



NORWEGIAN NATURAL PERILS POOL

Income statement	Note	2020	2019
REVENUE			
Called up from members	1	15 627 969	14 921 757
Other revenue		23 795	11 044 972
Total revenue		15 651 764	25 966 729
EXPENSES			
Payroll expenses	2	7 879 741	8 189 879
Other operating expenses	3	8 649 133	6 501 965
Total operating expenses		16 528 875	14 691 844
Operating profit/loss		-877 111	11 274 885
Net investment income		89 158	251 346
Profit/loss for the year		-787 953	11 526 231
Set against retained profit/loss payable to members		-787 953	11 526 231
Total distributed		-787 953	11 526 231



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Balance sheet at 31 December

ASSETS	Note	2020	2019
Current assets:			
Receivable from employees	2	4 465	9 035
Receivable from members, net	4	40 210 172	62 556 329
Other current receivables		249 843	0
Bank deposits	5	<u>14 825 469</u>	<u>16 149 339</u>
Total current assets		55 289 949	78 714 703
TOTAL ASSETS		<u>55 289 949</u>	<u>78 714 703</u>
LIABILITIES AND EQUITY			
Trade payables		515 422	774 487
Payable to members	4	38 134 696	61 371 946
Payable to authorities		714 304	731 587
Accrued holiday pay		653 551	645 654
Other accrued expenses		610 723	42 776
Received through commutation		498 716	135 094
Fees for distribution	6	<u>2 609 505</u>	<u>2 672 173</u>
Total current liabilities		43 736 916	66 373 716
Equity			
Retained profit/loss		12 340 989	814 758
Profit/loss for the year		<u>-787 953</u>	<u>11 526 231</u>
Profit/loss payable to members	7	11 553 036	12 340 989
TOTAL LIABILITIES AND EQUITY		<u>55 289 949</u>	<u>78 714 703</u>

Oslo, 12 May 2021

Tor Erik Silset
Chair

Jostein Damminger
Deputy chair

Glenn Olsen

Jan K. Kristoffersen

Odd Arne Hoel

Hans Olav Høiby

Fredrik Øyan

Øyvind Flatner

Geir Trulserud
Director



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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 fair 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.

Contributions are collected from Norwegian members in two instalments, in January and June, while foreign members are required to pay in full in January.

The amounts are based on the approved budget and are linked to the financial year.

The Pool does not provide insurance services itself. Its role is to equalise natural perils claims between member companies. The Pool is organised such that its board obtains reinsurance on behalf of members. When buying reinsurance, it is ensured that all members pay no more than they would in the market.

The collection and payment of reinsurance premiums are viewed as being done on behalf of members and are therefore presented net in the income statement.

The reinsurance obtained covers events in the range NOK 1.5-16.5 billion.

Overview of participants in the pool:

Gjensidige Forsikring incl. fire insurers	26.8209 %
If Skadeforsikring NUF	20.3963 %
Fremtind Forsikring AS	13.8145 %
Tryg Forsikring	10.5829 %
Others (<10%)	28.3854 %



Note 1 The gross amount called up from members was NOK 228 627 969.
On behalf of members, the Pool paid reinsurance premiums of NOK 213 000 000.

Note 2 The Pool had seven full-time employees on 31 December 2020. The Pool also pays a fee of NOK 100,000 for its director, who is employed by Finance Norway Insurance Services (FNF).

	2020	2019
Salary, holiday pay, etc.	5 412 182	5 529 167
Salaries and fees other than for employees	429 989	547 720
Pension expenses	1 129 702	1 114 073
Employer's contributions	<u>907 868</u>	<u>998 918</u>
	7 879 741	8 189 879

Several staff took maternity leave in 2020.

The Pool 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 to the director or other staff.

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

Note 3 Other operating expenses comprise:

	2020	2019
Administration expenses at FNO/FNF	2 865 811	2 559 420
Rent	832 714	808 054
IT operation and development	1 153 552	794 281
Consulting services	2 305 365	783 575
Auditor's fees	81 774	67 023
Grants	1 000 000	0
Telecommunications	60 720	40 342
Courses and training	8 188	204 713
Meetings	57 960	105 263
Travel	73 662	166 314
Property valuation system	882 890	883 397
Miscellaneous expenses	80 295	77 993
Bad debts	<u>-753 797</u>	<u>11 590</u>
	8 649 133	6 501 965

In the financial statements for 2020, the previously recognised provision for bad



debts of NOK 750 000 has been reversed.

Costs for consulting services reflect wages saved in connection with maternity leave.

- Note 4** 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.
- Note 5** Includes withheld taxes of NOK 419 631.
- Note 6** Fees collected from policyholders purchasing fire insurance from non-members.
- Note 7** The Pool has no equity. The accumulated profit (loss) is reported as payable to (receivable from) members.