



Norwegian Natural Perils Pool

Income statement

REVENUE	Note	2018	2017
Called up from members	1	10 129 225	14 271 569
Other revenue	2	<u>4 255 335</u>	<u>86 214</u>
Total revenue		14 384 560	14 357 783
EXPENSES			
Payroll expenses	3	7 439 377	8 690 603
Other operating expenses	4	<u>5 994 150</u>	<u>6 869 469</u>
Total operating expenses		13 433 527	15 560 072
Operating profit/loss		951 033	-1 202 289
Net investment income		170 492	137 006
Profit/loss for the year		<u>1 121 525</u>	<u>-1 065 283</u>



Norwegian Natural Perils Pool

Balance sheet at 31 December

ASSETS	Note	2018	2017
Current assets:			
Receivable from employees	3	5 560	17 316
Receivable from members, net	5	53 515 289	373 331
Other current receivables		167 281	0
Bank deposits	6	<u>26 345 958</u>	<u>22 699 026</u>
Total current assets		80 034 088	23 089 672
TOTAL ASSETS		<u>80 034 088</u>	<u>23 089 672</u>
LIABILITIES AND EQUITY			
Trade payables		1 172 497	397 446
Payable to members, net	5	61 416 403	0
Payable to authorities		841 748	707 914
Accrued holiday pay		570 436	471 252
Other accrued expenses		260 099	136 548
Received through commutation		12 361 161	15 820 606
Reinsurance not distributed	7	86 977	3 225 910
Fees for distribution	8	<u>2 510 008</u>	<u>2 636 763</u>
Total current liabilities		79 219 331	23 396 439
Equity	9	0	0
Retained profit/loss		-306 767	758 516
Profit/loss for the year		<u>1 121 525</u>	<u>-1 065 283</u>
Profit/loss payable to members		814 758	-306 767
TOTAL LIABILITIES AND EQUITY		<u>80 034 088</u>	<u>23 089 672</u>



Oslo, 6 May 2019
The board of the Norwegian Natural Perils Pool

Knut Beckstrøm
Chair

Tor Erik Silset
Deputy chair

Hans Olav Høiby

Jan K. Kristoffersen

Fredrik Øyan

Øyvind Flatner

Odd Arne Hoel

Espen Strømme

Geir R. Trulserud
Director



NORWEGIAN NATURAL PERILS POOL NOTES

ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Accounting Act's provisions for small companies (NRS 8) and generally accepted accounting principles.

Current assets and liabilities are items that fall due for payment within a year of the balance sheet date and are valued at the lower of cost and net realisable value.

The Pool's revenue comprises amounts called up from members, based on their share of the total fire sum insured in Norway, to cover purchases of reinsurance and administration expenses.

Overview of participants in the pool:	2018
Gjensidige Forsikring incl. fire insurers	26.7168%
If Skadeforsikring NUF	19.0665%
Tryg Forsikring incl. Enter, OBOS and Troll	10.6164%
SpareBank 1 Skadeforsikring AS	10.3474%
Others (<10%)	33.2529%
	<u>100.0000%</u>

- Note 1** The gross amount called up from members was NOK 239 374 209.
On behalf of members, the Pool paid reinsurance premiums of NOK 225 244 984.
Under the annual settlement for 2019, the amount to be repaid to members is NOK 4 000 000.
- Note 2** Consists mainly of commutation, i.e. amounts paid in by former members.
In addition, NOK 750 000 was paid in by a member due to a previous reporting error, and we have invoiced AS Norsk Naturskadeoppl ring NOK 46 000 for the provision of claims assessor training.
- Note 3** The Pool had seven full-time employees on 31 December 2018. The Pool also pays a fee of NOK 100,000 for its director, who is employed by Finance Norway Insurance Services (FNF).



	2018	2017
Salary, holiday pay, etc.	4 422 708	3 031 867
Salaries and fees other than for employees	924 236	1 334 993
Pension expenses	1 182 316	3 613 385
Employer's contributions	910 117	710 358
	<hr/>	<hr/>
	7 439 377	8 690 603

In 2017, the Pool recognised a non-recurring charge for switching from defined-benefit pensions. The Pool now provides defined-contribution pensions for its employees under the Mandatory Occupational Pensions Act.

No fees were paid to members of the board, and no loans or collateral were provided for the director or employees.

Two employees have computers on loan for personal use with repayment over three years.

Note 4 Other operating expenses comprise:

	2018	2017
Administration expenses at FNO/FNF	1 904 133	2 809 223
Rent	761 313	643 015
IT operation and development	1 106 992	483 450
Consulting services	798 334	1 867 576
Auditor's fees	66 459	50 745
Internal control systems	27 305	0
Exercise	0	435 870
Telecommunications	58 922	66 414
Courses and training	72 157	111 415
Meetings	96 781	118 937
Travel	175 513	196 297
Property valuation system	850 431	0
Miscellaneous expenses	94 283	82 139
Bad debts	-18 472	4 389
	<hr/>	<hr/>
	5 994 150	6 869 471

Note 5 The purpose of the Pool is to equalise claims expenses between members. This mechanism means that some members are owed money, while others owe money.



We have chosen to classify the former as a liability.
The amount payable from members includes a provision for bad debts of NOK 750 000.

Note 6 Includes withheld taxes of NOK 341 850.

Note 7 The last instalment for Storm Dagmar. Approx. NOK 25 000 is still be received from reinsurers.

Note 8 Fees collected from policyholders purchasing fire insurance from non-members.

Note 9 The Pool has no equity. The accumulated profit (loss) is reported as payable to (receivable from) members.