



Norwegian People's Aid



# Solidarity in Action

ANNUAL REPORT 2018

# THIS IS NORWEGIAN PEOPLE'S AID

**Norwegian People's Aid is a membership organisation that was founded in 1939.**

**We are the humanitarian organisation of the Norwegian Confederation of Trade Unions (LO), built on the same fundamental values: Unity, solidarity and human dignity.**

**The value basis for Norwegian People's Aid is rooted in equal rights for all, irrespective of gender, ethnicity, religion, sexual orientation, disability and social status.**

**Norwegian People's Aid shall be a credible, fearless organisation that challenges power and injustice and adopts independent standpoints on the basis of knowledge and experience from practical work.**

**Our vision, Solidarity in Action, characterises our work and involvement. Our work is based on solidarity, not charity.**

**The core activities of Norwegian People's Aid are divided into two main areas: Fair distribution of power and resources and Protection of life and health. Within this framework, we work both domestically and internationally.**

Published by Norwegian People's Aid 2019  
Editor: Torunn Aaslund

The annual report is also available in Norwegian  
Design and layout: Magnolia design as

Front cover photo: Julie Strand Offerdal

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## I THE ORGANISATION

Norwegian People's Aid is the labour movement's humanitarian organisation for solidarity. Norwegian People's Aid works both nationally and internationally to improve the living conditions of vulnerable groups and to contribute to a fairer society.

Norwegian People's Aid is a membership organisation with 4 main priority areas:

- (a) First aid and rescue services
- (b) Social inclusion work and work with refugees
- (c) Work with mines and explosives
- (d) Long-term development and humanitarian cooperation

This work is organised in two core areas:

- Protection of life and health
- Fair distribution of power and resources

A large part of our activities in Norway is based on our members' voluntary efforts. The first aid and rescue service constitutes important voluntary community involvement in national emergency response management. Nationally, Norwegian People's Aid is also engaged in refugee and integration work and international work for solidarity. Internationally, as of 31.12.2018, Norwegian People's Aid was active in 34 countries in Europe, the Middle East, Asia, Africa and Latin America, and is currently one of the world's largest organisations working with the clearance of landmines and cluster munitions.

### Members and local chapters

At the turn of the year, the organisation had 13,236 members in 108 chapters. 1968 members were under 26 years of age (number of members relevant in relation to the amount of support from the Norwegian Ministry for Children and Equality).

Three new chapters were established or re-established in 2018: NPA Meløy, NPA Arnøy and NPA Nedre Glomma. Seven chapters closed down during the period.

### Membership growth

There was an overall net membership growth of 6.8% in 2018. 2409 new members were recruited as a result of national, regional and local activities. The work of strengthening the membership organisation will also be given high priority in the current general assembly period.

### Composition and work of the Board of Directors

As of 31.12.2018, the Board of Directors had the following composition:

Chairman  
1st. Deputy Chairman  
2nd. Deputy Chairman  
Northern Region  
– from 1.8  
Central Norway Region  
Western Region  
South Western Region  
South Eastern Region  
Eastern Region  
Central First Aid and Rescue Committee  
Solidarity Youth  
– from 22.8  
First Aid and Rescue Youth  
Employees' Representative  
Employees' Representative

**Gerd Kristiansen**  
**Elin Skovly**  
**Atle Høie**  
**Line Hoaas**  
**Torulf Mikkelsen**  
**Arild Berentzen**  
**Jorge Alex Dahl**  
**Kristian Pettersen**  
**Stine Antonsen**  
**Hilde Iren Dahle**  
**Live Kummen**  
**Philip Rynning Coker**  
**Camilla Boyle**  
**Håkon Førre Knudsen**  
**Magnhild Sofie Otnes**  
**Per Øivind Eriksen**

### Collective members

Norwegian Union of Social Educators and Social Workers  
Norwegian Transport Workers Union  
Norwegian Union of Municipal and General Employees

**Mildrid Kvisvik**  
**Dag Einar Sivertsen**  
**Stein Guldbrandsen**

The Board held five meetings during 2018, one of which was held electronically, and the Audit Committee held four meetings. The Executive Committee, consisting the Chairman and the two Deputy Chairmen held a further eleven meetings.

Norwegian People's Aid holds a general assembly every four years.

### **Administration**

The Norwegian People's Aid Head Office is in Oslo. Henriette Killi Westhrin has held the post of Secretary General since January 2017.

## **II RESULTS FOR 2018**

### **Financial highlights**

The Board has prepared the accounts for 2018 on the assumption that the organisation will continue to operate.

The annual accounts encompass the non-profit organisation known as Norwegian People's Aid, which is an association which does not have financial gain as its purpose. The annual accounts do not reflect the local chapter's accounts. The activities result for the year amounts to NOK -16.2 million as opposed to NOK -18.9 million in 2017. Funds acquired in 2018 came to NOK 947 million as opposed to NOK 1009.6 million in 2017.

The activities result of NOK -16.2 was allocated as follows: NOK -15.5 million from assets with externally imposed restrictions, NOK -2 million from assets with internally imposed restrictions and NOK 1.3 million from other equity. As of 31.12.2018, total assets amounted to NOK 221.5 million as opposed to NOK 237.6 million in 2017. Other equity as of 31.12.2018 amounted to NOK 200.6 million as opposed to NOK 199.2 million in 2017.

### **Settlement with the US authorities**

In the autumn of 2017, Norwegian People's Aid received information from the US authorities that the organisation was being investigated for possible breach of contract. The background to the case was an emergency relief contract for South Sudan that we signed with the US agency for overseas development, USAID, in 2012. In connection with this, we also signed a declaration that, in the course of the previous ten years, we had no form of collaboration or linkage and had not provided support to any persons, organisations or states on American exclusion lists. During this period, Norwegian People's Aid assisted Norsk Hydro with explosives clearance work in connection with a seismic project in Iran, and one Norwegian People's Aid partner organisation conducted courses in human rights and democracy for young people in Gaza. The projects were financed and supported by Norsk Hydro and NORAD respectively. Neither of the projects received any funding from USAID. The USAID supervisory body, OIG, was of the opinion that Norwegian People's Aid has broken the law under the False Claims Act and reported the matter to the Public Prosecutor in New York.

On 3rd April, 2018, Norwegian People's Aid entered into a settlement with the US authorities that involved us having to repay USD 2.025 million – around NOK 16 million. It was adjudged too costly and time-consuming to pursue the case in the American courts.

## **III OPERATIONS**

As mentioned above, the core operations of Norwegian People's Aid are divided into two core areas: Fair distribution of power and resources and Protection of life and health. We work both nationally and internationally within the framework of these two areas.

### **First Aid and Rescue Service**

Norwegian People's Aid First Aid and Rescue Service, alongside the other organisations involved in Norwegian Search and Rescue, is experiencing an annual increase in the number of missions. In 2018, our volunteer crews took part in 450 missions, a considerable increase on the 300 missions in 2017.

We are working to meet the growing need through the recruitment of new crews and the establishment of new local chapters. Our members have also done a formidable job in recruiting more members to their local chapters.

Volunteers also make impressive efforts in relation to first aid duties and training, courses and exercises with the aim of increasing their own skills and, not least, running their local chapter.

As well as the increase in the number of missions, we are also seeing ever increasing attendance at our key national meetings. In 2018, the number of crews participating in the First Aid and Rescue Conference exceeded 250 for the first time. There was also record participation at the annual instructors' meeting, which brought 68 instructors together. We are also witnessing positive developments in interest in top-level training, teaching operative leaders and instructors for the future. These are key personnel in the local chapters, which are so important for successful growth across the country.

Skills development is an important focus within first aid and rescue, and training of the first 'first responders' began in 2018. Having first responders in volunteer organisations is a new function in Norway, and Norwegian People's Aid has been given the responsibility for this work, which is part of the national first aid initiative *Together we save lives*.

In 2018, organisation manager Jon Halvorsen was selected to be the new leader for the Volunteer Organisations Rescue Services Forum, and Norwegian People's Aid made significant contributions to the report *The Role of Volunteer Rescue and Emergency Response Organisations in Society Today*, which looks at how the National Norwegian Rescue Service is to meet the needs we are set to face in the future.

### **First Aid and Rescue Youth**

2018 was an active year for First Aid and Rescue Services Youth with great participation at the summer camp, the leaders' meeting and, not least, the first aid and rescue conference. 35 participants from Norway attended the summer camp alongside 5 from our partner organisation in Iceland. The leaders' meeting attracted around 30 participants, while the first aid and rescue conference drew over 40 youth members from across the country. While there are always new chapters wanting to encourage youth participation, it is unfortunate that some are cutting back their youth activities. The special equipment packs continue to produce a good effect as they encourage new youth chapters to get active without delay.

**2000**  
volunteer  
crews

**450**  
missions

### **National and international solidarity**

In 2018, a strategy for socio-political activity in local chapters was adopted, the purpose being to strengthen socio-political volunteerism among members of Norwegian People's Aid.

Local chapters do an important job in creating safe meeting places for all and contribute to social inclusion and participation in the local community and organisational life. They put international solidarity on the agenda through campaigns, raising awareness, collections, mobilisation and political advocacy work.

Back in April, the Socio-political Conference attracted 60 participants for new input, inspiration and discussion. The conference is an important meeting place for chapters and members engaged in national and international solidarity.

### **People's Friend**

For many people who are new to Norway, the activities of Norwegian People's Aid are a considerable help towards social inclusion and participation. Around 40 chapters undertake activities for social inclusion with 19 of these receiving 'People's Friend funding' from the Gjensidige Foundation and the Integration and Diversity Directorate (IMDi). This support is invaluable for our voluntary social inclusion work and is given to activities which the chapters have developed themselves on the basis of their own interests and capabilities. Most activities are to do with some kind of language training, such as 'language cafés', international cafés or 'eat and speak'. A number of chapters also arrange excursions and sports activities.

## Solidarity Youth

The year has seen Solidarity Youth working to raise political issues such as anti-racism, international solidarity and the fight against nuclear weapons.

Solidarity Youth also challenged Minister for Development, Nicolai Astrup, in the debate concerning inequality. There was work for leadership training and recruitment for our local chapters and a letter campaign in support of imprisoned activists. Local chapters organised successful activities such as language cafés, the People's Friend project, meetings about specific issues and other creative campaigns.

During the course of the summer, there were Solidarity Youth visits to other political youth organisations and the labour movement. Members worked on recruitment stands and gave introductory speeches and held workshops in relation to our core issues. One special summer experience was to visit *Up at The Farm*, a little festival of our own with the aim of collecting money for Solidarity Youth's work against racism.

From the 14th to 16th September, the 2018 Solidarity Conference was held on Utøya. This is Solidarity Youth's national political workshop and involves participants from all over the country, both from our own organisation and with guests from political youth organisations and the labour movement. Around 40 per cent of participants had a minority background.

Solidarity Youth was also represented on trips abroad on three occasions. In September, we took part at an international women's conference for human rights activists in Beirut. Solidarity Youth members also joined a project trip to Rwanda and attended a conference concerning explosive weapons in populated areas (EWIPA) in Santiago, Chile.

## Work with refugees and social inclusion

By means of political advocacy, targeted project work and attitudinal work relating to discrimination and prejudice, Norwegian People's Aid is an active proponent of rights and proper living conditions for asylum seekers, refugees and immigrants.

At the start of 2018, it was clear that the drastic reduction in the number of arrivals seeking asylum was set to continue. Norwegian People's Aid began the year with two reception centres – Dikemark and Kongsvinger. The latter received notification of closure when it became clear that the future was bleak for reception centre operations under the auspices of Norwegian People's Aid. In June, the Board took the decision to wind up operations on 30.04.2019, when the contract for the Dikemark reception centre came to an end. It was therefore with sadness that we were able, in 2018, to celebrate 30 years of reception centre operations in Norwegian People's Aid.

In the spring, the sub-strategy *Access to work for asylum seekers and refugees 2018–2023* was adopted. This meant a complete shift in focus from safeguarding recently arrived asylum seekers' and refugees' basic rights to work aimed at increasing work opportunities and social participation for immigrants intending to stay in Norway. We aim to increase the participation of immigrant women in work and social life and undertake preventive work to avert discrimination in the workplace. Work began in 2018 and the low-threshold complaints body – the Discrimination Assistance and Mediation Board (DiMe) – was established in the autumn. We entered into agreements of intent concerning *Women Can Do It* courses with seven Job-chance programmes in Oslo, Asker, Bærum and Molde, and are planning closer collaboration with LO associations in relation to the *Rich in Diversity – a workplace for all concept*, which was launched in 2019.

## Humanitarian disarmament – protection of civilians from explosive weapons

Norwegian People's Aid undertook humanitarian disarmament work in 24 countries in 2018, experienced considerable growth in many of our programmes and delivered excellent results in our demining work. In 2018, NPA humanitarian disarmament had a turnover in excess of NOK 454 million.

By means of a new strategic partnership with demining operators, the Mines Advisory Group (MAG) and the Halo Trust, Norwegian People's Aid has contributed to strengthening cooperation

**25%**  
women employees  
in humanitarian  
disarmament

**54**  
women in  
management  
posts



312

female mine  
clearance  
workers

and coordination in the sector. The three organisations together administer a sizeable contract with the UK authorities. Norwegian People's Aid has made a specific contribution with its expertise in partnership and capacity building of national demining authorities, which we believe is the most sustainable and effective way of eliminating the landmine problem.

In many countries, the civilian population is extremely vulnerable to landmines and other explosive hazards. In Iraq, we are making considerable efforts to clear the ground in the wake of ISIS and to help people protect themselves against landmines and explosives. In Afghanistan, Norwegian People's Aid has had the task of quality-assuring all USA-funded mine clearance work undertaken by other organisations since 2017. Afghanistan is one of the world's worst affected countries where landmines and explosive remnants of war are concerned. This does not just constitute a great threat to civilians but also limits opportunities for development. Our role is quality assurance in this area is a clear acknowledgment of our expertise and experience.

2018 also saw Norwegian People's Aid help Botswana to fulfil its obligations to destroy stockpiles of cluster munitions. At the same time, we have experienced operational challenges of various kinds in different countries. In Laos, they were owing to a complicated bureaucracy; in Colombia, we experienced insufficient attention to operational quality. We worked systematically to improve these issues through the last half of 2018.

We also work for the protection of people living in towns and cities where there is a risk of bombing and armed conflict. Norwegian People's Aid has developed an extensive training system for civilians so that they may increase their chances of survival in situations of conflict. 100,000 adults and children received such safety training in the course of 2018.

Norwegian People's Aid works to contribute to compliance with international norms and legally binding agreements, both operationally and in our influence work at national, regional and international level. We have played, and continue to play, a key role in relation to support and attention given to the ban on nuclear weapons, not least through the report *Nuclear Ban Monitor*. We have also contributed to the work which followed as a consequence of Norway assuming the presidency of the Mine Ban Treaty in 2019 and have been working with other organisations and agencies to help ensure the review conference in Oslo is robust and has repercussions long after 2019.

### Development and humanitarian cooperation

In 2018, Norwegian People's Aid had 229 partner organisations in 19 countries engaged in long-term development and humanitarian cooperation. Our political approach to development means that we support people who are excluded from power so that they can organise, mobilise and promote their own interests. In this way we are able to contribute a fairer distribution of resources and a more even distribution of political power and influence.

116 partners mobilised in relation to access and control of natural resources. Our partner organisations in El Salvador prevented the privatisation of water, others in Mozambique managed to stop projects that would have denied farmers access to their fields, organisations in Colombia are on the brink of achieving collective rights over land areas and partners in Honduras have made a stand against mining operations that are polluting drinking water.

34

partners contributed  
to food security and  
improved living conditions  
through humanitarian  
crisis response

In all, 154 Norwegian People's Aid partners organised 534 campaigns and 109 partners put forward political proposals. 70 had their proposals adopted. The price of active participation in society is high for many of our partners, who are persecuted and find their right to organise limited through legislation. Our partners in Myanmar stopped a legislative proposal that aimed at limiting the right to organise, and partners in both Myanmar and Zimbabwe mobilised to ensure that women and men registered to vote. Norwegian People's Aid also helped protect representatives of partner organisations that found themselves threatened.

270 000

persons have received  
direct help

650 000

indirect help from  
our work

21

partners held  
training courses in  
humanitarian crisis  
response

45

partners contributed  
to protection of civilians  
(e.g. women affected by  
violence)

### **Humanitarian efforts**

Palestine for humanitarian purposes, largely to do with civil protection and food security. The programme in South Sudan was radically reduced owing to the decision not to continue with USAID as a donor to the programme. In Palestine, our humanitarian projects experienced a temporary halt in funding from the Ministry of Foreign Affairs and they were put on hold.

Norwegian People's Aid has identified the need to clarify its profile, policy, method, set-up and use of resources in the further development of humanitarian work and to get the best possible support from further parts of the organisation. A policy that sets out the framework for this work was adopted in December 2018.

The greater part of our humanitarian involvement is related to long-term crises, and we try to move on as quickly as possible from short-term, life-saving relief to long-term assistance which can strengthen the local community's sustainability. This also covers the work we have developed in relation to violence against women in war. One programme in Iraq has developed a targeted component specific to the subject of violence against women in situations of conflict, which is to be continued in the longer term.

### **Political advocacy work**

Norwegian people's Aid undertook political advocacy work in a number of areas in 2018, addressing both domestic and international issues.

The First Aid and Rescue Service produced *The role of voluntary rescue and emergency response organisations in society today – challenges and initiatives for a strengthened rescue service*. This report provides the basis for the political and professional standpoint Norwegian People's Aid wishes to maintain for the coming period.

Humanitarian Disarmament has been working in accordance with adopted political plans and has released three reports monitoring important bans: *Clearing the Mines 2018*, *Clearing Cluster Munitions Remnants 2018* and *Nuclear Weapons Ban Monitor 2018*.

Norwegian People's Aid has also engaged with the situation of paperless migrants in Norway and the housing situation for families with children living for longer periods at reception centres and with only a limited residence permit. The latter group benefited when the Introduction Act was amended alongside the reviewed budget in 2018 with the result that around 80 families including about 170 children could be resettled.

In collaboration with the Christian People's Party and other organisations, Norwegian People's Aid arranged a seminar in November about the right of paperless persons to healthcare. We additionally took part in a number of collaborative projects to increase awareness of the issue in other political parties.

Where Development and Humanitarian Collaboration was concerned, the following issues were prioritised: Increased threat towards the right to organise, greater disparities in relation to power and resources, and work for a free Palestine, including Norwegian links to the Israeli occupation of Palestine. By means of a whole range of activities, and alongside the Norwegian Union of Municipal and General Employees, we have worked to reduce the economic links of Norwegian interests with the ongoing occupation deemed illegal under international law.

*Increasing pressure on civil society* was our theme for the NORAD Conference 2018, where the lawsuit and subsequent settlement with the US authorities was presented a large, deeply interested audience. This was also the theme for a debate during 'Arendal Week' with participants from the Norwegian parliament – the Storting, leaders from the Ministry of Foreign Affairs and Oslo Met.

With a view to preventing human rights violations, Norwegian People's Aid also put forward proposals for stronger due diligence requirements in relation to Norwegian business support and activities in developing countries.

### Marketing work and collaboration with trade unions

Norwegian People's Aid is the labour movement's natural partner. We share many common values and goals in many important social issues, both at home and abroad.

Our thanks go to all associations which enter into or renew cooperative agreements with us and help set a spotlight on important issues: The Norwegian Union of Municipal and General Employees, the United Federation of Trade Unions, Industri Energi, the Norwegian Union of General Workers, *The Electrician and IT workers union*, the Norwegian Union of Food, Beverage and Allied Workers, the Norwegian Seafarers Union and the Norwegian Engineers and Managers Association. Thank you to all those unions who had a general assembly in the course of 2018 and elected to continue collaboration with us.

Other bodies that support us are Coop, Jotun and JBF. The Norwegian Humanist Association is also a strategically important partner. In addition to all the above, we have many thousands of supporters and regular donors who continue to demonstrate confidence in our work and who indefatigable in their loyalty and engagement.

Our thanks go to all our supporters – private, commercial and public – for the support and good will Norwegian People's Aid benefited from during 2018. We are proud of the confidence you show us.

## IV PERSONNEL, HEALTH SAFETY AND THE ENVIRONMENT

In Norway, Norwegian People's Aid had 126,75 FTEs in Norway in 2018, that is 23,30 FTEs fewer employees overall, owing, primarily, to the closure of refugee reception centres. At the same time, 16 more people are employed abroad under contract from Oslo.

At the end of 2018, Norwegian people's Aid had around 235,75 FTEs with Oslo contract – 119,75 FTEs at the head office and regional offices in Norway. 700 FTEs at Refugee Reception Centers, 109 FTEs abroad with Oslo contracts. In addition there is 2000 local employees in our projects internationally. For local employees, we are not able to extract statistics for FTEs 136 employed at the head office and the regional offices, 10 at refugee reception centres, 110 employed abroad under contract from Oslo and around 2,000 locally employed persons in projects around the world.

Locations	Employees	FTE	Positions = FTEs
Head Office	128	111,75	
Internationally	110	109	
Refugee reception centers	10	7	
Regional offices in Norway	8	8	
<b>Total</b>	<b>256</b>	<b>235,75</b>	

Sickness absence was 5.5 per cent in 2018, the same as the year before. The sickness absence rate for women was 7.6 per cent, while for men it was 2.8 per cent.

No serious injuries or accidents were reported in the course of the year among employees in Norway. Six serious injuries or accidents, however, were reported in from the country programmes, three more than the previous year. One of these incidents was in Tajikistan, two in Lebanon, one in Iraq, one in the Democratic Republic of Congo and one in Bosnia and Herzegovina. Norwegian People's Aid established a safety team and a more thorough accident reporting system in 2018 and this may have contributed to there being reported twice as many accidents in 2018 than in the previous year.

By means of collaboration with International SOS (ISOS), Norwegian People's Aid has access to extensive information and opportunities for training in relation to travel and safety. The agreement means that employees at both Head Office and in the individual programme countries receive an improved, better updated response to questions and challenges linked to health and safety. This includes issues relating to the drawing up of plans, travel preparation and those instances when an incident occurs. This support covers all countries of the world and is available 24/7 throughout the year.









## V EQUALITY AND INCLUSION

The Board of Norwegian People's Aid consists of eight women and nine men. Prior to 1st June, the management group consisted six men and four women; subsequently the split was five men and four women. The division between the sexes among the employees overall was 40.6% women and 59.4% men. This is a slightly lower percentage of women than at the same time in 2017.

The decrease is largely owing to the closure of reception centres (which have a majority of women) and the increase in international posts (which have a majority of men). At Head Office, as per 31.12.2018, there was a slight majority of women (55.5%), while abroad there was a clear majority of men (78.2%). All other workplaces collectively returned an exact 50/50 split.

Where country directors are concerned, the split is 10 women and 18 men, while 25 of the 43 management positions in the international programmes were filled by men and 18 by women.

Position	Women	Men	Total
Country Director	10	8	18
Programme Coordinator	2		2
Programme Manager	5	11	16
Project Manager	1	4	5
Regional Director		2	2
<b>Total</b>	<b>18</b>	<b>25</b>	<b>43</b>

### Equal pay

Norwegian People's Aid does not practice individual wage determination or individual wage negotiation. With the exception of the Secretary General and the Heads of Section, all positions are placed in line with the AAF-HK National Agreement and its appurtenant wage scale (with locally extended seniority ladder). Placement on the wage scale is determined on the basis of the job description. All positions are placed in the relevant wage group in consideration of the position's complexity and the need for assessment, planning, leadership and independence. Advancement occurs in keeping with the fixed seniority ladder and the criteria laid down in the National Agreement.

PAY GROUPS	Women Average annual salary	Men Average annual salary
10	809,751	780,434
110		422,895
111	428,610	403,974
112	383,674	
210	408,797	427,233
211		452,284
212	428,610	
311	472,305	
314		368,702
410	465,470	
414	502,607	482,924
510	527,933	521,947
511	530,661	535,297
512	537,082	534,548
513	555,845	555,845
514	533,202	498,295
610	586,568	586,568
611	597,641	597,641
612	604,766	608,405
614	539,203	523,529
714	554,105	544,768
814	589,472	611,808
A.14		213,950
IND	597,641	
<b>Total</b>	<b>552,618</b>	<b>533,183</b>



For positions in the international programmes, wage determination is used on the basis of the job description and local wage policy. It is the position that is placed on the wage scale, irrespective of who holds it, and neither wage seniority nor operation seniority is practiced in these positions. All positions and placements are taken up for review and assessment at least once a year.

#### Average salary international programmes by sex for wage groups

PAY GROUPS	Women	Men
514	482,854	495,316
614	518,043	510,600

Where age is concerned, our members of staff range from 25 to 69 years of age, with the majority between 40 and 49. The average age overall is 45. Head Office draws the average up somewhat with an average age of 46 years old, while refugee reception centres and the regional offices have average ages of 39 and 42 respectively. Generally speaking, female employees are, on average, slightly younger than male employees.

38 different nationalities are represented in our activities abroad and the decrease in the percentage of Norwegians continues. At the turn of the year, the percentage of Norwegian citizens in international positions was 10.9%, the remaining 89.1% consisting other nationalities.

The organisation's staffing policy aims to secure equal rights and opportunities to all, irrespective of gender, age, ethnicity and disability. This aim is safeguarded through recruitment processes and daily monitoring in Norwegian People's Aid.

#### Overview: employees 2018

- 40 nationalities in total, including Norwegian citizens
- 193 employees from 13 «western» countries = 75.4%
- 63 employees from 27 «non-western» countries = 24.6%
- At Head Office/Regional Offices, 5 of 136 employees were from «non-western» countries (3.7%)

#### Overview: employees 2017

- 37 nationalities in total, including Norwegian citizens
- 212 employees from 13 «western» countries = 80.9%
- 50 employees from 27 «non-western» countries = 19.1%
- At Head Office/Regional Offices, 3 of 143 employees were from «non-western» countries (2.1%)

Overall there is an increase in the number of nationalities represented and an increase in the percentage of employees from non-western countries. *(The definition of non-western countries is based on that of Statistics Norway.)*

#### Obligation to Act

The Obligation to Act is met through the recruitment policy and process, but also the National Collective Agreement and internal guidelines:

- **Recruitment:** We make competence based selections when recruiting to the organisation. In the course of the last few years, Norwegian People's Aid has made its recruitment work more professional and brought it up to date through the procurement of a new recruitment solution (ReachMee), certification courses for the entire HR staff and continuous management training in recruitment technique. A dedicated HR consultant within recruitment has been appointed, and we are now capable of following the relevant processes much more closely and to a far greater extent and providing managers with much greater support from initiation and job analysis to recommendation and completed recruitment.
- **Wage and working conditions:** Norwegian People's Aid complies with the AAF-HK National Agreement which contains specific provisions in this respect.
- **Promotion and development opportunities:** We comply with the National Agreement's provisions concerning a central competence development fund. We additionally have a local competence development fund. The guidelines for this fund are based on principles that include sexual equality.
- **Opportunity to combine work and family life:** The National Agreement contains provisions concerning

working hours, leaves of absence, benefits in the event of pregnancy, birth and adoption, care for children and policy measures relating to seniors. In addition, we use local flexi-time agreements that provide a good framework for saving up and taking out flexi-time hours. In relation to international posts, a special agreement and guidelines have been established to deal with the more unusual situation in which employees posted abroad are placed. These include provisions relating to maximum service time, annual journeys home, parental leave and other leaves of absence.

- **Harassment prevention:** In compliance with the Equality and Anti-Discrimination Act and the Working Environment Act we also promote prevention of harassment through the *Guidelines for the prevention of violence, harassment and discrimination in the workplace*.

## VI THE EXTERNAL ENVIRONMENT

An organisation such as Norwegian People's Aid, with extensive activities both nationally and internationally, impacts the environment and climate in various ways.

Among other aspects, the work of Norwegian People's Aid results in a considerable amount of travel, thus having a negative impact in relation to global emissions owing to the large number of flights taken on a yearly basis. Norwegian People's Aid is to develop a green policy for the organisation as a whole by means of reviewing all our activities, cutting emissions and reducing our negative impact on the climate and environment as much as possible.

On the other hand, our humanitarian landmine and explosives clearance work makes a positive contribution to the external environment by clearing landmines, bombs and other explosive materials that maim and kill and are otherwise a hindrance to development. Norwegian People's Aid acknowledges we have room for improvement in relation to management of toxic and other environmentally harmful materials, and to sorting waste. We have therefore established a new project within our humanitarian landmine and explosives clearance work with the aim of contributing to more robust environmental protection. We hope this project will be a positive contribution beyond the work of Norwegian People's Aid.

Where international work is concerned, we and our partners are committed to strengthening social and economic sustainability in addition to environmental sustainability. Our partner organisations work actively for healthy natural resource management and set a spotlight on the environmental consequences of extraction work on a global basis.

Norwegian People's Aid work against nuclear weapons, both directly and indirectly through collaboration with ICAN, is also important in preventing the very grave environmental impacts to which the use of nuclear weapons or a nuclear accident could lead

## VII ETHICAL STANDARDS FOR PURCHASING, INVESTMENT AND MARKETING WORK

In 2013, the Board of Norwegian People's Aid adopted the revised *Ethical standards for purchasing, investment and marketing work*. These standards were updated in 2016.

The standards were employed in the following-up of partner organisations around the world in order to safeguard ethical requirements and conditions in relation to employees' rights, human rights, environmental considerations and anti-corruption measures. In addition to Norwegian People's Aid's own principals, the basis for the standards includes ILO and UN conventions and Ethical Trading Initiative standards, and updated procedures have been globally implemented for all Norwegian People's Aid operations.

## VIII ANTI-CORRUPTION

The fight against corruption in the aid sector is high on the agenda in the Norwegian aid community, including Norwegian People's Aid. We continued this important work throughout 2018.

Corruption as an issue is discussed openly in Norwegian People's Aid. We exchange experience concerning

how to prevent and deal with such cases both at Head Office and within the different programmes. This work is wholly in line with guidelines in Norwegian aid policy.

In 2018, Norwegian People's Aid had a turnover of NOK 947 million. We work with long-term development and humanitarian work with local partners around the world and we are one of the world's largest organisations within the field of humanitarian disarmament. Many of the countries where we maintain a presence represent a high risk of corruption according to Transparency International's *Corruption Perceptions Index (CPI)*.

### **Full openness**

Norwegian People's Aid practises zero tolerance of all forms of corruption. We acknowledge the problems but do not accept them. We work for a unified attitude towards corruption throughout the organisation and seek full openness in relation to our anti-corruption work and any exposure of corruption.

Corruption and the abuse of power prevent the efficient use of national resources, inhibit economic growth and contribute to unfair distribution of resources in society. Widespread corruption is also an indicator of poor governance and a barrier to a country's democratic development. There is no simple explanation as to why corruption arises. Deficient systems or a particular culture can often provide favourable conditions for corrupt behaviour. Poverty and low wages, moreover, are often important contributory factors.

### **Anti-corruption policy**

Corruption may come to expression in many ways but will always be linked with disloyal behaviour and illegality. Corruption is therefore a taboo subject and it requires both courage and knowledge to recognise that this is a problem for us too. In 2018, we updated our processes against corruption and continued the work of making whistle-blowing routines and systems simpler and more effective.

Norwegian people's Aid anti-corruption policy ensures that the Head Office in Oslo maintains a system for receiving and processing reports of unwanted actions or situations wherever they might arise within the organisation. In addition, we wish to include assessments of the risk of corruption in all relevant tools and processes within the administration and in our project work both at home and abroad. Norwegian People's Aid maintains a report function for all incidents that may involve non-compliance, i.e. an incident reporting function.

Responsibility for reporting incidents to Head Office lies with the individual in the programme concerned, in Norway or abroad. The reporting system has a wide embrace to include cases which may lie in grey areas where the definition of corruption is concerned. The system helps create greater ownership of our anti-corruption work through the organisation as well as making it easier to uncover cases which may not at the outset be considered as deviation from acceptable routines or actions.

### **Information to partners**

By means of contract negotiation and capacity assessment, Norwegian People's Aid is able to ensure that all our partners establish sufficiently robust guidelines and procedures for anti-corruption work. We undertake assessments of our partners' administrative and control routines and unequivocally communicate out zero tolerance policy. At the same time we recognise that many of our partners lack the necessary capacity to manage these challenges. Where we find this to be the case, we either make training part of the collaboration or offer our partners external support.

### **INCIDENTS IN 2018**

In 2018, Norwegian People's Aid has examined 23 concrete incidents where suspicion of corruption or corrupt behaviour has arisen. While all these cases were investigated internally, assistance from an external special auditing body was also employed. Donors are routinely informed for further follow-up. The majority of these cases had little or no financial consequences. Cases of more significance or interest are as follows:

- Five cases were investigated in South Sudan. Four of the cases concern theft, robbery or confiscation of food supplies. One case concerns suspicion of financial irregularities within a partner organisation where bank withdrawals cannot be documented. The case has been reported to the local police and cooperation with the partner has been terminated. A number of these cases may be seen in the direct context of the ongoing conflict in the country and the humanitarian situation.



- There was one case in Tajikistan where employees committed embezzlement in connection with the procurement of various equipment by producing false receipts with excessively high amounts. The difference in the amounts was siphoned off to the employees themselves.

## IX OUTLOOK

### **First Aid and Rescue Service**

Within the First Aid and Rescue Service, work is set to continue in relation to growth, skills development, training culture and the service's profile. Norwegian People's Aid is experiencing positive development and we will continue to contribute to a knowledge-based, non-discriminatory rescue service in Norway. We will also help ensure that the National Norwegian Rescue Service is well prepared to meet future challenges in the best way possible. Where first aid is concerned, we are making considerable investments in the first responders project and will continue the work of making this a country-wide scheme.

### **National and international solidarity**

Moving forward, the implementation of the strategy for our socio-political work in local chapters is of great importance. It will provide a clearer profile, create growth in the number of chapters and members and contribute to our international involvement being reflected to a greater extent in our local work.

### **Humanitarian disarmament (HD)**

The ambition to become a world leader in relation to protection of civilians from explosive weapons will remain a driving force in the years to come. Unfortunately, we see that more and more civilians are being killed by explosive weapons. The use of such weapons (including improvised landmines) in densely populated areas and a lack of respect for international humanitarian law and human worth continue to lead to enormous, and increasing, humanitarian suffering. We will therefore be working to strengthen international norms and rules for the protection of civilians. Norwegian People's Aid will also help countries fulfil their obligations under the cluster munitions and landmine conventions as well as help ensure the destruction of weapons stockpiles that may constitute a threat to civilians. At the same time, our work on the ground (in countries such as Iraq, Palestine and Syria) will continue to build up local resilience through our programmes for conflict preparedness and protection.

The use of nuclear weapons is a global threat. Norwegian People's Aid, alongside Nobel prize-winners ICAN, has been a key contributor to the work to get as many countries as possible to sign up to the ban on nuclear weapons that was adopted by the UN in 2017. We will continue to be an active advocate in this respect in the years to come.

### **Development and humanitarian cooperation (DHC)**

We note a considerable tightening of restrictions in relation to the scope of action for organisations in many of our partner countries. In many instances, our partners are exposed to threats and a number of members of partner organisations have been killed over the last year. In this situation, it is especially important that we continue working with our partners towards greater democracy and fair distribution. We will thus continue with political advocacy work and preventive work in the programmes and provide a response to crises when necessary.

In 2019, Norwegian People's Aid is set to seek a new cooperative agreement with NORAD for the coming five-year period, thereby securing funding for programme operations and professional and strategic programme development. Our aim is an agreement with an increased annual budget in comparison with the current agreement. We will also strengthen our efforts to obtain stable funding for our activities, beyond that which our Norwegian donors contribute.

The humanitarian policy which covers the humanitarian work of both DHC and HD is to be followed up with the preparation of guidelines and learning initiatives designed to strengthen professionalism as a humanitarian agency. The humanitarian work of DHC is to be based on local agencies and shall have a long-term perspective. The objectives here are to strengthen local partners' competence in relation to humanitarian work and build up resilience against crises. A further objective is to increase our response capacity in more acute crises.

For 2019, our goal is to enter into a new strategic partnership agreement with the Ministry of Foreign Affairs regarding the overall humanitarian work of Norwegian People's Aid. If we are able to land such an agreement, it will provide the basis for further development of DHC's humanitarian work in the years to come and also make it easier for us to gain access to other donors.

### **Social inclusion work and work with refugees**

Immigration to Norway is lying at a record-low level. Even though uncertainty exists in relation to future arrivals of asylum seekers to Norway and the rest of Europe, it is clear that Norway – alongside its European neighbours – wishes to maintain strict measures and conduct a restrictive, tightly controlled immigration policy. The government has initiated a voluntary integration scheme for persons who have been granted residence in Norway so that they may succeed in gaining qualifications, find work and become independent. Norwegian People's Aid is concerned that immigrants, who are among the most vulnerable groups in the labour market, shall make lasting, positive connections with Norwegian society and working life. For this reason, we are increasing our concentration on preventing discrimination at work and contributing to increased equality. Our long-term work aims to see the trade unions taking an active role in this work. We offer Women Can Do It courses to local authorities and other bodies with a view to strengthening immigrant women's connections to, and position in, the local community and working life. We wish to help them obtain increased self-confidence, the courage to speak out and awareness of their rights and obligations.

### **The Labour Movement**

Cooperation with the labour movement has been strengthened over recent years and will be given even higher priority in the years to come. Agreements entered into with various unions emphasise political collaboration in individual cases, the development of organisational cooperation and financial support of Norwegian People's Aid projects. The ground seems well prepared for the development of further political and organisational cooperation.

### **Risk**

The Board constantly monitors economic developments and emphasises that the organisation has satisfactory management and reporting systems. Sound management systems for the following up of budgets and prognoses have been developed. These are subject to continuous improvement. Internal control is given high priority by the Board and is followed up through the administration.

### **Operational risk**

Work with satisfactory safety and security systems for our activities needs to be developed further. Norwegian People's Aid must have both the flexibility and capacity to deal with the contexts within which we work, which are becoming ever more complex.

Humanitarian explosives clearance is inevitably associated with high risk. These operations are regulated by international standards and are thus easy to measure. Risk is also associated with new, stricter donor requirements which involve closer monitoring from donors and scrutiny from the media and special interest groups. This means that Norwegian People's Aid must have sufficient monitoring and quality-assurance capacity and competence (lawyers and other administrators).

Norwegian People's Aid First Aid and Rescue Service is among our most visible operations. The quality of the work undertaken is important for the organisation's reputation as a reputable, professionally competent agency and the wrong treatment of a patient, for example, could threaten our good name. All first aid and rescue operations contain a certain risk. Occasionally, we undertake tasks that involve a high risk to life and health. This is typically linked with difficult terrain in combination with demanding weather conditions or searching for persons suffering from a psychological imbalance. Work to manage such risk is undertaken through training, exercises, routines and expert leaderships.

### **Financial risk**

Norwegian People's Aid wishes to take the least possible financial risk. The organisation has internal procedures for distributing exchange rate differentials across the various projects. As part of our currency management, donor funds are held in the donor's currency until transferred to the relevant programme. Contracts with Norwegian People's Aid partners in relation to international development cooperation contain clauses to avoid currency risks. Norwegian People's Aid has no loans with external creditors and very little exposure in the stock market.



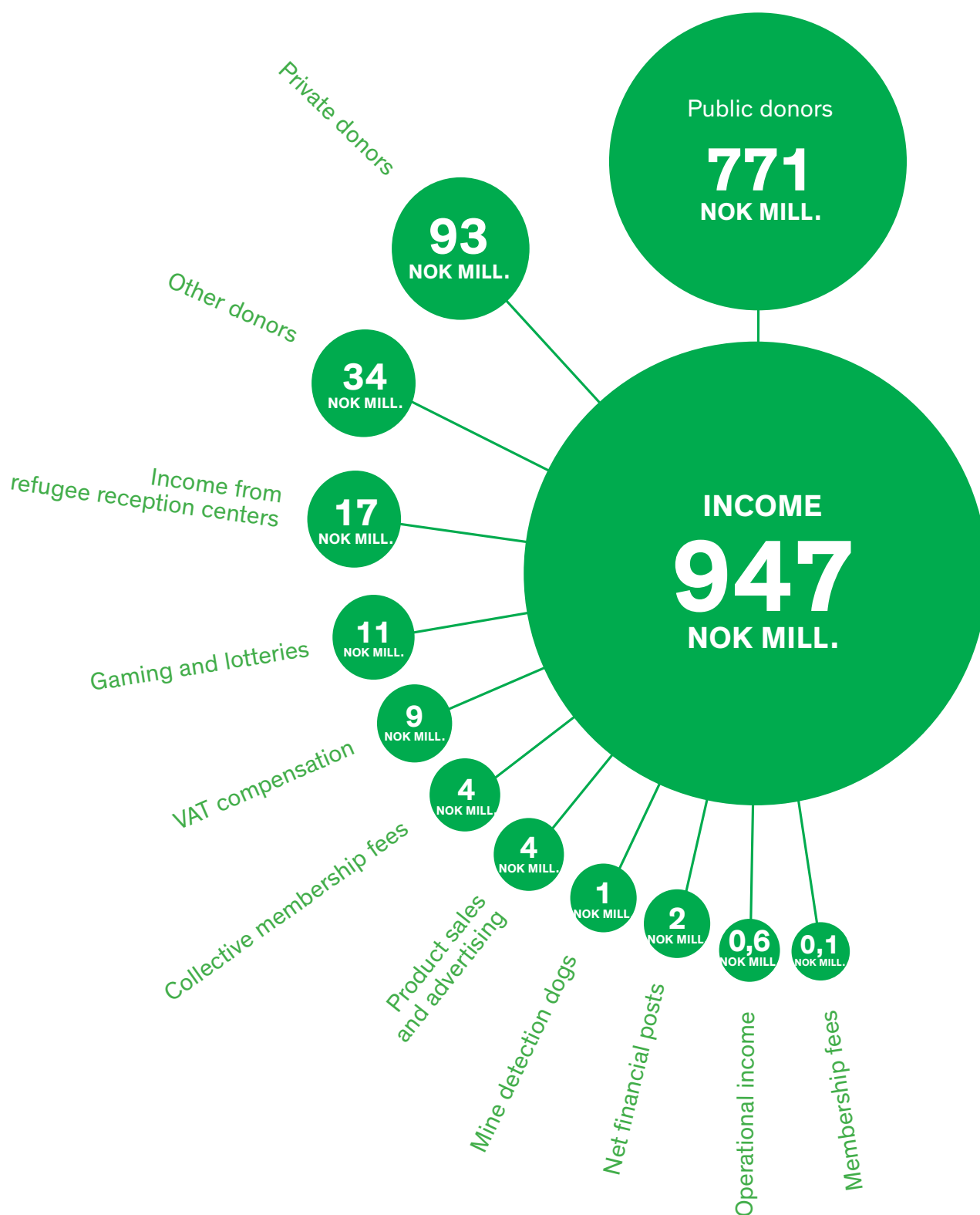






# INCOME AND EXPENDITURE 2018

The figure shows approximate numbers from our activity budget, and some small items are omitted.





# STATEMENT OF ACTIVITIES as of 31.12.18

		(Figures in thousands)	
	Notes	2 018	2 017
<b>FUNDS ACQUIRED</b>			
Membership fees, individual		627	562
Membership fees, collective		4 361	4 466
<b>Total membership fees</b>	<b>1</b>	<b>4 988</b>	<b>5 028</b>
Public donors		770 800	790 137
Other donors		33 924	56 358
<b>Total donors</b>	<b>2</b>	<b>804 724</b>	<b>846 495</b>
Private donors		93 472	77 989
<b>Total funds acquired</b>	<b>3</b>	<b>93 472</b>	<b>77 989</b>
Refugee reception centres		16 734	52 632
Other operational income		126	707
Mine detection dogs		1 064	1 611
Value added tax refund		8 708	7 528
<b>Total activities that fulfil the organisation's purpose</b>		<b>26 632</b>	<b>62 478</b>
Games and lotteries		10 626	12 240
Advertising sales Appell		273	458
Product sales - income		4 475	2 712
<b>Total income generating activities</b>		<b>15 373</b>	<b>15 410</b>
Net financial items		1 820	2 242
<b>TOTAL AVAILABLE FOR THE PURPOSE</b>		<b>947 009</b>	<b>1 009 641</b>
<b>FUNDS SPENT</b>			
Games and lotteries		7 960	8 911
Private donors		24 788	26 197
Product sales - expenses		1 403	1 383
<b>Total costs to acquisition of funds</b>		<b>34 151</b>	<b>36 493</b>
<b>Expenses for the organisation's purpose</b>			
Humanitarian disarmament		442 582	414 903
Reconstruction, food and emergency relief		112 942	157 409
Long-term development work		266 674	281 399
International solidarity – national work		11 199	9 433
Refugee reception centres and other operating units		24 776	57 148
First aid and rescue		19 371	15 189
Anti-racism		2 494	3 206
Information work in Norway		8 265	7 865
Organisational work in Norway		3 776	4 089
Other operational expenses		26 353	13 241
<b>Total expenses for purpose</b>		<b>918 431</b>	<b>963 881</b>
<b>Administration expenses</b>			
Administration		10 577	28 146
<b>TOTAL FUNDS SPENT</b>	<b>13</b>	<b>963 159</b>	<b>1 028 520</b>
<b>RESULT ON ACTIVITIES</b>		<b>-16 150</b>	<b>-18 880</b>
<b>ALLOCATION OF RESULT ON ACTIVITIES</b>			
Transfer to/from RF with externally imposed restrictions		-15 471	-13 588
Transfer to/from RF with self-imposed restrictions		-2 029	-1 090
Transfer to/from other equity		1 350	-4 202
<b>TOTAL ALLOCATION</b>		<b>-16 150</b>	<b>-18 880</b>

# BALANCE SHEET as of 31.12.18

(Figures in thousands)

ASSETS	Notes	2018	2017
<b>Fixed assets</b>			
Tangible fixed assets	4	9 884	14 552
Inventory		2 717	3 841
Pension funds	11	3 560	3 107
<b>Total fixed assets</b>		<b>16 160</b>	<b>21 500</b>
<b>Current assets</b>			
Receivables	5	383 320	177 904
Financial current assets	6	18 913	19 152
Bank deposits, cash in hand and similar	10	379 221	438 147
<b>Total current assets</b>		<b>781 455</b>	<b>635 204</b>
<b>TOTAL ASSETS</b>		<b>797 615</b>	<b>656 704</b>
<b>ASSETS TO THE PURPOSE AND LIABILITIES</b>			
<b>Assets to the purpose</b>			
Other equity	9	200 562	199 213
<b>Assets to the purpose with restrictions</b>			
Assets to the purpose with externally imposed restrictions	9	1 191	16 662
Assets to the purpose with self-imposed restrictions	9	19 719	21 748
<b>Total assets to the purpose</b>		<b>221 472</b>	<b>237 623</b>
<b>Current liabilities</b>			
Funds received for unfinished projects	2	411 504	245 691
Liabilities to project donors	7	40 484	22 607
Interest owing on funds received	7	735	850
Miscellaneous creditors		24 067	28 531
Public taxes owing, holiday pay		26 912	26 247
Provisions for obligations	8	72 441	95 155
<b>Total current liabilities</b>		<b>576 143</b>	<b>419 081</b>
<b>TOTAL ASSETS TO THE PURPOSE AND LIABILITIES</b>		<b>797 615</b>	<b>656 704</b>


Oslo, 14.06. 2019

  
Gerd Kristiansen  
Chairman

  
Elin Skovly  
1st Deputy Chairman

  
Atle Høie  
2nd Deputy Chairman

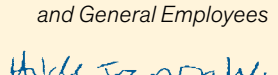
  
Line Hoaas  
Northern Region

  
Stein Guldbrandsen  
Norwegian Union of Municipal  
and General Employees

  
Arild Berentzen  
Central Norway Region

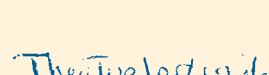
  
Kristian Pettersen  
South Western Region


  
Stine Elisabeth Antonsen  
South Eastern Region

  
Hilde Iren Dahle  
Eastern Region

  
Jorge Dahl  
Western Region

  
Live Kummen  
Central First Aid & Rescue Committee

  
Thea Tveter Lysvik  
Solidarity Youth

  
Magnhild Sofie Otnes  
Employees' rep.

  
Per Øivind Eriksen  
Employees' rep.

  
Mildrid Kvisvik  
Norwegian Union of Social  
Educators and Social Workers

  
Dag-Einar Sivertsen  
Norwegian Transport  
Workers Union

  
Håkon Knudsen  
Health & Rescue Services Youth

  
Henriette Killi Westhrin  
Secretary General



# CASH FLOW STATEMENT

(Figures in thousands)

	2018	2017
Profit or loss for the year	-16 150	-18 880
Depreciation	4 669	4 862
Gain/loss on sale of fixed assets	0	0
Changes in inventory	1 124	-3 841
Changes in accounts receivable	-205 416	136 674
Changes in accounts payable and other deferred items	156 609	-120 555
<b>Net cash flow from operational activities</b>	<b>-59 164</b>	<b>-1 740</b>
Other investments	239	4 943
Proceeds from sale of tangible fixed assets	0	42
Payment for acquisition of tangible fixed assets	0	-561
<b>Net cash flow from investment activities</b>	<b>239</b>	<b>4 424</b>
Allocation of funds	0	0
Change in overdraft facility	0	0
<b>Net cash flow from financial activities</b>	<b>0</b>	<b>0</b>
Net change in cash flow	-58 925	2 684
Bank deposits and cash 01.01	438 147	435 463
<b>Holdings as of 31.12</b>	<b>379 222</b>	<b>438 147</b>

# NOTES TO THE ACCOUNTS

(The figures in all the tables are given in thousands of kroner; elsewhere in the text, the whole figures are given)

## NOTE 1

### Accounting principles:

The Annual Accounts of Norwegian People's Aid consist of the following:

- Activity accounts
- Balance sheet
- Cash flow statement
- Notes

The Annual Accounts have been prepared by the organisation's Board and management and must be read in connection with the Annual Report and the Auditor's Report.

### Basic principles – assessment and classification – other conditions

The Annual Accounts have been submitted in accordance with the Norwegian Accounting Act and generally accepted accounting principles, including the Provisional Norwegian Accounting Standard on Good Accounting principles for Idealistic Organisations as of November 2008. The Annual Accounts provide a true picture of the organisation's earned resources, as well as its financial position at the end of the year. The necessary specifications appear in the notes. Consequently the notes form an integral part of the Annual Accounts.

The Annual Accounts are based on the basic principles that apply to historical costs, matching, the going concern assumption, all-inclusive income and prudence. The basic principles relating to transactions, earned income and matching have been deviated from in accordance with Section 4-1, sub-section 3 of the Norwegian Accounting Act, where such can be regarded as generally accepted accounting practice. Further details about the accounting principles appear below. When actual figures were not available/certain at the time the accounts were presented, generally accepted accounting practice dictates that the management should make the best possible estimate for inclusion in the accounts. There may be deviations between estimated and actual figures.

### General principles

Assets intended for permanent ownership and use are classified as fixed assets. Other assets are classified as current assets. Current assets/liabilities are valued at the lower/higher value procurement cost and their actual value. The actual value is defined as the estimated future sales price minus anticipated sales expenses.

Receivables have been entered at their nominal value with reductions for anticipated losses.

Fixed assets are basically valued at cost. Assets that diminish in value are depreciated. If the normal turnover value falls below the capitalised value on the date of the balance sheet, the asset in question is written down.

There are a few exceptions from the general rules for assessment in accordance with generally accepted accounting practice. These exceptions are commented upon below. In the application of accounting principles and presentation of transactions and other matters, emphasis is placed on financial realities, not merely legal form.

Conditional losses that are probable and quantifiable are carried to expenses.

### Accounting principles for material accounting items

#### Time of income recognition/accrual

Income is recognised as and when it accrues. For income for which no consideration will be provided, e.g. donations and collected funds, this is considered accrued when the following three criteria have been met:

1. The organisation must have a legal right to the income.
2. It must be reasonably certain that the income will be received.
3. It must be possible to measure the income with a satisfactory degree of reliability.

#### Income from members

The organisation receives gross membership fees from its members. 75% of income from members is transferred to the regional offices and chapters. The share accruing to Norwegian People's Aid is presented net in the account of activities.

#### Received from donors

Contributions for coverage of expenses are recognised as gross income. Where the criteria for income recognition have not been met, the contribution is recognised as a liability on a separate line in the balance sheet. The contribution is recognised at the value at the time of the transaction. Material contributions which cannot be estimated at an actual value are reported in a note. Unused project funds are entered as a liability to donor upon project conclusion.

**Sponsor funds**

Sponsor income is accrued to income in step with the agreed consideration. Where it is not possible to measure the consideration reliably, linear accrual is used as a practical approximation.

**Lottery income**

Lottery income is recognised as gross income. The expenses associated with lotteries, prizes and sales expenses are entered under expenses for acquisition of funds.

**Time of expense recognition/compilation**

Expenses are compiled and written to expenses simultaneously with the activity related to the expense. This applies both to expenses for acquiring funds and to realising the purpose. Expenses which cannot be directly attributed to activities are written to expenses when they are incurred.

**Taxes**

The organisation has no activities resulting in an obligation to pay taxes.

**Tangible fixed assets**

Tangible fixed assets are entered on the balance sheet at acquisition cost, minus accumulated depreciation and write-downs. An asset is considered fixed if it has an economic life of more than three years and a cost price of over NOK 15,000. Tangible fixed assets for carrying out projects abroad and expensed at the time of acquisition and charged to the individual projects in accordance with undertakings from donors.

If the value of use and re-acquisition cost are lower than the value entered on the balance sheet at the balance sheet date, the asset is written down to actual value. Where sale value is difficult to determine, re-acquisition cost minus depreciation is used as actual value. Where the basis for the write-down has ceased to exist, the write-down is reversed. Write-downs and any reversing of write-downs are entered on the same line in the statement of activities. Write-downs are classified as administration expenses if they cannot be directly related to an activity.

**Depreciation**

Ordinary depreciation is calculated linearly over the asset's estimated life based on historic cost price minus estimated scrap value. Depreciation is classified as an administration expense if it cannot be directly related to a project.

**Leasing**

For lease agreements that are not entered on the balance sheets (operational leasing) the lease payments are treated as operational expenses. Leasing expenses are classified as administration expenses if they cannot be directly related to a project.

**Financial investments and receivables**

Market-based stocks, bonds and other financial instruments classified as current assets are valued at actual value if these are listed on an exchange or managed by a professional capital manager and the actual value of the investments can be measured reliably.

The result (return and change in value) from such investments is classified as financial and investment income.

Receivables are entered on the balance sheet at actual value.

**Pension obligations and pension costs**

Annual expense is charged to payroll and social expenses. Norwegian People's Aid has no obligations beyond paying premium to the Norwegian Public Service Pension Fund. A fund at Sparebank1 Livsforsikring, see Note 11, is used to cover remaining obligations to former and current members of the former agreement and are not included in the accounts.

The premium fund is considered sufficient to cover future obligations and has therefore not been entered on the balance sheet.

Norwegian People's Aid also has a pension obligation at Kommunal Landspensjonskasse (KLP) for former employees at the Kure Epilepsy Centre. The pension scheme is a defined benefit scheme and is treated in accordance with the Norwegian Accounting Standard for pension expenses. Pension funds are entered at estimated value on 31.12.18, see account statement from the life insurance company, and are corrected annually.

### Assets in foreign currency/agio

Assets in foreign currency are related to specific projects and agio/disagio is continuously recognised as revenue or expense at the respective projects to the extent possible. The balance at year end is valued at the exchange rate on the balance sheet date and any agio/disagio is either recognised as income or expense at the project or included in the income and expenditure account under financial income/expenses.

### Cash flow statement

The cash flow statement has been prepared according to the indirect method. Liquidity reserve includes cash, bank deposits and interest rate funds valued at actual value.

## NOTE 2

### The following donors have contributed to projects:

	Unused contribution as of 1.1.2018	2018 Contribution 2018	Unused contrib. as of 31.12.2018	2017 Contrib. taken to income/ funds spent
<b>The following public donors have contributed</b>				
Norwegian Directorate for Children, Youth and Fam. Aff., Distribution Comm., youth work	24	806	-	612
Norwegian Agency for Development Cooperation	17 280	191 662	14 577	173 102
Norwegian Ministry of Foreign Affairs	83 702	310 671	108 840	304 466
Other Norwegian governmental agencies	2 587	13 636	496	13 052
<b>Total Norwegian</b>	<b>103 592</b>	<b>516 774</b>	<b>123 913</b>	<b>491 233</b>
USAID	13 816	(6 747)	-	25 443
US Department of state	62 275	267 594	175 087	157 982
EU	25 140	14 661	23 068	17 093
Swedish Ministry of Foreign Affairs	16 486	32 706	18 118	25 689
UK (DFID )	2 504	33 160	(5 247)	47 229
Other countries	17 079	45 979	39 282	25 468
<b>Total international</b>	<b>137 301</b>	<b>387 354</b>	<b>250 308</b>	<b>298 903</b>
<b>Total public donors</b>	<b>240 893</b>	<b>904 128</b>	<b>374 221</b>	<b>790 137</b>
Other organisations	1 840	29 038	21 509	24 478
UN	2 958	37 371	15 773	31 881
<b>Total other donors</b>	<b>4 798</b>	<b>66 408</b>	<b>37 282</b>	<b>56 358</b>
<b>Total donor contributions</b>	<b>245 691</b>	<b>970 536</b>	<b>411 504</b>	<b>846 495</b>
<b>Contributions taken to income/funds used</b>		<b>804 724</b>		<b>846 495</b>

Donor funds must be used in accordance with the purpose of the grant.



**NOTE 3****The following donors have contributed**

	<b>2018</b>	<b>2017</b>
Private	49 208	42 613
Companies	11 621	5 839
Labour movement	13 576	13 509
Norsk Tipping, contributed lottery funds	19 067	16 028
<b>Total donors</b>	<b>93 472</b>	<b>77 989</b>

<b>Total funds raised</b>	<b>93 472</b>	<b>77 989</b>
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**NOTE 4****Specification of fixed tangible assets**

	<b>Land and buildings</b>	<b>Fixtures and fittings</b>	<b>IT-equipment</b>	<b>Software</b>	<b>Vehicles</b>	<b>Other fixed assets</b>	<b>Total</b>
Acquisition cost	17 438	16 874	6 357	22 664	1 232	2 274	66 839
Additions	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0
CB acquisition costs	17 438	16 874	6 357	22 664	1 232	2 274	66 839
OB accumulated depreciation	8 439	15 389	6 086	19 010	1 088	2 274	52 287
Depreciation for the year	2 693	437	137	1 291	111	0	4 669
Acc. deprec. on sold operating assets	0	0	0	0	0	0	0
CB accumulated depreciation	11 132	15 826	6 224	20 301	1 199	2 274	56 956
Book value as of 31.12.18	6 306	1 049	133	2 363	33	0	9 884

Fixed assets have a depreciation period of 3-5 years. Building lots are not depreciated. Norwegian People's Aid has a leasing agreement for leasing copiers. The agreements are considered operational leasing and the total leasing expenses are directly taken to expenses under operating expenses.

In 2013, Norwegian People's Aid started construction of a new office building in South Sudan. Incurred costs as of 31.12.13 were taken to expenses in 2013. Amortised over 6 years.

Costs in 2014 and 2015 are activated.

Norwegian People's Aid holds lease agreements on our refugee reception centres. The duration of these corresponds with the duration of our operating agreement with the Norwegian Directorate of Immigration, with termination periods of 1-3.

**NOTE 5****Short-term receivables**

	<b>2018</b>	<b>2017</b>
International project donors	344 018	153 781
Other receivables	39 302	24 124
<b>Total</b>	<b>383 320</b>	<b>177 905</b>

There are no receivables falling due later than one year after the end of the fiscal year.

Receivables from donors mainly involve pledges received on projects in progress. To the extent that funds have not been used, they are also entered on the liabilities side of the balance sheet under the item 'Funds on unfinished projects'.

**NOTE 6****Financial current assets**

	<b>2017</b>	<b>2016</b>
Value as of 01.01.	2 916	3 167
Purchase	0	0
Sale	146	412
Return	-81	161
<b>Value as of 31.12.</b>	<b>2 689</b>	<b>2 916</b>
Money market funds	16 217	16 237
<b>Financial current assets</b>	<b>18 906</b>	<b>19 153</b>

## NOTE 7

### Liabilities to project donors

For various reasons, not all donor funds have been utilised on specific projects. In accordance with the contract, these funds will be repaid to donors.

### Interest due on funds received

Accrued interest on funds received from donors which, by agreement, must be repaid.

## NOTE 8

### Provisions

	2018	2017
Provisions for severance schemes at field offices (see Note 11)	48 766	52 307
Other provisions	17 655	37 672
Provisions for project auditing	6 020	5 177
<b>Total provisions</b>	<b>72 441</b>	<b>95 155</b>

## NOTE 9

### Net change in restricted funds (RF)

	OB 01.01.	Additions	Used	CB 31.12.	Net change
Other equity	199 212	1 350		200 562	1 350
RF with externally imposed restrictions 1)	16 662	3 432	18 903	1 191	-15 471
RF with self-imposed restrictions 2)	21 748	1 578	3 606	19 719	-2 029
<b>Total</b>	<b>237 622</b>	<b>6 360</b>	<b>22 509</b>	<b>221 472</b>	<b>-16 150</b>

1) Restricted funds with externally imposed restrictions are gifts donated on condition they are used for given purposes.

2) Specification of restricted funds with self-imposed restrictions:

	OB 01.01.	Additions	Used	CB 31.12.	Net change
Incoming resources	3 039	0	3 039	0	-3 039
Provision for reception centres	600	0	300	300	-300
General Assembly 2019	0	1 200	0	1 200	1 200
Furumo/Løren	17 009	378	267	17 119	110
Norsk Hydro donation	1 100	0	0	1 100	0
<b>Total</b>	<b>21 748</b>	<b>1 578</b>	<b>3 606</b>	<b>19 719</b>	<b>-2 029</b>

Incoming resources comprise donations that have not been earmarked for a particular purpose. Norwegian People's Aid has nevertheless decided that these funds shall be utilised for project work.

The donation from Norsk Hydro of NOK 10 million was originally granted in 2005. Norwegian People's Aid has decided that the Board of Directors shall be responsible for allocating the Norsk Hydro funds. No funds were used in 2018, thus the residual funds balance is NOK 1.1 million.

The provision for reception centres comprises expenses relating to future closures of refugee reception centres.

The return on the Furumo/Løren fund must be used for the benefit of the occupationally disabled and other vulnerable groups with a view to improving their circumstances and opportunities to participate in the workplace. The return may also be used on measures to raise awareness.

**NOTE 10**

<b>Bank deposits, cash and cash equivalents</b>	<b>2018</b>	<b>2017</b>
Taxes withheld from employees	6 687	6 767
Other blocked bank accounts	3 885	3 863
<b>Total blocked bank deposits</b>	<b>10 572</b>	<b>10 630</b>
Other restricted funds not in blocked account	195 191	122 659
Other restricted funds in foreign accounts	66 791	64 322
<b>Total restricted funds</b>	<b>261 982</b>	<b>186 981</b>
Unrestricted funds	106 668	240 535
<b>Total bank deposits, cash and cash equivalents</b>	<b>379 221</b>	<b>438 146</b>

Restricted funds are funds that are to be used in accordance with the donor's contribution. Unused funds must be returned to the donor.

**NOTE 11**

<b>Pensions and other employee obligations</b>	<b>2018</b>	<b>2017</b>
Premium fund	100	100
<b>Total pensions and other obligations</b>	<b>100</b>	<b>100</b>

**Payroll expenses**

Payroll expenses for all field employees	250 197	245 287
Payroll expenses for reception centres and projects in Norway	20 862	28 791
Payroll expenses at Head Office and regional offices	57 996	55 437
Employer's national insurance contributions	12 965	13 841
Pension expenses	2 371	2 898
Other expenses	101 719	95 984
<b>Total payroll expenses</b>	<b>446 111</b>	<b>442 237</b>

As of. 31.12., the equivalent of 136 full-time positions at the central administration and regional offices in Norway were paid from headquarters, 10 at refugee reception centres and 110 on contract at the field offices. Approximately 2000 local employees were paid from the field offices.

**Pensions**

The organisation has 149 employees covered by the rules on compulsory occupational pensions, the Norwegian Public Service Pensions Fund.

Norwegian People's Aid has a pension scheme for former employees at the Kure Epilepsy Centre which covers 26 people. This benefit scheme mainly depends on the number of pension-saving years, salary level at attained retirement age and the benefit amount from the Norwegian national insurance scheme. The obligation is covered through a collective pension agreement at Kommunalsk Landspensjonskasse (KLP)/Gjensidige Forsikring.

<b>Pension funds/obligations</b>	<b>2018</b>	<b>2017</b>
Gross incurred pension obligations	24 416	25 880
+ Employer's national insurance contribution	417	411
= Gross incurred obligations inc. employer's nat. ins. cont.	24 833	26 291
- Pension funds	-21 454	22 969
= Net obligation inc. employer's nat. ins. contrib.	3 379	3 320
- Estimate deviations not recognised in the income statement exc. employer's nat. ins.contrib.	-6 228	-5 768
- Estimate deviations not recognised in the income statement – employer's nat. ins. contrib.	-710	-659
<b>= Net assets/liabilities recognised in balance sheet after employer's nat. ins.contrib.</b>	<b>-3 559</b>	<b>-3 107</b>

**Financial assumptions:**

Discount rate	2,60%	2,40%
Expected salary adjustment	2,75%	2,50%
Expected G (basic amount - Statistics Norway) adjustment	2,50%	2,25%
Expected return on fund assets	4,30%	4,10%

**Provision for severance payments at field offices**

Provision for severance payments at field offices has been included in the total payroll expenses where this is legally required. There are various practices at the individual field offices and it is the programme country's rules on severance pay, where these exist, that determine the matter. Norwegian People's Aid has estimated the future obligation and has a plan in collaboration with donors for severance payments.

**Fees/salaries: the Board of Directors & Secretary General**

No remuneration was paid to the Board of Directors in 2018. Total salary for 2018 paid to the Secretary General amounts to NOK 999,197, while other benefits totalled NOK 13 263 kroner. The Secretary General participates in Norwegian People's Aid's regular pension scheme and receives no other form of remuneration than regular salary. The employer's share of pension amounted to NOK 23,305. Norwegian People's Aid has no obligations to remunerate the Secretary General upon cessation or changes in the employment relationship.

**Auditor**

The agreed Audit fee for the annual audit of Norwegian People's Aid is NOK 417,000. Donors impose requirements for special certification of all projects. For project auditing in Norway and at our field offices, NOK 7.6 million has been taken to expenses. All amounts include VAT. The fee also applies to other auditors than our group EY AS.

**NOTE 12**

<b>Financial items</b>	<b>2018</b>	<b>2017</b>
Income from interest	1 734	1171
Return on stocks/shares	-81	161
Other	167	910
<b>Total financial items</b>	<b>1 820</b>	<b>2 242</b>

**NOTE 13**

<b>Operating expenses by category</b>	<b>2018</b>	<b>2017</b>
Payroll expenses	446 111	442 237
Transferred to partners in project countries	215 499	237 797
Depreciation of fixed tangible and intangible assets	4 669	4 862
Other operating expenses	298 475	342 302
<b>Total operating expenses</b>	<b>964 754</b>	<b>1 027 198</b>



## NOTE 14

### Total funds spent

#### Administration and charitable purpose ratios

	2018	2017	2016	2015
Administration expenses 1)	1,1 %	2,7 %	1,0 %	1,2 %
Expenses related to purpose 2)	92,6 %	92,4 %	93,8 %	93,2 %
Fund-raising ratio 3)	72,5 %	65,8 %	68,7 %	76,6 %

1) The administration expense is calculated as: Administration expenses/Total funds spent

2) Expenses related to purpose are calculated as: Total expenses for purpose/Total funds spent

3) The fund-raising ratio is calculated as: Net donors/Gross donors

Under the provisional accounting standard for non-profit organisations, expenses for administration are the activities performed to operate the organisation which cannot be directly allocated to particular activities. Among other things, administration includes expenses at the central administration in Norway related to the Board of Directors, the Secretary General and her staff, HR, IT and finance and accounting management.

In 2018, a change has been made as to what is classified as administration expenses. In 2018, all expenses relating to accounting, HR and IT that are not classified as administration expenses are classified as other operating expenses in the statement of activities. For 2017, NOK 13.2 million was reclassified from administration to operating expenses. If the former classification were used, the accounts for 2018 would show administration expenses of NOK 36.9 million.

Administration expense in 2017 include NOK 16 million repaid in settlement with the United States Department of Justice. For further details, see page 2 in the annual report for 2018.

Expenses are attributed to the greatest extent possible to the activities to which they relate. Expenses such as rent, IT/communications, insurance and fixtures and fittings relating to more than one activity are allocated to activities according to full time equivalents and volume. These expenses amounted to NOK 21.8 million in 2018.

## NOTE 15

### Related parties

For Norwegian People's Aid, the term related parties is defined to include only the Board of Directors, management and other employees, together with trade unions affiliated with the Norwegian Confederation of Trade Unions. In 2018, Norwegian People's Aid received NOK 13.5 million from trade unions affiliated to the Norwegian Confederation of Trade Unions. There have been no transactions with the other related parties that are relevant in this respect.

Oslo, 14.06. 2019

 Gerd Kristiansen Chairman	 Elin Skovly 1st Deputy Chairman	 Atle Høie 2nd Deputy Chairman	 Line Hoaas Northern Region
 Stein Guldbrandsen Norwegian Union of Municipal and General Employees	 Arild Berentzen Central Norway Region	 Kristian Pettersen South Western Region	 Stine Elisabeth Antonsen South Eastern Region
 Hilde Iren Dahle Eastern Region	 Jorge Dahl Western Region	 Live Kummén Central First Aid & Rescue Committee	 Thea Tveter Lysvik Solidarity Youth
 Magnhild Sofie Otnes Employees' rep.	 Per Øivind Eriksen Employees' rep.	 Mildrid Kvisvik Norwegian Union of Social Educators and Social Workers	 Dag-Einar Sivertsen Norwegian Transport Workers Union
 Håkon Knudsen Health & Rescue Services Youth			 Henriette Killi Westhrin Secretary General

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Norsk Folkehjelp

### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of Norsk Folkehjelp, which comprise the balance sheet as at 31 December 2018, the activity based income statement and cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Organization as at 31 December 2018 and its financial performance for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

#### 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 Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Norway, and we have fulfilled our ethical responsibilities as required by law and regulations. We have also complied with our other ethical obligations 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

Other information consists of the information included in the Organization's annual report other than the financial statements and our auditor's report thereon. The Board of Directors and Secretary General (management) are responsible for the other information. Our opinion on the audit of 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 management for the financial statements

Management is responsible for the preparation and 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 Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

## **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 International Standards on Auditing (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 the 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 law, regulations and generally accepted auditing principles 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, 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 the Organization'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 Organization'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 Organization 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.

We communicate with those charged with governance 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 Board of Directors' report**

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' 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 ensure that the Organization's accounting information is properly recorded and documented as required by law and bookkeeping standards and practices accepted in Norway.

Oslo, 11. September 2019  
ERNST & YOUNG AS

Tommy Romskaug  
State Authorised Public Accountant (Norway)

(This translation from Norwegian has been made for information purposes only.)



## UAVHENGIG REVISORS BERETNING

Til styret i Norsk Folkehjelp

### Uttalelse om revisjonen av årsregnskapet

#### Konklusjon

Vi har revidert årsregnskapet for Norsk Folkehjelp som består av balanse per 31. desember 2018, aktivitetsregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen, og en beskrivelse av vesentlige anvendte regnskapsprinsipper og andre noteopplysninger.

Etter vår mening er årsregnskapet avgitt i samsvar med lov og forskrifter og gir et rettviseende bilde av organisasjonens finansielle stilling per 31. desember 2018, og av dens resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

#### Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder de internasjonale revisjonsstandardene (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet i avsnittet *Revisors oppgaver og plikter ved revisjon av årsregnskapet*. Vi er uavhengige av organisasjonen i samsvar med de relevante etiske kravene i Norge knyttet til revisjon slik det kreves i lov og forskrift. Vi har også overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Etter vår oppfatning er innhentet revisjonsbevis tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

#### Øvrig informasjon

Øvrig informasjon omfatter informasjon i organisasjonens årsrapport bortsett fra årsregnskapet og den tilhørende revisjonsberetningen. Styret og generalsekretær (ledelsen) er ansvarlig for øvrig informasjon. Vår uttalelse om revisjonen av årsregnskapet dekker ikke øvrig informasjon, og vi attesterer ikke den øvrige informasjonen.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese øvrig informasjon med det formål å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom øvrig informasjon og årsregnskapet eller kunnskap vi har opparbeidet oss under revisjonen, eller hvorvidt den ellers viser seg å inneholde vesentlig feilinformasjon. Dersom vi konkluderer med at den øvrige informasjonen inneholder vesentlig feilinformasjon, er vi pålagt å rapportere det. Vi har ingenting å rapportere i så henseende.

#### Ledelsens ansvar for årsregnskapet

Ledelsen er ansvarlig for å utarbeide årsregnskapet i samsvar med lov og forskrifter, herunder for at det gir et rettviseende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik intern kontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller feil.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til organisasjonens evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet med mindre ledelsen enten har til hensikt å avvike organisasjonen eller legge ned virksomheten, eller ikke har noe annet realistisk alternativ.

#### Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder ISA-ene, alltid vil avdekke vesentlig feilinformasjon. Feilinformasjon kan skyldes misligheter eller feil og er å anse som vesentlig

dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke de økonomiske beslutningene som brukerne foretar på grunnlag av årsregnskapet.

Som del av en revisjon i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder ISA-ene, utøver vi profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen. I tillegg:

- ▶ identifiserer og anslår vi risikoen for vesentlig feilinformasjon i årsregnskapet, enten det skyldes misligheter eller feil. Vi utformer og gjennomfører revisjonshandlinger for å håndtere slike risikoer, og innhenter revisjonsbevis som er tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon som følge av misligheter ikke blir avdekket, er høyere enn for feilinformasjon som skyldes feil, siden misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, uriktige fremstillinger eller overstyring av intern kontroll;
- ▶ opparbeider vi oss en forståelse av den interne kontrollen som er relevant for revisjonen, for å utforme revisjonshandlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av organisasjonens interne kontroll;
- ▶ vurderer vi om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapsestimatene og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige;
- ▶ konkluderer vi på om ledelsens bruk av fortsatt drift-forutsetningen er hensiktsmessig, og, basert på innhentede revisjonsbevis, hvorvidt det foreligger vesentlig usikkerhet knyttet til hendelser eller forhold som kan skape betydelig tvil om organisasjonens evne til fortsatt drift. Dersom vi konkluderer med at det foreligger vesentlig usikkerhet, kreves det at vi i revisjonsberetningen henleder oppmerksomheten på tilleggsopplysningene i årsregnskapet. Hvis slike tilleggsopplysninger ikke er tilstrekkelige, må vi modifisere vår konklusjon. Våre konklusjoner er basert på revisjonsbevis innhentet frem til datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at organisasjonens evne til fortsatt drift ikke lenger er til stede;
- ▶ vurderer vi den samlede presentasjonen, strukturen og innholdet i årsregnskapet, inkludert tilleggsopplysningene, og hvorvidt årsregnskapet gir uttrykk for de underliggende transaksjonene og hendelsene på en måte som gir et rettviseende bilde.

Vi kommuniserer med ledelsen blant annet om det planlagte omfanget av revisjonen, tidspunktet for vårt revisjonsarbeid og eventuelle vesentlige funn i vår revisjon, herunder vesentlige svakheter i den interne kontrollen som vi avdekker gjennom vårt arbeid.

## Uttalelse om øvrige lovmessige krav

### Konklusjon om årsberetningen

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, mener vi at opplysningene i årsberetningen om årsregnskapet, forutsetningen om fortsatt drift og forslaget til disponering av resultatet er konsistente med årsregnskapet og i samsvar med lov og forskrifter.

### Konklusjon om registrering og dokumentasjon

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, og kontrollhandlinger vi har funnet nødvendige i henhold til internasjonal standard for attestasjonsoppdrag (ISAE) 3000 «Attestasjonsoppdrag som ikke er revisjon eller forenklet revisorkontroll av historisk finansiell informasjon», mener vi at ledelsen har oppfylt sin plikt til å sørge for ordentlig og oversiktlig registrering og dokumentasjon av organisasjonens regnskapsopplysninger i samsvar med lov og god bokføringskikk i Norge.

Oslo, 27. juni 2019  
ERNST & YOUNG AS

*Revisjonsberetningen er signert elektronisk*

Tommy Romskaug  
statsautorisert revisor

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**Tommy Romskaug**

**Statsautorisert revisor**

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