Africa

Millions of people in East Africa stood on the brink of starvation, with acute need for help. The Red Cross handed out food, water and provided medical care.

There was, and still remains, a great need for emergency aid in Yemen, South Sudan, Somalia and Kenya. There are also challenges in Ethiopia and the area around Lake Chad. Ongoing conflict makes it very difficult to counter the challenges resulting from drought, since people have to flee from their homes and have little chance to survive.

LOSING LIVELIHOOD: Lack of rain in Somalia has dried out wells and water sources and many livestock have been lost. This means that families lose income as well as their own supplies of food and milk. The picture is from Garabis, 35 km. from Hargeisa, the capital of Somaliland. (Photo: Arie Kevit/Netherlands Red Cross)

Powerful hurricanes in the Caribbean

Hurricane Irma, the most powerful hurricane of all time in the Atlantic, reached in September several islands in the north-east of the Caribbean.

On the small Caribbean island of St. Martin, 70 percent of all houses and buildings were damaged or completely destroyed. Vital infrastructure, including water supply, was affected. Red Cross volunteers distributed food to the inhabitants of Cay Bay District of St. Martin (pictured) and handed out emergency help and provided first aid where it was needed. Irma was categorized as level 5 and struck also Puerto Rico and Florida.



(Photo: Arie Kevit/Dutch Red Cross)



RECEIVED THE NOBEL PEACE PRIZE: Beatrice Fihn, Chairwoman of the International Campaign for the Prohibition of Nuclear Weapons, ICAN, was awarded the Nobel Peace Prize for their work against nuclear weapons. (Photo: Øistein Mjærum/Røde Kors)

Historical agreement on nuclear weapons

On September 20, 2017 the historical agreement prohibiting nuclear weapons was signed at the United Nations. The Norwegian government has chosen not to be a party to the agreement.

– Today Norway's empty chair is strongly regrettable. All nations now have an opportunity to make the world a little safer, and by not participating Norway legitimizes the nuclear states' lack of willingness to real disarmament. If a nuclear war erupts, neither governments nor humanitarian organizations will have the chance to remedy the catastrophic human suffering, said President Sven Mollekleiv.



EVERYBODY SHOULD BE INCLUDED: Karen Skagen (90) and Sven Mollekleiv - Cycling Without Age, Trondheim. Karen is involved in the TV campaign. She's on a bicycle ride in Trondheim with Sven Mollekleiv. Karen's going to be a charity collector for the TV campaign on 23 October. (Photo: Marius Sunde Tvinnereim)

COMMITTED: HRH Crown Princess Mette-Marit, Naghmeh Gorgin and Sven Mollekleiv. In connection with the Red Cross's 150th Anniversary, the Royal Palace has set up a red conversation bench in the Castle Park (Slottsparken). (Photo: Olav A. Saltbones)



TAKING OVER: The Norwegian Red Cross's new president Robert Mood believes the transition from the Norwegian Armed Forces to a humanitarian organization is not that great. (Photo: Jan Kåre Ness)

The National Congress in Haugesund

The work with children and young people was presented as an overall goal following the Congress held in Haugesund in October.

More than 700 participants from all over the country were gathered in Haugesund at the National Congress, which is the Red Cross's highest authority and is held every third year. Elected officials from all over the country met to discuss humanitarian challenges and adopted a new programme that sets out the course for the Red Cross for the next three years. The main programme has an even clearer commitment to children and young people than in the past.

Sven Mollekleiv resigns

At the National Congress in October, Sven Mollekleiv passed on the baton as President of the Red Cross.

Sven Mollekleiv became Secretary General in 1991, a job he held for ten years. During these ten years he expanded the Norwegian Red Cross as an organisation, and strengthened volunteerism in Norway. In 2008, Mollekleiv was elected President, a position he took over from Thorvald Stoltenberg. His term of office expired in 2017 and the baton was passed on to Robert Mood.



Robert Mood takes over as President

At the National Convention in Haugesund during the weekend of 6th to 8th October, Robert Mood was elected as the new President of the Red Cross in Norway, succeeding Sven Mollekleiv.

Mood has served several years in various international operations, including in the Middle East and in the Balkans. In 2016, he received the Free Word special award for having demonstrated great courage of expression.

"I hope to contribute with the experience I have from Norway and abroad in promoting and further developing the Norwegian Red Cross through the National Committee, support for local associations, and at the same time be a good and clear ambassador for all our volunteers," says Mood.



THANKED THE VOLUNTEERS: Prime Minister Erna Solberg greeted members of the emergency service and thanked them for their efforts before she addressed the National Congress in Haugesund.

(Photo: Jan Kåre Ness)

The Red Cross would like to thank everyone who donated to our various fundraising campaigns in 2017.

Christmas Campaign on TV 2

Saturday, 16 December at 8 p.m. start shot for the almost three-hour Christmas campaign on TV 2.

Powerful and moving stories, close encounters and several musical highlights were shown. The aim was to recruit new Red Cross sponsors and to help give children in need the chance to survive childhood, get health care and not die of hunger and malnutrition in countries like Guatemala, Pakistan, Somalia and South Sudan. Several famous people turned up and contributed to as many as 6,370 signing up as sponsors for children in need.

Dora Thorhallsdottir in Lebanon. Dora, relational therapist and standup comedian from Norway, met Nour El Masri in Chouf in Lebanon. The 11-year-old told a powerful story of her escape from Syria with her family. (Photo: Arild Blomkvist)



Led the voluntary effort: Kadafi Zaman, Guri Solberg and Erik Thorstvedt hosted the Christmas campaign on TV 2. (Photo: Øyvind Ganesh Eknes/TV 2)



Vendela Kirsebom in Guatemala. – I am afraid that girls like Elida will have their own children way too early and not get any education. "It is often the son in a family that gets to go to school, if any at all," she said. (Photo: Eivind Sørli)



Lothepus in Southern Sudan. What do you think about the girl you met and her future? – I hope of course that she's all right. But I don't know. It's by no means easy. It's no easy life growing up here. That's for sure, says Leif Einar Lothe who took part in support of the Red Cross at the Christmas campaign on TV 2. (Photo: Olav A. Saltbones)



Skier Øystein «Pølsa» Pettersen in Somalia. A long way away from the closest patch of snow in an area affected by drought. "The greatest difference between the people who live here and us is that the balance between having a good life and a bad life is so delicate. And that's perhaps what has made the strongest impression," says Øystein Pettersen following his visit to Somalia. (Photo: Olav A. Saltbones)

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

ANNUAL REPORT 2017

A new humanitarian reality

The Red Cross is founded on a desire to bring assistance without discrimination to the wounded on the battlefield. Later, our care- and emergency preparedness efforts have spread to a wide range of activities carried out in both war- and peacetime. The Red Cross endeavours, in both its international and national capacity, to prevent and alleviate human suffering. Our mandate is the same as when we were founded: To uncover, prevent and alleviate human need and suffering. To protect life and health.

A WORLD IN CHANGE, THE RED CROSS IN CHANGE

Despite the fact that the world is moving in the right direction in a number of areas, we observe with concern a world in 2017 with new and growing humanitarian needs. Positive traits such as lower child mortality and better access to school stand in contrast to further setbacks. The gap between the poor and the rich is widening. More people are being affected by climatic disasters. Conflicts are becoming more enduring and afflict civilians.

The Red Cross must constantly assess whether our activities reach those who need us most in a changing world. In its "Social Pulse" report, the Red Cross points out in particular that the humanitarian needs are considerable among children and young people in Norway. Child poverty, bullying, serious abuse, mental disorders and domestic violence are widespread. Unfortunately, we as a society are failing far too many children and young people. The Red Cross believes we must have zero tolerance for parental neglect. In the same way that we strive for zero traffic fatalities, we must also strive for zero cases of parental neglect. All children and young people must be given a fair chance of having a good and safe upbringing – without abuse, violence, and bullying.

In times of rapid change we also need to be able to adapt quickly. It is healthy for such a widespread movement as the Red Cross to consider on a regular basis how the employee organization is put together to reach our humanitarian goals, and to lay the best possible groundwork for voluntary efforts.

- We need to adapt to the digital way of life.
- Clarify roles and responsibilities.
- Budgets must be balanced.

This is the reason why this restructuring was initiated in 2017 and will result in downsizing in the national office in 2018. Following the 2017 National Congress, a process is also underway to consider changes to the volunteer organization, which will result in proposed amendments to be presented at the Congress in 2020. The aim is to obtain the most powerful humanitarian efforts from our organization.

A world in development also provides opportunities for us to work differently and more effectively. In 2017, the Norwegian Red Cross put together a group of digital volunteers — developers, technologists, and researchers — to create a digital tool for early warning, monitoring and response to epidemics such as cholera, Ebola, and plagues. The project (Community Based Surveillance – CBS) is a collaboration between Microsoft, the Norwegian Ministry of Foreign Affairs and Innovation Norway. CBS is an example of how we can develop new tools and prevent serious disasters by using the expertise of digital volunteers. The aim is to avert or halt epidemics before they occur.

The #Metoo campaign against sexual assault has characterized 2017 and shaken society, both nationally and internationally, through the revelations that have been made. The Red Cross has a policy and procedures to deal with undesirable events for volunteers, employees and recipients of our services. We endeavour to make it safe and simple to be a whistle blower and will carry out a review of all the vulnerable relationships in our activities. Anyone who takes contact will be listened to on their own terms and offered continuing assistance.

A WORLD WITH ENORMOUS HUMANITARIAN NEEDS

The international humanitarian needs internationally were dramatic in 2017. 164 million people needed humanitarian aid¹. This population would have comprised the 8th largest country in the world. At the same

time, a record number of people are displaced: More than 65 million.

A series of complex and prolonged crises and conflicts, such as in Syria, Somalia and Afghanistan, result in great humanitarian needs, whilst being challenging areas in which to operate.

Internationally, it has been a busy year for the Norwegian Red Cross. The international operations of the Red Cross have never been more extensive than in 2017 with a budget of NOK 1.2 billion and partnerships with several national associations in the Middle East, Africa, America, Asia and Europe.

THE EFFORT AGAINST FAMINE IN EAST AFRICA

Together with a number of humanitarian organisations, the Norwegian Red Cross supported local governments and the local population in efforts to prevent famine in Southern Sudan, Somalia, north-east Nigeria and Yemen. The humanitarian crisis that ensued from drought, failing crops and the ongoing conflicts in the region hit the civilian population hard in 2017, and the situation will continue to be extremely difficult in 2018.

The Norwegian Red Cross has contributed to 460,000 people in Somalia being given access to clean water. From May to August 2017, together with the Canadian Red Cross, we contributed with a cholera clinic in Somaliland which treated 4,355 patients. In South Sudan, the Red Cross has provided health care, distributed food rations, seed, agricultural equipment and repaired wells – although access has been a challenge due to the security situation. Also in Yemen, the Red Cross has been involved in the fight against cholera. We had not been able to do all this without major mobilization among volunteers and employees here at home during the two fundraising actions in connection with the drought.

FIELD HOSPITAL IN BANGLADESH

We sent out three emergency aid units in 2017:

- I. Surgical team and equipment to Iraq

¹ according to *Global Humanitarian Assistance Report 2017*



II. Cholera Clinic to Somaliland (together with Canadian Red Cross)

III. Field hospital in Bangladesh

The delegation to Bangladesh is the largest the Norwegian Red Cross has sent out since the earthquake in Nepal in 2015. In total, 135 delegates were sent out in 2017.

After the violence broke out in the Rakhine Province in Myanmar on 25 August 2017, a continuous stream of people has fled to Bangladesh. From August to December 2017 alone, 645,000 people crossed the border. The Norwegian Red Cross sent out on 29 September 2017 a 60-bed hospital and 28 emergency aid workers and health professionals to Cox's Bazar on the border with Myanmar. The hospital is one of the few in the area with surgical capacity, an X-ray department and maternity ward with midwives. Little Muhamed, only eight months' old, was the very first patient to receive life-saving surgery. He suffered from a collapsed lung and excess pressure in the chest cavity, but the treatment at the field hospital saved his life.

Despite the challenge of establishing the hospital quickly, 14,000 patients in Bangladesh have been treated since it was opened on 16 October 2017 until mid-January in 2018. On average, there are 100-200 patients in reception every day.

HIGH ACTIVITY LEVEL IN NORWAY

Throughout the year, the Norwegian Red Cross has had several activities for immigrants. Integration is becoming more important since there has been a record high influx in 2017. We have participated in activities at 80 percent of the reception centres for asylum seekers. The Red Cross has an important role as a humanitarian player in the field of immigration, both in Norway and worldwide. Activities such as refugee guide, Norwegian language training and activities for single minor asylum seekers at the reception centres have improved the daily lives of many immigrants. The Red



Cross also works in assisting immigrants to gain access to fundamental rights such as health care.

At the same time, we work every day to combat loneliness and to assimilate more into the community. The visitor service is the most extensive care activity of the Red Cross and it continues to grow in tempo with needs. The visitor service has grown as a result of the *Senior initiative* and has obtained 800 new volunteers in 2017. Now there is a total of 8,500 voluntary visiting friends in the Red Cross.

Red Cross Youth's social meeting places are numerous socialization venues where young people meet to share enjoyable experiences in an inclusive environment. In 2017, more than 40 regular social meeting places were established throughout Norway. In addition to this, the meeting places are not fixed, but more based on events. Red Cross Youth also runs Refugee Mate which is a targeted effort to ensure good inclusion processes for single minors and young refugees. In 2017, 169 young refugees have been directly connected in mate groups with Norwegian young people and 506 young refugees have participated regularly in open mate activities.

RECORD NUMBER OF RESCUE MISSIONS

It's been a very hectic year for the Red Cross Search and Rescue Corps. In 2017, the Red Cross participated in 1,779 missions. A high figure that shows that there is a great deal of activity in the Red Cross throughout the country. We are proud that the Red Cross Search and Rescue Corps turned out for all the missions they were called out on in 2017. Red Cross volunteers have helped to save lives on several occasions. Such as when Kjell-Harald Myrseth (26) was rescued from a mountain region between Alta and Kautokeino after 42 hours in a snowstorm. *"I must express my deepest gratitude to the entire Red Cross Search & Rescue Corps and especially to those who struggled their way into the camp with a snowmobile,"* stated a



clearly moved Myrseth to the press from his hospital bed after having his life saved. A new report from the Centre for Research on Civil Society and the Voluntary Sector shows that the Red Cross's participation in rescue operations has almost doubled from 2010 to 2016. A great deal indicates that there will be no less to do in the future.

THE FIELD OF CHILDHOOD AND ADOLESCENCE IS BEING EMPHASIZED

Good efforts have been made in the field of social work by the Red Cross in 2017, in line with the needs that were uncovered in the Social Pulse report.

One example of preventative work that the Red Cross carries out for children and young people is the Youth Activity Centre. The Youth Activity Centre is an open meeting place for young people aged 13–25 years, where a variety of activities are offered and where volunteers, committed and protective adults are present. Thanks to an anniversary gift from Joh.Johansson, we now have Youth Activity Centres in eight cities in Norway (Trondheim, Ålesund, Bergen, Porsgrunn, Tønsberg, Drammen, Sandvika and Oslo). All Centres have four fixed activities: An open, free meeting place for young people, street mediation, homework help, and work training. They are open three or four evenings a week and between 20-100 young people stop by every evening.

An increasing number of children in Norway grow up in low-income families. These children often cannot attend the same recreational activities as their classmates. *Holidays for All* from the Red Cross does something about this. 4,000 children and adults have participated in the Red Cross free holiday experiences in 2017, an increase of 400 people from the previous year. The demand is great and unfortunately half of those who apply to participate in "Holidays for All" are turned down. That says something about the economy of many families with children in today's society.



ENSURE HELP FOR MORE

Our activities would not have been possible without the work to secure income. The Norwegian Red Cross has received an increase in funds from NORAD (the Norwegian Agency for Development Cooperation) for the years 2017 – 2021. The Christmas campaign on TV2 was successful and we ended up with 2,000 donors over the target that was set at 4,000 donors. Another important source of income was the Panto Lottery, and that our sellers in the field have recruited more than 27,000 new permanent donors this year. This means that we can help even more people.

THE NATIONAL CONGRESS IN HAUGESUND

The National Congress in Haugesund from 6th to 8th October set the course for the work ahead. The Red Cross has three main aims for the period 2017-2020:

- Prevention and response to save lives
- Make local communities safe for children and young people
- Provide closeness, inclusiveness and participation

The work for children and young people is emphasized as an priority area following the National Congress. In addition, we say goodbye to Sven Mollekleiv as President after a total of 19 years as President and Secretary General. Robert Mood was unanimously elected as new President, and Morten Støldal of Vestfold and Hanne-Marie Heggdal of Sogn and Fjordane were elected as Vice-Presidents.

GREAT COMMITMENT

Voluntary efforts are essential in order for society to develop. In our organisation volunteers receive training and follow-up so that they become secure in their roles, whether it is helping with homework, refugee guide or member of the Search & Rescue Corps. The Red Cross has had 49,911 volunteers in 2017 (total number that have been volunteers during the year).

As of 31.12.2017 the Norwegian Red Cross has 164,377 members. The Red Cross has a presence throughout the country with 383 local associations. Our work is volunteer-based and organised to ensure that we can reach people in need quickly and efficiently. Thank you to all volunteers who have given of their time to help others in 2017. You are the Red Cross's greatest and most important resource!

MAIN FINANCIAL FEATURES

The annual accounts cover the idealistic organisation known as the Norwegian Red Cross, a not-for-profit humanitarian organisation. The group accounts include the association's accounts and the subsidiaries Røde Kors Sentrene AS, Røde Kors Husene AS, Røde Kors Førstehjelp AS, Hogst AS, Røde Kors Tøy og Tekstil 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 2017 show an operating loss of NOK 189 million for the association, and NOK 191 million when subsidiaries are included. After financial items, there is a positive annual profit of NOK 54 million for the association and NOK 67 million for the group. The large difference between the net income and the net operating result is due to the strong financial markets in 2017. The operating loss, above and beyond the budgeted financial income of NOK 90 million, is mainly due to the fact that in 2017 more funds were used more than were collected during the year. The latter is again due to the TV-campaign in 2016 and previous years' funds collected for Syria that are used in 2017.

Røde Kors Sentrene AS posted a surplus of NOK 1.6 million in 2017, while Røde Kors Førstehjelp AS posted a surplus of NOK 1.4

million and Røde Kors Husene AS posted a result close to break even. Fairchance Norway AS posted a deficit of NOK 3.8 million, while Hogst AS, in which the Norwegian Red Cross owns an 80% stake, posted a deficit of NOK 2.4 million. Røde Kors Tøy og Tekstil was founded in December and had no financial activity in 2017.

The Red Cross presents its annual accounts for 2017 by activity, in accordance with accounting standards for non-profit organisations. In 2017, the Norwegian Red Cross spent NOK 1,775 million on humanitarian work (NOK 1,810 million including subsidiaries). Special-purpose expenses account for 91.1% of the association's total expenditure.

The Norwegian Red Cross spent NOK 73 million on the administration of the organisation, including financial expenses. This represents 3.7% of total expenditure. In addition to purely administrative expenses, NOK 62 million was spent on shared expenses such as ICT, accounting/payroll, service centres and property in 2017.

Gross funds obtained for humanitarian purposes in 2017 were NOK 2,004 million for the association, and NOK 2,098 million inclusive of subsidiaries. In 2017, the Norwegian Red Cross had government revenues of NOK 1,102 million, of which NOK 990 million was for the international work of the Red Cross. This is basically at the same level as in 2016.

In 2017, the Norwegian Red Cross raised a total of NOK 328 million from members, private donors and the business community. This amount also includes membership fees and revenues from the Panto lottery.

Income from the business community amounted to NOK 94 million, including Panto lottery revenues of NOK 39 million. In 2017, the Norwegian Red Cross had the following main partners: DNB, TINE, Det norske Veritas (DNV GL) and Statkraft.



The Norwegian Red Cross's focus on regular donors was also very successful in 2017. The Norwegian Red Cross now has a total of 90,589 regular donors (2016: 78,818). Private donors contributed, exclusive of membership income, almost NOK 208 million to the Norwegian Red Cross's national and international work.

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 Red Cross had NOK 2,924 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 Congress, which stipulate, among other things, that all investments in equity funds are subject to the code of ethics. The 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 Red Cross does not own shares in companies that invest in or manufacture weapons, tobacco, pornography or alcohol. The 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 3.7 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 whereby the annual 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 sickness absence and breaches of working hours provisions. The breakdown of sickness absence in 2017 was 4.3% (1.5% short-term sickness absence and 2.7% long-term sickness absence). This is a slight increase from 2016, when sickness absence was 3.6% (1.3% short-term and 2.3% long-term absence).

The Norwegian Red Cross has a working environment committee (AMU) in which representatives of the occupational health service also participate. Safety deputies have been assigned for all safety areas. The occupational health service acts as an advisory service vis-à-vis following up 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. The occupational health service also participated in inclusive working conditions meetings. A central gathering of safety representatives was also held in 2017. There were no serious injuries or accidents related to the organisation's 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 main programmes. 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 45%. 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. Cases are published on rodekors.no. 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 present. This is based on profit forecasts for 2018 and the long-term strategic forecasts for the Norwegian Red Cross for the years to come. The Norwegian Red Cross is in a healthy economic and financial position.



Approval by the National Congress of the 2017 Annual Report
Oslo, 20 April 2018

Robert Mood
President of the Norwegian Red Cross

Morten Asker Støldal
Vice-President

Mette Karin Skavnes

Johan Audestad

Trude Glad

Ann-Rigmor Lauritsen

Gaute Sars-Olsen

Kjersti Løvik

Mawra Mahmood

Hanne Marie Heggdal
Vice-President

Anne Tingelstad Wøien

Nita Kapoor

Steffen Kristiansen

Geir Waaler

Roy Heine Olsen

Pernille Backer Lemming

Thorbjørn Fosse

Bernt Apeland
Secretary General

ACTIVITY ACCOUNTS

All figures in thousands of NOK					
GROUP				ASSOCIATION	
2017	2016		Note	2017	2016
ACQUISITION OF FUNDS					
45,020	39,573	Income from membership fees		45,020	39,573
1,102,815	1,090,143	Public grants	1	1,102,815	1,090,143
260,104	246,574	Contributions from others	2	260,104	246,574
245,723	472,711	Revenue from fundraising and donations	3	244,117	470,850
Revenues earned from activities divided by:					
63,011	62,559	- operational activities that fulfil the organisation's objectives	4	29,986	28,925
118,688	102,993	- activities that create revenues		59,697	52,854
262,546	104,245	Financial and investment income		261,904	104,005
120	2,287	Other revenue		120	2,287
2,098,026	2,121,085	GROSS REVENUE ACQUIRED FOR HUMANITARIAN PURPOSES		2,003,763	2,035,210
FUNDS EXPENDED					
5,9,10,11					
Expenditure on generating funds					
76,660	115,417	- fundraising costs	6, 8	76,660	115,417
85,617	76,605	- other expenditure on generating funds	6, 8	24,641	20,224
Special-purpose expenses					
- costs of activities/contributions that fulfil org. objectives					
7					
2.1 Prevention and response to save lives					
889,186	846,019	Contributions to ICRC/IFRC/sister societies		889,186	846,019
9,204	12,064	Contributions to regional/local branches		9,204	12,064
218,187	174,391	Costs of activities		218,187	174,391
2.2 Helping to protect health and livelihoods					
75,522	85,094	Contributions to ICRC/IFRC/sister associations		75,522	85,094
51,466	38,410	Contributions to regional/local branches		51,466	38,410
27,753	36,786	Costs of activities		27,753	36,786
2.3 Working for social inclusion and diversity					
18,620	14,100	Contributions to ICRC/IFRC/sister associations		18,620	14,100
37,691	46,530	Contributions to regional/local branches		37,691	46,530
45,980	53,392	Costs of activities		10,977	18,409
3.1 Building and developing strong, needs-oriented RC associations					
35,016	31,370	Contributions to ICRC/IFRC/sister associations		35,016	31,370
55,428	53,272	Contributions to regional/local branches		55,428	53,272
58,649	71,882	Costs of activities		58,649	71,882
3.2 Preventing and reducing vulnerability through advocacy					
Contributions to ICRC/IFRC/sister associations					
Contributions to regional/local branches					
50,977	35,568	Costs of activities		50,977	35,568
3.3 Developing an effective and sustainable organisation					
2,528	2,072	Contributions to ICRC/IFRC/sister associations		2,528	2,072
119,121	114,227	Contributions to regional/local branches		119,121	114,227
114,980	109,170	Costs of activities		114,980	109,170
58,441	43,173	Resources used on organisational administration	8	73,064	52,926
2,031,027	1,959,543	TOTAL		1,949,672	1,877,933
66,999	161,542	ACTIVITY PROFIT/LOSS FOR THE YEAR		54,091	157,277
INCREASE/DECREASE IN EQUITY					
Designated equity with external restrictions					
-81,917					
Equity with internal restrictions					
22,970					
Other equity					
113,038					
-33,450					
TOTAL ALLOCATED					
54,091					
157,277					

BALANCE SHEET AT 31.12

All figures in thousands of NOK

GROUP				ASSOCIATION	
2017	2016		Note	2017	2016
		ASSETS			
		Fixed assets			
		Intangible assets and tangible fixed assets			
21,776	24,437	Intangible assets	13	0	0
237,947	241,192	Land, buildings and other property	13	237,947	241,192
26,187	22,582	Operating equipment, fixtures, equipment and means of transport	13	24,901	20,877
285,910	288,211	Total intangible assets and tangible fixed assets		262,848	262,068
		Financial fixed assets			
0	0	Investments in subsidiaries	14	19,516	100
19,897	26,170	Investments in shares and bonds	15	19,697	26,170
7,269	6,000	Other long-term receivables	16	18,270	45,816
27,166	32,170	Total financial fixed assets		57,483	72,086
313,076	320,381	TOTAL FIXED ASSETS		320,332	334,154
		Current assets			
24,037	32,348	Inventory	17	21,230	29,988
29,929	50,888	Accounts receivable		20,688	42,473
46,184	33,191	Other receivables	18	45,623	32,543
2,924,082	2,669,447	Market-based financial assets	19	2,924,082	2,669,447
350,577	499,903	Cash, bank deposits etc	20	325,256	480,154
3,374,809	3,285,777	Total current assets		3,336,880	3,254,605
3,687,885	3,606,158	TOTAL ASSETS		3,657,211	3,588,759
		EQUITY AND LIABILITIES			
		Equity			
440,623	522,540	Designated equity with external restrictions	21	440,623	522,540
39,896	16,927	Equity with internal restrictions	21	39,896	16,927
2,987,446	2,861,499	Other equity	21	2,962,447	2,849,408
3,467,965	3,400,966	Total equity		3,442,966	3,388,875
		Current liabilities			
108,983	78,381	Accounts payable to suppliers		102,735	71,694
30,887	29,663	Public duties payable		26,408	26,553
37,147	57,149	Unused public funds	1	37,147	57,149
42,902	39,998	Other short-term liabilities	22	47,955	44,488
219,919	205,191	Current liabilities		214,245	199,884
219,919	205,191	Total liabilities		214,245	199,884
3,687,885	3,606,158	TOTAL EQUITY AND LIABILITIES		3,657,211	3,588,759

The National Congress' approval of the Annual Accounts for 2017

Oslo, 20 April 2018



Robert Mood
President of the Norwegian Red Cross



Bernt Apeland
Secretary General



Morten Asker Støldal
Vice-President



Hanne Marie Heggdal
Vice-President



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Geir Waaler



Gaute Sars-Olsen



Roy Heine Olsen



Kjersti Løvik



Pernille Backer Lemming



Mawra Mahmood



Thorbjørn Fosse

CASH FLOW STATEMENT

All figures in thousands of NOK

GROUP			ASSOCIATION	
2017	2016		2017	2016
66,999	161,542	Annual surplus/deficit from activities	54,091	157,277
		ITEMS IN THE ACTIVITY ACCOUNTS THAT HAVE NO DIRECT BEARING ON LIQUIDITY		
16,426	15,958	+ depreciation, write-downs and reversal of write-downs	11,985	11,710
0	-372	+/- loss/profit on disposal of other tangible fixed assets	0	-2,205
16,426	15,586	TOTAL	11,985	9,504
		INVESTMENT, DISPOSAL AND FINANCING ACTIVITIES		
-14,985	-14,700	- acquisition of other tangible fixed assets	-13,370	-12,881
	616	+ selling price on disposal of other tangible fixed assets		616
6,273	0	+/- net investment/disposal of investments	-12,943	28,400
-1,269	-2,900	+ repayment/- assumption of current and non-current receivables	27,546	-26,760
0	0	- repayment/+ assumption of non-current liabilities	0	0
-9,982	-16,985	Total	1,233	-10,625
		OTHER CHANGES		
7,966	-7,190	+/- changes in accounts receivables and other receivables	8,704	-808
14,728	37,778	+/- changes in accounts payable and other current liabilities	14,361	38,646
8,311	-4,286	+/- change in inventory	8,758	-5,942
860	-64	+/- change in other accruals	606	1,639
31,865	26,238	Total	32,429	33,535
105,309	186,381	TOTAL CHANGES IN CASH//CASH EQUIVALENTS OVER THE YEAR	99,737	189,690
3,169,350	2,982,969	+ Holdings of cash/cash equivalents as at 1.1.	3,149,600	2,959,910
3,274,659	3,169,350	= Holdings of cash/cash equivalents as at 31.12.	3,249,337	3,149,600

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

NOTES

The annual accounts apply to the idealistic organisation known as the Norwegian Red Cross, a not-for-profit humanitarian organisation. 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 association's 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 association's 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 recognised 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 long-term 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 purchase cost and fair 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'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 Norwegian Public Service Pension Fund has not made sufficient information available to allow this obligation to be calculated. Therefore, the scheme cannot be treated as a defined-benefit pension scheme for accounting purposes. Recommended practice in Norway allows pension schemes like this to be treated as contributory pension plans for accounting purposes, which in practice means that the period's pension costs are equal to the period's contributions.

The association is obliged to have an occupational pension scheme for its employees in accordance with the Norwegian Law on mandatory occupational pension schemes. The association's pension scheme fulfils the requirements of this legislation.

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 amounts in thousands of NOK	GROUP AND ASSOCIATION	
	2017	2016
The Ministry of Foreign Affairs	886,706	902,433
NORAD	102,832	79,900
The Ministry of Justice and Public Security	28,304	26,444
Norwegian Ministry of Children and Family Affairs	22,166	16,145
Grants from the Distribution Committee (FUV)	1,647	1,386
Peace Corps	2,942	2,435
Directorate of Integration and Diversity (IMDI)	3,710	4,200
Directorate of Health/Ministry of Health and Care Services	11,744	12,403
The Ministry of Defence	309	152
The Norwegian Gaming and Foundation Authority	27,897	26,706
Norwegian Labour and Welfare Administration (NAV)	0	250
Directorate of the Norwegian Correctional Service	1,742	1,841
Others	12,816	15,847
Total	1,102,815	1,090,143

The grants must be repaid if the scale of activities fails to correspond with the assumptions on which they are based. TNOK 37,147 of the received public grants had been set aside as unused public funds at 31.12. 2017 (the corresponding figure at 31.12.2016 was TNOK 57,149). These funds are expected to be recognised as revenue in 2018 based on ongoing activities, accrued as unused public funds.

NOTE 2 - OTHER CONTRIBUTIONS

All amounts in thousands of NOK	GROUP AND ASSOCIATION	
	2017	2016
The Norwegian Gaming and Foundation Authority	215,159	215,159
Contributions from sister associations	14,656	5,518
Echo	21,384	17,031
Health and rehabilitation	5,186	5,633
The Norwegian Children and Youth Council (LNU)	3,106	3,233
Others	613	0
Total	260,104	246,574

NOTE 3 - REVENUE FROM FUNDRAISING AND DONATIONS

All amounts in thousands of NOK	GROUP		ASSOCIATION	
	2017	2016	2017	2016
Endowments	8,320	12,515	8,319	12,515
Unrestricted donations/contributions	5,149	7,161	3,544	5,300
Donor programme	160,127	139,602	160,127	139,602
Trade and industry agreements	15,073	30,990	15,073	30,990
Fundraising	43,657	268,806	43,657	268,806
Memorial donations	420	568	420	568
Donations given as goods and services	4,983	5,656	4,983	5,656
Legacies	7,993	7,413	7,993	7,413
Investment support	0	0	0	0
Total	245,723	472,711	244,117	470,850

NOTE 4 - REVENUES THAT FULFIL THE ORGANISATION'S OBJECTIVES

All amounts in thousands of NOK	GROUP		ASSOCIATION	
	2017	2016	2017	2016
Income from online store	3,871	6,458	3,871	6,458
Advertising revenues	139	203	139	203
Delegate fees	4,273	1,451	4,273	1,451
Rental revenues	14,761	14,004	14,761	14,004
Share revenue/sale of equipment	5,361	4,419	5,361	4,419
Sales revenue prime customers	33,025	33,634	0	0
Christmas campaign, sale of goods	99	618	99	618
Travel commission	124	76	124	76
Other revenue	1,358	1,696	1,358	1,696
Total	63,011	62,559	29,986	28,925

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

	2017	2016
Service centre/HR	9,953	10,624
Operating costs, property	16,289	11,522
ICT	22,688	24,254
Financial administration	13,175	11,577
Total	62,106	57,977

Joint expenditure	Service centre/HR	Property	ICT	Financial administration	Total	
Total	9,953	16,289	22,688	13,175	62,106	
Expenditure on generating funds	517	846	1,179	685	3,227	5%
Special-purpose expenses						
2.1 Prevention and response to save lives	5,700	9,329	12,994	7,545	35,568	57%
2.2 Assisting to protect health and livelihoods	790	1,293	1,801	1,046	4,929	8%
2.3 Working for social inclusion and diversity	344	562	783	455	2,143	3%
3.1 Building and developing strong and needs-oriented RC Associations	761	1,246	1,735	1,008	4,749	8%
3.2 Preventing and reducing vulnerability through advocacy	260	426	593	344	1,624	3%
3.3 Developing an effective and sustainable organisation	1,208	1,977	2,754	1,599	7,538	12%
Administration costs	373	610	850	494	2,327	4%
Total	9,953	16,289	22,688	13,175	62,106	100%

NOTE 6 - EXPENDITURE ON GENERATING FUNDS

All amounts in thousands of NOK

	GROUP		ASSOCIATION	
	2017	2016	2017	2016
Fundraising costs				
Contributions and donations	68,770	99,542	68,770	99,542
Share of joint expenses	7,890	15,876	7,890	15,875
Total	76,660	115,417	76,660	115,417
Other expenditure on generating funds				
Costs of maintaining membership numbers	16,680	16,384	16,680	16,384
Games/royalties	495	158	495	158
Proportion of staff functions	1,088	439	1,088	439
Expenses in subsidiaries	60,977	56,381	0	0
Share of joint expenses	6,378	3,243	6,378	3,243
Total	85,617	76,605	24,641	20,224

NOTE 7 - EXPENDITURE ON OBJECTIVES - ASSOCIATION

All amounts 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 disasters
- 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

	2017	2016
Nationally	59,395	64,371
International work	1,046,097	955,015
Share of joint expenses	11,085	13,088
Total	1,116,577	1,032,474

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

	2017	2016
Nationally	58,656	47,289
International work	94,815	111,194
Share of joint expenses	1,270	1,807
Total	154,741	160,290

Principal objective 3 - The Red Cross will 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 in our 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

	2017	2016
Nationally	44,950	60,953
International	22,034	15,486
Share of joint expenses	304	2,373
Total	67,288	78,812
	2017	2016
Total for principal objectives 1-3	1,338,606	1,271,577

NOTE 8 - PERCENTAGE SPENT ON ADMINISTRATION AND OBJECTIVES- ASSOCIATION

All amounts 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 Congress and committees. The distribution of joint expenses is described in note 5. The administration has its share of distributed joint expenses. Financial expenditure is reported as a proportion of resources used in managing the organisation.

	2017	2016	2015	2014	2013
Total expenditure - administration	73,064	52,926	38,829	40,009	31,073
Total expenditure	1,949,672	1,877,933	1,477,085	1,341,198	1,294,845
Percentage administration	3,7%	2,8%	2,6%	3,0%	2,4%
Expenditure on objectives	1,775,307	1,689,365	1,349,920	1,236,200	1,193,264
Total expenditure	1,949,672	1,877,933	1,477,085	1,341,198	1,294,845
Percentage on objectives	91.1%	90.0%	91.4%	92.2%	92.2%
Fundraising percentage:	2017	2016	2015	2014	2013
Revenue from fundraising and donations	244,117	470,850	302,189	218,659	192,445
Total funds raised	244,117	470,850	302,189	218,659	192,445
Expenditure on generating funds	101,301	135,642	87,345	65,039	70,508
Other expenditure for generating funds	-24,641	-20,225	-16,629	-16,563	-12,651
Expenditure on generating funds	76,660	115,417	70,716	48,476	57,856
Net funds raised	167,457	355,432	231,473	170,183	134,588
Fundraising percentage	68.6%	75.5%	76.6%	77.9%	69.9%

NOTE 9 - CLASSIFICATION BY TYPE

All amounts in thousands of NOK

GROUP ACCOUNTS			SOCIETY ACCOUNTS	
2017	2016		2017	2016
		Revenues		
1,102,815	1,090,143	Public grants	1,102,815	1,090,143
260,104	246,574	Contributions from others	260,104	246,574
245,723	472,711	Donations and contributions	244,117	470,850
226,839	207,412	Other operating income	134,823	123,639
1,835,480	2,016,840	Total revenues	1,741,859	1,931,205
		Expenses		
123,532	98,313	Cost of goods	81,738	62,066
324,414	322,945	Payroll costs	287,113	289,159
16,426	15,958	Depreciation	11,985	11,710
-	-	Write-downs	-	-
263,022	266,968	Other operating costs	250,843	249,886
1,299,497	1,250,489	Cash contributions	1,299,497	1,250,489
2,026,891	1,954,673	Total expenses	1,931,175	1,863,310
-191,411	62,167	Operating surplus/deficit	-189,316	67,895
3,245	4,267	Interest income	2,603	4,026
259,302	99,979	Change in value of financial assets	259,302	99,979
-	-	Depreciation shares/subordinated loans	16,842	10,000
4,136	4,871	Interest charges	1,655	4,623
258,411	99,375	Net financial items	243,407	89,382
66,999	161,542	Profit/loss for the year	54,091	157,277
		Allocation of net income		
		Transfer to/from equity/ext. restr.	-81,917	173,800
		Transfer to/from equity/int. restr.	22,970	16,927
		Transfer to other equity	113,038	-33,450
		Total allocated	54,091	157,277

NOTE 10 - NUMBER OF FULL-TIME EQUIVALENTS

	GROUP		ASSOCIATION	
	2017	2016	2017	2016
Number of FTEs - permanent employees	328	318	253	244
Number of FTEs - temporary employees	25	42	25	42
Total	353	360	278	286

Average full-time equivalents at the regional offices were 276 permanent/50 temporary, (these are not included in the table above). The corresponding FTEs figures for 2016 were 268/43.

NOTE 11 - REMUNERATION TO MANAGEMENT

All amounts in thousands of NOK

Remuneration to executive personnel	SECRETARY GENERAL	NATIONAL CONGRESS
Salary	1,165	0
Pension costs	52	0
Other benefits	12	26
Remuneration to the auditor is distributed as follows (incl. VAT):	GROUP	THE NORWEGIAN RED CROSS
Auditing services	696	541
Other certification services	1,481	1,450
Advice on taxes and duties		
Other assistance	138	32
Total	2,316	2,023

In addition, BDO Rådgivning has conducted a project worth TNOK 210 relating to security and preparedness.

NOTE 12 - TRANSACTIONS WITH CLOSE ASSOCIATES

All amounts 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.

	2017	2016
To the IFRC		
Contributions to various programmes	188,887	214,245
Membership fees	6,610	6,938
From Norwegian Red Cross regional offices		
Donations for disasters	287	321
Salaries/travel expenses	134,060	123,707
To Norwegian Red Cross regional offices		
Outlay salaries/travel expenses	134,060	123,707
General grants	75,025	73,338
Services provided (pro bono)	25,157	27,831
Support for various local activities	7,850	7,895
Support for care activities	9,191	14,095
Support for disaster preparedness and search and rescue corps work	4,056	3,986
Transfers of proportion of membership fees	2,277	2,277
Transfers of business community support	6,026	2,268
Transfers from ExtraStiftelsen	1,561	1,571
Support for child and youth activities	43,066	36,223
Support for youth delegates	638	527
Support for the refugee crisis	23,497	26,236
Skills enhancement	5,534	1,975
From local branches		
Donations for disasters	1,305	1,461
To local branches		
Transfers of proportion of membership fees	26,585	23,435
Support for disaster preparedness and search and rescue corps work	741	4,534
Transfers of share of Panto lottery	18,418	16,046
Support for care activities	3,340	3,401
Transfers from FriFond	2,951	3,071
Support for children's activities	1,222	3,709
Transfers from ExtraStiftelsen	781	881
Support for the refugee crisis	7,591	1,000
To subsidiaries		
Purchase of stays at centres and first aid products	4,721	3,334
From subsidiaries		
Rent and telephony	69	3,088
From the Norwegian Red Cross Humanitarian Fund		
Contributions for objectives	184	195

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

NOTE 13 - INTANGIBLE ASSETS AND TANGIBLE FIXED ASSETS

GROUP	Total tangible fixed assets			Transport- means	Total operating equipment, fixtures, equipment, means of transport	Total tangible fixed assets
	Intellectual property assets	Plots, Buildings, real estate	Operating equipment, fixtures, equipment,			
All figures in thousands of NOK						
Acquisition cost at 1.1	28,454	307,285	151,509	18,716	170,226	505,965
Additions during the year	1,260	78	13,648	-	13,647	14,985
Disposals during the year	-	0	-2,718	-	-2,718	-2,719
Acquisition cost at 31.12	29,714	307,363	162,439	18,716	181,156	518,232
Accumulated depreciation at 1.1	4,143	65,238	127,916	16,279	144,195	213,577
Ordinary depreciation for the year	3,794	3,323	8,460	911	9,371	16,488
Acc.depreciation decrease	-	-	-2,130	-	-2,130	-2,130
Accumulated depreciation at 31.12	7,937	68,561	134,246	17,191	151,436	227,934
Accumulated write-downs at 1.1	-	856	3,534	-	3,534	4,390
Ordinary write-downs for the year	-	-	-	-	-	-
Reversal of write-downs	-	-	-	-	-	-
Accumulated write-downs at 31.12	-	856	3,534	-	3,534	4,390
Book value at 31.12	21,776	237,947	24,659	1,526	26,187	285,910
Economic life	5 years	50 - 100 years	3 - 5 years	3 - 5 years		

Straight line depreciation has been used for all tangible fixed assets, except land.

SOCIETY ACCOUNTS	Plots		Transport- means	Total operating equipment fixtures, equipment means of transport	Total tangible fixed assets
	Buildings real estate	Operating equipment fixtures, equipment,			
All amounts in thousands of NOK					
Acquisition cost at 1.1	305,404	140,377	15,604	155,981	461,385
Additions during the year	78	13,292	0	13,292	13,370
Disposals during the year (2017: expensed, not sold)	0	-2,718	0	-2,718	-2,718
Acquisition cost at 31.12	305,482	150,951	15,604	166,555	472,037
Accumulated depreciation at 1.1	64,213	117,472	14,150	131,622	195,834
Ordinary depreciation for the year	3,323	8,022	641	8,662	11,985
Acc.depreciation decrease	0	-2,130	0	-2,130	-2,130
Accumulated depreciation at 31.12	67,535	123,364	14,790	138,154	205,689
Write-downs for the year	0	0	0	0	0
Accumulated write-downs at 31.12	0	3,500	0	3,500	3,500
Book value at 31.12	237,947	24,087	814	24,901	262,848
Economic life	50 - 100 years	3 - 5 years	3 - 5 years		

Straight line depreciation has been used for all tangible fixed assets, except land.

NOTE 14 - INVESTMENTS IN SUBSIDIARIES

All figures in thousands of NOK

The Norwegian Red Cross directly owned the following companies at 31.12.2017:

Company	Acquisition- years	Vote share/ Equity interest	Cost price	Capitalized 31.12.16	Capitalized 31.12.17	Equity ratio as of 2017	Profit share 2017
Røde Kors Husene AS, Hausmannsgt 7, N-0186 Oslo	2004	100%	61,335	100	19,516	19,996	-14,495
			61,335	100	19,516	19,996	-14,495

Røde Kors Husene AS owns the following companies as of 31.12.2017:

Company	Acquisition- years	Vote share/ Equity interest	Cost price	Equity ratio 31.12.17	Profit share 31.12.17
Norges Røde Kors Sentrene AS, Hausmannsgt 7, N-0186 Oslo	2016	100%	1,008	3,481	1,629
Røde Kors Førstehjelp AS, Sandbrekkveien 95, N-5225 Nesttun	2016	100%	4,408	5,459	1,127
FairChance Norway AS, Hausmannsgt 7, N-0186 Oslo	2016	100%	25,000	10,235	-3,839
RK Tøy og Tekstil AS, Hausmannsgt 7, N-0186 Oslo	2017	100%	5,000	5,000	0
Hogst AS, Klæbuveien 118, 7031 Trondheim	2016	80%	4,000	1,605	-1,954

NOTE 15 - SHARES IN OTHER COMPANIES

All amounts in thousands of NOK

	Vote share/ Equity interest	Aquisition Cost	Capitalized 31.12.17	Capitalized 31.12.16
Shares in other companies				
Shares in Norsk Pantelotteri AS	40%	28,000	19,369	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	105	1,947
Other		164	164	164
Total		31,270	19,697	26,170

In addition, Red Cross Førstehjelp AS invested 200 in the Eir AS.

NOTE 16 - OTHER LONG-TERM RECEIVABLES

All amounts in NOK thousands

Other long-term receivables	GROUP		ASSOCIATION	
	2017	2016	2017	2016
Other long-term claims that mature in more than one year constitute:				
Loans to subsidiaries	0	0	10,400	39,816
Loan to Red Cross associations - 2nd priority mortgage	7,269	6,000	7,870	6,000
Total	7,269	6,000	18,270	45,816

NOTE 17 - STOCK

All amounts in NOK thousands

	GROUP		ASSOCIATION	
	2017	2016	2017	2016
Disaster preparedness reserves	19,873	27,541	19,872	27,541
Other goods	4,164	4,807	1,358	-2,448
Total	24,037	32,348	21,230	29,988

NOTE 18 - OTHER RECEIVABLES

All amounts in NOK thousands

	GROUP		ASSOCIATION	
	2017	2016	2017	2016
Other receivables				
Accrued income	19,052	17,246	19,052	17,246
Pre-paid expenses	27,042	15,855	26,450	15,207
Other short-term receivables	90	90	121	90
Total	46,184	33,191	45,623	32,543

NOTE 19 - MARKET-BASED FINANCIAL ASSETS

All amounts in thousands of NOK

Type of fund	2017				2016			
	Market-value	Cost price	Return	Return in %	Market-value	Cost price	Return	Return in %
Bond funds	913,154	900,779	23,387	2,7%	864,305	829,926	28,100	3,4%
Money market fund	695,394	695,066	9,802	1,6%	536,542	535,776	10,392	2,1%
Equity funds	1,315,534	799,150	221,402	17,9%	1,268,600	736,819	58,054	4,7%
Total	2,924,082	2,394,995	254,591	10,0%	2,669,447	2,102,521	96,546	3,8%

The Norwegian Red Cross has invested NOK 2,924 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 2017 were as follows:

Norwegian shares:	1,8%
Foreign shares:	1,6%
Norwegian interest (Norwegian bonds + Norwegian money market):	0,4%
Foreign interest:	0,7%

NOTE 20 - CASH AND CASH EQUIVALENTS

All amounts in NOK thousands

	GROUP		ASSOCIATION	
	2017	2016	2017	2016
Cash and bank deposits	350,577	499,903	343,973	480,154
Of which the following is restricted:				
Withholding tax	18,484	17,906	16,531	16,416
Unused public funds*	37,830	58,198	37,830	58,198
Total restricted funds	56,314	76,105	54,361	74 614
Liquid funds at the disposal of the Norwegian Red Cross	294,263	423 798	289,612	405,540

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

NOTE 21 EQUITY

All amounts in thousands of NOK

THE NORWEGIAN RED CROSS GROUP ACCOUNTS	Equity External restriction	Equity Internal restriction	Other Equity	Total Equity
Equity at 1.1	522,540	16,927	2,861,499	3,400,966
Funds carried over	246,457	33,400	125,947	405,804
Funds transferred to activities	-328,375	-10,431	-	-338,806
Profit/loss for the year	-81,918	22,969	125,947	66,999
Equity at 31.12	440,623	39,896	2,987,446	3,467,965

ASSOCIATION GROUP ACCOUNTS	Equity External restriction	Equity Internal restriction	Other Equity	Total Equity
Equity at 1.1	522,540	16,927	2,849,408	3,388,876
Funds carried over	246,457	33,400	113,039	392,896
Funds transferred to activities	-328,375	-10,431	-	-338,806
Profit/loss for the year	-81,917	22,969	113,039	54,091
Equity at 31.12	440,623	39,896	2,962,447	3,442,966

NOTE 22 - OTHER NON-CURRENT LIABILITIES

All amounts in NOK thousands

Other long-term liabilities	GROUP		ASSOCIATION	
	2017	2016	2017	2017
Allocated holiday pay	32,640	30,883	31,430	29,972
Accrued interest on Ministry of Foreign Affairs/NORAD funds	683	1,049	683	1,049
Income to be redistributed	1,475	23	1,475	23
Other short-term liabilities	8,105	8,043	14,367	13,444
Total	42,902	39,998	47,955	44,488



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

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 2017, 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 2017, 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 2017, 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.
- The accompanying financial statements give a true and fair view of the financial position of the group as at 31 December 2017, 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

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

Management is responsible for the other information. The other information comprises the National Board's report.

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

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

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 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 and 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 and the Group'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 and the Group 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



and the going concern assumption is consistent with the financial statements and complies with the law and regulations.

Opinion on Registration and Documentation

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 and the Group's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Oslo, 8. June 2018
BDO AS

Erik Lie
State Authorised Public Accountant

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

THE CONTROL COMMITTEE until 8 October 2017

Chairman	Pål Hauge
Vice-Chairperson	Bjørn Valvik
Members	Anne Jorun Kjær Trude Mathisen Trond Midtbøen
Deputies	Ivar Elshaug Bernt Tore Djuv Meling

THE CONTROL COMMITTEE after 8 October 2017

Chairman	Trude Mathisen
Vice-Chairperson	Anne Jorun Kjær
Members	Odd Erik Loftesnes Trond Midtbøen Audun Tron
Deputies	Bernt Tore Djuv Meling Bodil Wenche Einang

SECRETARY GENERAL

Bernt G. Apeland

NORWEGIAN RED CROSS PATRON

HRH Crown Princess Mette-Marit

NORWEGIAN RED CROSS HONORARY MEMBERS

HM Queen Sonja
Astrid Nøklebye Heiberg
Thorvald Stoltenberg
Roald Sæterdal
Sven Mollekleiv

Awards 2017

HONORARY MEMBER

President Sven Mollekleiv

NORWEGIAN RED CROSS BADGE OF HONOUR

Ole Gladsø, Sør-Trøndelag Red Cross

NORWEGIAN RED CROSS MERIT MEDAL

Snorre Gundersen, Nord Trøndelag Red Cross
Pål Hauge, Hordaland Røde Kors
Kaia Johnsen, Vefsn Røde Kors
Tone Sissel Kise, Telemark Red Cross
Turid Mong, Rogaland Røde Kors
Øystein Nystad, Bodø Røde Kors
John Sjursø, Rogaland Røde Kors
Morten Støldal, Vestfold Røde Kors
Nils Harald Vestrum, Oppland Røde Kors

NORWEGIAN RED CROSS SEARCH AND RESCUE CORPS MERIT MEDAL

Sven Bruun, Oslo Red Cross
Bjørn Arild Fjeldsbø, Hordaland Røde Kors
Wenche Fausa, Langevåg Red Cross
Svein Grindstuen, Otta Røde Kors
Kenneth Gulbrandsøy, Buskerud Røde Kors
Oddgeir Indrebø, Vadheim Røde Kors Hjelpekorps
Oddgeir Johansen, Vefsn Røde Kors
Rolf Lorentzen, Vefsn Røde Kors
Kjell Tore Løvold, Langevåg Red Cross
Ole Martin Pedersen, Sør-Trøndelag Røde Kors

THE NATIONAL CONGRESS 2017-2020

THE NATIONAL CONGRESS before 8 October 2017

President	Sven Mollekleiv
Vice-President	Snorre Gundersen
Vice-President	Hanne Marie Heggdal
Board member	Njål Høstmælingen
Board member	Bernadette Nirmal Kumar
Board member	Charlott Nordström
Board member	Morten Støldal
Board member	Irene Thorvaldsen
Board member	Audun Tron
Co-opted from the Central Council	Tone Sissel Kise Ann-Rigmor Lauritsen Benedikte Nilsen Dag Røberg

Board member from The Red Cross Search and Rescue Corps	Ole Gladsø
Board member from The Red Cross Care Services	John Sjursø
Board member from The Red Cross Youth	Mawra Mahmood
Board member, employee representative	Olav Aasland
Co-opted member	Bernt Grimstvedt
Co-opted member	Mette Skavnes
Co-opted from the Central Council	Synnøve Sande
Co-opted member from The Red Cross Search and Rescue Corps	Sven Bruun
Co-opted member from The Red Cross Care Services	Magali Hytten
Co-opted member from The Red Cross Youth	Henriette Håvarstein
Co-opted member, employee representative	Morten Hagen

THE NATIONAL CONGRESS after 8 October 2017

President	Robert Mood
Vice-President	Hanne Marie Heggdal
Vice-President	Morten Støldal
Board member	Johan Audestad
Board member	Trude Glad
Board member	Nita Kapoor
Board member	Steffen Kristiansen
Board member	Mette Skavnes
Board member	Anne Tingelstad Wøien
Co-opted from the Central Council	Ann-Rigmor Lauritsen
Co-opted from the Central Council	Geir Waaler
Co-opted from the Central Council	Roy Heine Olsen
Co-opted from the Central Council	Gaute Sars-Olsen
Board member from The Red Cross Search and Rescue Corps	Kjersti Løvik
Board member from The Red Cross Care Services	Pernille Backer Lemming
Board member from The Red Cross Youth	Mawra Mahmood
Employee-elected board member	Thorbjørn Fosse
Co-opted member:	Kjell Hasselhoff
Co-opted member:	Anne Elisabeth Lie
Co-opted from the Central Council	Synnøve Sande Einar Jakobsen Odd Johs Egset Anders Lervold
Co-opted member from The Red Cross Search and Rescue Corps	Sven Bruun
Co-opted member from The Red Cross Care Services	Marit Solhaug Gjerstad
Co-opted member from The Red Cross Youth	Hege Solheim
Co-opted member, employee representative	Ida Haugen-Poljac



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