


STATEMENT OF FINANCIAL ACTIVITIES 2015

	Notes	2015	2014
(NOK '000)			
INCOMING RESOURCES			
Institutional grants			
Norad - The Norwegian Agency for Development Cooperation		311,515	287,946
MFA - The Norwegian Ministry of Foreign Affairs		246,728	246,568
Other government agencies		2,881	8,826
Administrative support from government agencies		34,633	37,188
Subtotal Norwegian government agencies	2	595,758	580,528
UN - United Nation Agencies		32,803	25,411
ACT Alliance and other ACT sister organisations		36,868	39,471
Other organisations		65,671	57,270
Administrative support from UN, ACT and other organisations		6,768	1,474
Subtotal UN, ACT and other organisations	3	142,110	123,626
Total institutional grants		737,869	704,154
Donations			
Unrestricted donations		142,661	132,495
Restricted donations		54,883	8,111
Donations from Telethon 2014		1,117	253,005
Testamentary donations and legacies		15,029	12,655
Total donations	4	213,691	406,267
Investment income		5,207	5,358
Other incoming resources		959	373
TOTAL INCOMING RESOURCES		957,725	1,116,152
RESOURCES EXPENDED			
Costs of generating other donations			
		44,702	36,625
Costs of generating donations from Telethon			
		(368)	33,932
Long-term development cooperation		538,046	520,021
Humanitarian assistance		271,732	193,629
Advocacy for global justice		74,031	68,633
Total international cooperation	5	883,809	782,283
Governance costs	6	43,472	43,373
TOTAL RESOURCES EXPENDED		971,614	896,214
NET INCOME (EXPENDITURE) FOR THE YEAR		(13,889)	219,938
NET INCOME (EXPENDITURE) FOR THE YEAR EXCL. TELETHON		20,855	865
Net movement in funds			
Transfer to (from) unrestricted funds		19,838	18,647
Transfer to (from) funds with internally imposed restrictions		(10,998)	(2,371)
Transfer to (from) funds with externally imposed restrictions		(22,729)	203,662
Total net movement in funds	13	(13,889)	219,938

BALANCE SHEET AS PER 31 DECEMBER 2015

(NOK '000)	Notes	31.12.2015	31.12.2014
ASSETS			
Tangible fixed assets	9	52,076	54,830
Subtotal fixed assets		52,076	54,830
Stocks	10	3,460	2,716
Debtors	11	100,660	301,675
Investments	12	320,063	71,040
Cash at bank and in hand		187,695	252,914
Subtotal current assets		611,878	628,345
TOTAL ASSETS		663,954	683,175
FUNDS AND LIABILITIES			
FUNDS			
Unrestricted funds		155,603	135,766
Funds with internally imposed restrictions			10,998
Funds with externally imposed restrictions		221,131	243,860
TOTAL FUNDS	13	376,734	390,623
LIABILITIES			
Accruals for pension liabilities	14	30,398	26,180
Bank loan	15	22,050	23,100
Total long-term liabilities		52,448	49,280
Project balances, advances from donor		170,190	171,085
Other short-term liabilities	16	64,581	72,187
Total short-term liabilities		234,771	243,272
TOTAL LIABILITIES		287,219	292,552
TOTAL FUNDS AND LIABILITIES		663,954	683,175


Oslo, April 25th 2016



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Chairman of the Board


Brita Bye
Board member


Inger Marit Nygård
Board member


Ottar Mæstad
Board member

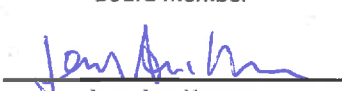

David Hansen
Board member


Ingeborg S. Midttømme
Board member

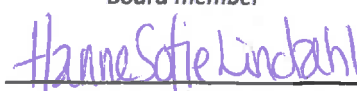

Sissel Vartdal
Board member


Katharina Ringen Asting
Board member


Kjetil Aano
Board member


Jens Aas-Hansen
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Odd Halgrim Evjen
Board member


Hanne Sofie Lindahl
Board member


Anne-Marie Helland
General Secretary

CASH FLOW STATEMENT 2015

<i>(NOK '000)</i>	2015	2014
Cash flow from operating activities		
Net incoming (outgoing) resources	(13,889)	865
Net incoming (outgoing) resources from the Telethon 2014		219,073
Depreciation of fixed assets	6,683	12,982
Difference between pension contribution and current service costs	4,218	5,883
Changes in current balance sheet items related to the Telethon 2014	213,766	(213,766)
Changes in other current balance sheet items	(21,996)	37,963
Items classified as investing or financing activities		(5,358)
Net cash inflow from operating activities	188,782	57,643
Cash flow from investing activities		
Purchase of tangible fixed assets	(11,503)	(14,968)
Disposal of tangible fixed assets	7,574	4,732
Change in net investment in financial assets	(249,023)	36,071
Net cash flow from investing activities	(252,952)	25,835
Cash flow from financing activities		
Repayment of long-term and short-term loans	(1,050)	(2,100)
Net cash flow from financing activities	(1,050)	(2,100)
Net cash flow during the year	(65,219)	81,377
Cash at bank and in hand at Jan 1.	252,914	171,538
Cash at bank and in hand at Dec 31.	187,695	252,914
This consists of:		
Cash at bank and in hand	187,695	252,914

NOTE TABLE OF CONTENTS

NOTE 1 ACCOUNTING PRINCIPLES	7
NOTE 2 FUNDING FROM NORWEGIAN GOVERNMENT AGENCIES	9
NOTE 3 FUNDING FROM UN, ACT AND OTHER ORGANISATIONS.....	10
NOTE 4 DONATIONS	12
NOTE 5 INTERNATIONAL COOPERATION	13
NOTE 6 GOVERNANCE COSTS	15
NOTE 7 AUDITORS' REMUNERATION	15
NOTE 8 EMPLOYEE AND STAFF COSTS	16
NOTE 9 FIXED ASSETS	17
NOTE 10 STOCKS	18
NOTE 11 DEBTORS.....	18
NOTE 12 INVESTMENTS	18
NOTE 13 FUNDS.....	19
NOTE 14 ACCRUALS FOR PENSION LIABILITIES.....	20
NOTE 15 BANK LOAN.....	21
NOTE 16 SHORT-TERM LIABILITIES.....	21

NOTE 1 ACCOUNTING PRINCIPLES

The annual accounts have been prepared in compliance with the Norwegian Accounting Act and Norwegian accounting standards for NGOs.

The main principles are:

Representations abroad

At NCA Representations abroad there are assets as capital, inventory and other assets. All Representations' transactions are reflected in the NCA's consolidated financial statements.

Receivables and liabilities

Long-term receivables and liabilities are valued at nominal value at the time of establishment. Current liabilities are valued at nominal value at the time of establishment.

Fixed and current assets

Investments in tangible fixed assets at Head Office are capitalized upon acquisition. Fixed assets are valued at historical cost less depreciation. Direct maintenance costs are expensed when incurred, while improvements are capitalized and depreciated accordingly. Booked value of assets are written down if the fair value is estimated to be lower than the booked value and the impairment is not expected to be temporary.

Representations abroad follow other principles for accounting of their assets. The fixed assets are expensed upon purchase; reference is made to impairments in note 9. The reason for this is that the projects are short-term in nature and that there are certain risks involved in the implementation of projects, and it would therefore not be appropriate to depreciate the fixed assets in accordance with ordinary principles.

Financial investments

NCA's investments are subject to active management and are regarded as current assets carried at fair value as of 31.12.

Tax

In accordance to Norwegian Tax Law Norwegian Church Aid is not considered taxable.

Incoming resources

Incoming resources consist of institutional grants, donations, investment income and other incoming resources. Donations, both restricted and unrestricted, are recognized as income in the same period that they are earned. Restricted funds that are not spent in the accounting period are accounted as funds with externally imposed restrictions. Restricted funds from previous years used this accounting period are booked from funds with externally imposed restrictions; see note 13.

Funding with repayment requirements (i.e. public funding) is not recognized as income when received. Received funding is booked as a liability in the balance sheet until the funds are used for the activity the grant was intended for. The funding is recognized as income when the recipient has the legal right to the grant which will be when the funds are actually used for the activity for which the funding was granted. The grant income is recognized gross when the conditions are met.

Resources expended

Expenses are to the greatest possible extent directly attributed to the activities to which they belong. Resources expended on international cooperation are fulfilling the organisation's purpose, and include distributions and allocations to partner organisations, costs associated with the Department for International Programmes and Development Policy at Head Office, as well as operational costs in the countries where programmes are implemented. Costs are expensed in the period in which the activity took place.

Governance costs cover the activities necessary to run the organisation; including planning, management and evaluation of the organisation's activities. Governance costs include depreciation, fees paid to external auditors, lawyers and consultants, personnel costs of the HR department, finance department and the General Secretariat, travel, IT costs and financial costs.

Costs of generating donations include personnel costs related to fundraising, advertising and media campaigns and distribution of materials. All personnel costs related to the Department for Fundraising, the Department for Communications, the Department for International Programmes and the Department for Development Policy are classified as respectively costs of generating donations and expenses related to international cooperation. This is in accordance with the guidelines from the Norwegian Control Committee for Fundraising.

Unused project funds as of 31.12 are recognized in the balance sheet under "Project balances, advances from donor".

Foreign currencies

Accounts at the Representations are kept in local currency. When consolidating, NCA Representations' statements of financial activities are converted to NOK at the average rate for the year. Balance sheets - including assets and liabilities in foreign currencies - are converted at the exchange rate at the balance sheet date. Exchange differences relating to income and balance sheet are booked directly against funds.

Agio/disagio is reported as an integral part of the total resources expended, classified according to the class of the project they relate to. During 2015, a total net currency loss of 4,7 MNOK has been charged to the accounts.

Pensions

Norwegian Church Aid has pension schemes equal to public-service pension schemes. Pension costs and pension liabilities are calculated using linear method based on assumptions about discount rates, future salary increases, pensions and social security benefits, the expected return on plan assets and actuarial assumptions on mortality, attrition, etc. Pension assets are valued at fair value and deducted from net pension liabilities balance. Changes in the obligation due to changes in pension plans are recognized over the expected average remaining service period. The same applies to estimates to the extent they exceed 10% of the greater of the benefit obligations and plan assets (corridor) (Note 14).

Pension schemes for employees at Representations are based on pension schemes in the countries where Norwegian Church Aid operates. If favourable, a provident fund scheme is applied.

NOTE 2 FUNDING FROM NORWEGIAN GOVERNMENT AGENCIES

	International cooperation		Activities in Norway		Administrative support		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
Norad Cooperation Agreement	146,107	136,575	1,869	1,218	12,292	10,327	160,268	148,120
Norad Special Programmes	13,517	14,334			382	1,139	13,899	15,472
Norad Embassies and Strategic Partnerships	146,399	132,136			8,948	9,615	155,347	141,751
Norad Information Support			3,623	3,683	95	95	3,718	3,778
Subtotal Norad	306,024	283,045	5,492	4,901	21,716	21,176	333,231	309,122
MFA Norway	191,576	181,965			10,017	10,291	201,592	192,256
MFA Embassies	55,152	64,603			2,465	5,289	57,617	69,892
Subtotal MFA	246,728	246,568	0	0	12,482	15,580	259,210	262,148
FK - The Norwegian Peace Corps	402	2,787					402	2,787
BLD - The Ministry of Children, Equality and Social Inclusion	710	776					710	776
HOD - The Ministry of Health and Care Services	(1)	0					-1	0
IN - Innovation Norway	1,771	5,263			420	417	2,191	5,680
LNU - The Norwegian Children and Youth Council	0	0			16	15	16	15
Subtotal other government agencies	2,881	8,826	0	0	436	433	3,317	9,259
Total funding from Norwegian government agencies	555,633	538,439	5,492	4,901	34,633	37,188	595,758	580,528

NCA had a cooperation agreement with Norad covering the years 2011-2015, and income levels for 2015 have been in line with the previous years. In addition, during 2015 NCA entered into a 4 year agreement with Norad supporting Haydom Hospital in Tanzania. NCA has applied for a new agreement for the period 2016-2020. An annual report on allocated amounts and activities carried out is sent to Norad, and unused funds at the end of 2015 will be paid back to Norad as this is the end of the five year agreement.

NOTE 3 FUNDING FROM UN, ACT AND OTHER ORGANISATIONS

	<u>2015</u>	<u>2014</u>
UNDP - United Nations Development Programme	10,700	3,949
OCHA - United Nations Office for the Coordination of Humanitarian Affairs	9,590	8,821
UNICEF - United Nations Children's Fund	4,357	2,677
WFP - World Food Programme	3,207	1,559
UNFPA - United Nations Population Fund	3,096	776
UNHCR - United Nations High Commissioner for Refugees	1,242	(1,217)
WHO - World Health Organisation	300	0
FAO - Food and Agriculture Organization of the United Nations	229	589
UN Women	96	0
UNEP - United Nations Environment Programme	(13)	0
CHF - Common Humanitarian Fund for South Sudan	0	6,289
UN Logistics and Coordination Unit	0	1,968
Subtotal UN - United Nation agencies	32,803	25,411
DCA - DanChurchAid	17,010	14,518
Diakonia Sweden	5,985	356
ACT Alliance - Action by Churches Together	5,407	12,900
CA - Christian Aid	4,379	5,285
CoS - Church of Sweden	3,042	712
PWRDF - Primate's World Relief and Development Fund	406	0
United Church of Canada	387	0
FCA - Finn Church Aid	252	1,175
ICCO - Interchurch Organisation for Development Cooperation	0	4,525
Subtotal ACT Alliance and other ACT sister organisations	36,868	39,471
CAFOD - Catholic Agency for Overseas Development	10,757	2,499
HEKS - Hilfswerk der Evengelischen Kirchen Schweiz	7,084	6,484
DFID - Department for International Development UK	6,475	0
GIZ - Deutsche Gesellschaft für Internationale Zusammenarbeit	5,816	0
Embassy of The Netherlands in Bamako, Mali	5,208	1,435
ECHO - European Commission's Humanitarian Aid and Civil Protection department	4,274	2,345
AcT - Accountability in Tanzania Programme	3,987	5,379
Allan Family of Australia	2,698	2,122
The Global Fund to Fight AIDS, Tuberculosis and Malaria	2,584	2,906
CA - Crown Agents South Sudan	2,017	648
SDC - Swiss Agency for Development and Cooperation	1,893	0
Royal Danish Embassy Dar es Salaam	1,856	154
J/P Haitian Relief Organization	1,766	0
British Embassy Kabul	1,758	4,141
EU - EuropeAid	1,578	0
Tilitonse	1,412	2,324
NRGI - Natural Resource Governance Institute (RWI - Revenue Watch Institute)	1,205	704
PCF - The Pestalozzi Children's Foundation	635	774
ACT! - Act Change Transform	472	419
HEI - Human Education International	447	827
Aids Fonds Netherlands	297	453
LNU - The Norwegian Children and Youth Council	291	292
FORUT Campaign for development and solidarity	270	130
IFRC - International Federation of Red Cross and Red Crescent Societies	255	0

	<u>2015</u>	<u>2014</u>
FOKUS - Forum for Women and Development	232	0
Charities Aid Foundation	172	0
NAD/NHF - Norwegian Association of Disabled	157	0
ERD - Episcopal Relief & Development	153	486
DM Thomas Foundation for Young People	125	0
Strømme Foundation	120	0
Sok Sabay Association	53	0
NFF - Football Association of Norway	28	75
Statoil	18	3,134
Christian Study Association	2	0
Royal Danish Embassy Bamako	(21)	0
KCF - The Kadoorie Charitable Foundation	(67)	2,403
DRC - Danish Refugee Council	(111)	475
SIDA - Swedish International Development Cooperation Agency	(225)	4,342
CARE Germany-Luxembourg	0	825
Caritas Australia	0	1,023
Caritas Austria	0	768
Caritas Italy	0	193
Caritas Japan	0	171
Caritas Korea	0	282
Caritas New Zealand	0	480
Caritas Spain	0	579
Caritas Switzerland	0	471
Caritas Taiwan	0	269
CRS - Catholic Relief Services	0	3,486
DEVP - Development & Peace	0	2,011
IOCC - International Orthodox Church Charities	0	146
NKR - Christian Council of Norway	0	82
SCIAF - Scottish Catholic International Aid Fund	0	919
Secours Catholique	0	329
World Vision International	0	219
Other organisations (less than 50.000 NOK per donor)	0	66
Subtotal other organisations	65,671	57,270
Administrative support from other organisations	6,768	1,474
Total funding from other organisations	142,110	123,626

NOTE 4 DONATIONS

Unrestricted donations	2015	2014
Regular donors	53,037	46,432
Donor letters	15,248	14,269
Changemaker donations and subscriptions	353	429
Web shop / alternative gifts	4,542	3,960
Other donations	8,490	7,220
Seasonal and remembrance gifts	1,044	980
Individual donors	82,714	73,289
Lenten campaign	36,824	36,377
Church offerings	13,114	14,180
Congregations and communities	49,939	50,557
Advertisements and corporate donations	7,465	6,534
Sponsor revenue	838	678
Project support	1,705	1,437
Private sector	10,009	8,649
Subtotal unrestricted donations	142,661	132,495
Restricted donations		
Refugees Europe 2015	35,812	0
Nepal Earthquake 2015	12,755	0
Syria Emergency Response 2013	1,355	1,185
South Sudan Crisis 2014	70	336
Gaza Crisis 2014	5	881
Typhoon Philippines 2013	5	713
Horn of Africa 2011	3	4
North Iraq Emergency Response 2014	2	236
Draught in Sahel 2012	0	39
Fundraising campaigns	50,007	3,394
Ethiopia, WASH, Trond Mohn Water Project	1,172	1,172
Afghanistan, Football for Peace and Stability in Faryab	700	0
Haiti, Education/Youth (WASH), Green Schools	522	396
Guatemala, Clean Energy in Zona Reyna	474	0
Afghanistan, Promoting youth leadership and a culture of peace through spor	373	0
Somalia, Job creation, Anti-Piracy Project	294	509
Haiti, Water harvesting and biodigestors	289	0
DR Congo, Support to Transit Centre Dorcas House	188	91
Innsikt stipend Changemaker	156	0
Ethiopia, Food security, Samre Rural development programme	129	504
Malawi, Saving lives through quality health care - Christmas Campaign	128	103
Brazil, Football and citizenship	104	113
Global, Emergency response partner	95	0
Zambia, Climate, Mumbeki Climate Resilience Project	94	257
Ethiopia, Water Development Project	78	251
Vietnam, Building capacity on Climate Change Mitigation and Adaptation in vulnerable areas in Thua Thien Hue province	0	389
Vietnam, Documentation of best practices: Climate Change and Prisons	0	337
Vietnam, Mobilizing community to improve health in context of climate change	0	169
Zambia, Education/Youth project in Kaluwawa area of Lukulu District	0	105
Guatemala, Mayan women agriculture in Nebaj	0	79
Western Sahara, Nutrition Project Phase 10	0	79
Guatemala, Prevention of gender-based violence to Mayan women.	0	63
Malawi, Water and sanitation for the children	0	51
Other project donations (less than 50.000 NOK per project)	82	48
Project donations	4,877	4,716
Subtotal restricted donations	54,883	8,111
Donations from Norwegian Broadcasting Cooperation Telethon 2014	1,117	253,005
Testamentary donations and legacies	15,029	12,655
Total donations	213,691	406,267

NOTE 5 INTERNATIONAL COOPERATION

Norwegian Church Aid provides emergency assistance in disasters, works for long-term development in local communities and advocates for just decisions by public authorities, business and religious leaders.

These activities can be directly implemented by NCA or in cooperation with our local partners.

Region/Country	2015	2014
Eastern Africa		
Burundi	14,422	13,895
Democratic Republic of the Congo	32,556	33,837
Eritrea	418	471
Ethiopia	27,376	19,701
Kenya	12,092	12,124
Somalia	50,650	36,398
South Sudan	76,372	64,003
Sudan (excl. Darfur)	17,017	11,908
Sudan (Darfur region)	50,149	43,841
Tanzania	46,586	21,074
Regional Eastern Africa	1,643	2,192
Total Eastern Africa	329,281	259,443
Southern Africa		
Angola	30,614	31,570
Malawi	54,758	46,658
Zambia	21,761	26,649
Regional Southern Africa	24,854	26,118
Total Southern Africa	131,986	130,994
West and Central Africa		
Liberia	0	(103)
Mali	34,536	37,630
Western Sahara	2,749	4,942
Regional West and Central Africa	64	1,093
Total West And Central Africa	37,348	43,562
Total Africa	498,616	434,000
Middle East		
Afghanistan	58,609	52,712
Iraq	23,007	1,003
Lebanon	10,800	0
Pakistan	23,699	22,750
Palestine	20,149	25,146
Syria	21,835	31,850
Regional Middle East	7,135	10,104
Total Middle East	165,234	143,563

South East Asia		
Myanmar	16,008	17,573
India	4,075	4,561
Laos	11,736	9,295
Nepal	25,417	0
Thailand	2,026	2,841
Vietnam	9,694	8,845
Philippines	3,554	10,895
Regional South East Asia	795	2,591
Total South East Asia	73,303	56,601
Total Middle East and South East Asia	238,538	200,165
Latin America		
Brazil	9,767	10,441
Cuba	566	678
Dominican Republic	1,987	1,942
Guatemala	8,669	7,866
Haiti	16,943	26,213
Regional Latin America	4,192	4,700
Total Latin America	42,124	51,841
Europe (excluding Norway)		
Armenia	563	550
Greece	500	0
Macedonia	1,000	0
Romania	1,787	556
Serbia	4,983	0
Regional Europe	359	409
Total Europe (excluding Norway)	9,193	1,515
Norway *	28,272	26,316
Global	67,066	68,447
Total International Cooperation	883,809	782,283

* Activities in Norway include costs related to NCA's youth organisation Changemaker, the exchange programme Communication for Change, as well as the awareness raising work carried out by the regional coordinators in Norway.

NOTE 6 GOVERNANCE COSTS

Analysis of governance costs by type of expenditure	2015	2014	<i>Note</i>
Personnel cost	26,774	26,868	a)
Depreciation of fixed assets	2,676	2,853	
Fees for auditors, legal advisors and consultants	3,276	4,029	
Travel expenses	1,779	1,587	
IT and communication expenses	6,422	6,862	
Office running cost and expenses related to premises	3,987	4,945	
Financial expenses	(1,548)	(2,050)	b)
Other expenses	105	(1,721)	
Total governance cost	43,472	43,373	

a) In addition to payroll costs this includes pension, insurance, trainings, recruitment costs and other personnel related costs

b) This includes 2,9 MNOK unrealised currency gain on EUR and USD bank balances (2014: 3 MNOK)

Key figures and ratios according to guidelines from the Norwegian Control Committee for Fundraising

	2015		2014		2013		2012	
Share, governance costs	43,472	4,5 %	43,373	4,8 %	49,132	6,4 %	47,942	6,5 %
Share, international cooperation	883,809	91,0 %	782,283	87,3 %	690,671	89,6 %	668,888	90,2 %
Share, fundraising costs	44,333	4,6 %	70,557	7,9 %	30,701	4,0 %	24,499	3,3 %
Total resources expensed	971,614	100,0 %	896,214	100,0 %	770,504	100,0 %	741,329	100,0 %
Fundraising ratio	79,3 %		82,6 %		79,7 %		82,5 %	

The fundraising ratio shows the proportionality between donations received and the costs of generating voluntary income.

NOTE 7 AUDITORS' REMUNERATION

Auditor (costs excl VAT)	2015	2014
Ordinary auditor's remuneration, Head Office	565	638
Project audits, Head Office	470	530
Other services and support from auditor	68	25
Ordinary auditor's remuneration and project audits at Representations	3,284	2,473
Total costs to auditors	4,387	3,666

NOTE 8 EMPLOYEE AND STAFF COSTS

Analysis of personnel costs	Head Office staff		National and expatriate staff at Representations		Total payroll costs all employees	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2014</u>	<u>2014</u>
Wages and salaries	74,559	81,767	160,549	123,005	235,108	204,772
Social security costs	13,139	14,049	10,549	2,361	23,688	16,410
Pension costs	8,589	7,729	9,912	7,715	18,501	15,444
Other remuneration	1,702	1,095	1,036	2,906	2,738	4,001
Payroll costs	97,988	104,640	182,046	135,987	280,035	240,627
Consultants	2,732	3,098	6,396	3,974	9,128	7,072
Other personnel related costs	3,307	5,162	5,648	11,811	8,955	16,973
Indirect personnel costs	6,039	8,260	12,044	15,785	18,083	24,045
Total personnel costs	104,027	112,900	194,091	151,771	298,118	264,671

Other personnel related costs include trainings and seminars, invoices from hotels, costs related to advertisements for vacant positions, canteen running cost, etc.

The increase in payroll cost at the Representations is in large part due to the currency effects of a weak NOK. Salary commitments are made in a variety of local currencies whose exchange rates towards NOK have developed differently, making it difficult to quantify the exact effect of this factor. However, many local currencies fluctuate with the USD. The average exchange rate NOK/USD has increased with 30% from 2014 to 2015 (from 6,18 to 8,02), which is causing a huge impact on these costs.

Concerning personnel costs at Head Office, a reduction in the number of staff - partly due to the end of the TV Telethon secretariat - has contributed to reducing the payroll costs. This has enabled us to release funds to compensate for the aforementioned negative currency effects at the Representations.

Staff numbers by location and type of employment	<u>31.12.2015</u>	<u>31.12.2014</u>
Permanent positions at Head Office	136,6	144,2
Temporary positions at Head Office *	8,4	19,0
Expatriate positions at Representations	45,0	53,0
National staff at Representations	629,0	669,0
Total number of employees	819,0	885,2

* Of the temporary positions in 2014, 12 positions were linked to the Secretariat of the Norwegian Broadcasting Cooperation Telethon

Emoluments for executive managers (General Secretary)	<u>2015</u>	<u>2014</u>
Wages and salaries	935	940
Pension costs	18	18
Other remuneration including travel compensation	60	39
Total emoluments for executive managers (General Secretary)	1,013	997

No fees are paid to the Board of Directors or the Board of Delegates. The General Secretary has no agreements for severance pay, bonuses etc.

NOTE 9 FIXED ASSETS

	Buildings			Motor Vehicles			Office and staff house furniture (Incl. Art)			Permanent building fixtures			IT equipment (hardware/software)			Office machines			Other investments			Total		
	Head Office	Representations	Total	Head Office	Representations	Total	Head Office	Representations	Total	Head Office	Representations	Total	Head Office	Representations	Total	Head Office	Representations	Total	Head Office	Representations	Total	Head Office	Representations	Total
Cost price 01.01.15	49,042	11,436	60,477	30	40,950	40,980	4,960	14,324	19,284	18,986	0	18,986	10,683	10,163	20,846	302	10,513	10,815	2,502	2,502	84,002	89,888	173,890	
This year's additions	4,405	4,405	8,810	2,479	2,479	4,958	834	834	1,668	0	0	1,250	1,250	1,250	1,250	0	1,605	1,605	931	931	0	11,503	11,503	
This year's disposals	(2)	(2)	(4)	(4,205)	(4,205)	(8,410)	(743)	(743)	(1,486)	0	0	(1,476)	(1,476)	(1,476)	(1,476)	0	(1,123)	(1,123)	(26)	(26)	0	(7,574)	(7,574)	
Cost price 31.12.15	49,042	15,839	64,880	30	39,224	39,254	4,960	14,416	19,375	18,986	0	18,986	10,683	9,937	20,620	302	10,994	11,296	3,407	3,407	84,002	93,817	177,819	
Accumulated depreciation 01.01.15	(7,182)	(7,182)	(14,364)	(30)	(30)	(60)	(3,872)	(3,872)	(7,744)	(7,342)	0	(7,342)	(10,554)	(10,554)	(10,554)	(191)	(191)	0	0	0	(29,172)	0	(29,172)	
This year's depreciation	(1,026)	(1,026)	(2,052)	0	0	0	(515)	(515)	(1,030)	(1,053)	0	(1,053)	(1,07)	(1,07)	(1,07)	(53)	(53)	0	0	0	(2,754)	0	(2,754)	
Accumulated depreciation 31.12.15	(8,208)	(8,208)	(16,416)	(30)	(30)	(60)	(4,387)	(4,387)	(4,874)	(8,396)	0	(8,396)	(10,661)	(10,661)	(10,661)	(245)	(245)	0	0	0	(31,926)	0	(31,926)	
Accumulated impairment 01.01.15	(11,436)	(11,436)	(22,872)	(40,950)	(40,950)	(81,900)	(14,324)	(14,324)	(28,648)	0	0	(10,163)	(10,163)	(10,163)	(10,163)	(10,513)	(10,513)	(2,502)	(2,502)	0	(89,888)	(89,888)		
This year's impairment	(4,403)	(4,403)	(8,806)	(1,726)	(1,726)	(3,452)	(91)	(91)	(182)	0	0	226	226	226	0	(481)	(481)	(905)	(905)	(905)	0	(3,929)	(3,929)	
Accumulated impairment 31.12.15	(15,839)	(15,839)	(31,678)	(39,224)	(39,224)	(78,448)	(14,416)	(14,416)	(29,830)	0	0	(9,937)	(9,937)	(9,937)	(9,937)	(10,994)	(10,994)	(3,407)	(3,407)	(3,407)	0	(93,817)	(93,817)	
Booked value 31.12.15	40,833	0	40,833	0	0	0	573	0	573	10,590	0	10,590	22	0	22	57	0	57	0	0	52,076	0	52,076	
Economic lifetime	50 years			5 years			10 years/5 years			20 years			3 years			3 years			3 years			n/a		

Equipment and facilities with a cost price of more than NOK 15 000 per unit and estimated economic lifetime of more than one year are capitalised in the balance sheet. The assets are depreciated over their economic lifetime unless otherwise stated. Reference is also made to accounting principles for assets used by representations abroad included in note 1.

1) PROPERTY BERNHARD GETZ GATE 3 (BGG)

Norwegian Church Aid owns the office building situated in Bernhard Getz Gate 3 in Oslo. The building is divided into units and NCA's owns 63.97% of the total building stock, and the Norwegian Bible Society owns the remaining share.

NOTE 10 STOCKS

Norwegian Church Aid's emergency stock contains various water and sanitation equipment ready to be dispatched on short-term notice to crisis areas. Examples of equipment are latrines, water purification, storage and distribution equipment and tents.

The main stock is located at Frogner, close to Gardermoen airport and contains values for 3,5 MNOK as of 31.12.2015. In addition, Norwegian Church Aid stores equivalent equipment at the World Food Programme's United Nation Humanitarian Response Depots (UNHRD) in the United Arab Emirates (Dubai; 1,6 MNOK) and in Malaysia (Subang; 1,9 MNOK). These are expensed at the time of purchase.

Stocks are also kept at several of Norwegian Church Aid's Representations. As stated in the accounting principles, these are expensed at the time of purchase. The total value as of 31.12.2015 was 5,4 MNOK.

NOTE 11 DEBTORS

	<u>31.12.2015</u>	<u>31.12.2014</u>
Receivables from donors	66,355	57,266
Receivables from partners	5,386	5,595
Receivables from employees	1,301	925
Prepaid expenses	6,977	10,928
Deposits	619	624
Accrued income (incl. Telethon)	12,022	213,766
Other short-term receivables	7,999	12,571
Total short-term receivables	100,660	301,675

NOTE 12 INVESTMENTS

Financial investments 31.12.2015	Cost price	Market value	Unrealised gain (loss)
	31.12.2015	31.12.2015	31.12.2015
Money market funds and investment funds, national and international	278,643	274,796	(3,848)
Quoted shares, national and international	39,089	38,354	(735)
Other shares	282	282	0
Investment properties	7,174	6,631	(543)
Total	325,188	320,063	(5,126)

Financial investments 31.12.2014	Cost price	Market value	Unrealised gain (loss)
	31.12.2014	31.12.2014	31.12.2014
Money market funds and investment funds, national and international	61,737	63,573	1,836
Quoted shares, national and international	136	136	0
Other shares	0	0	0
Investment properties	9,306	7,331	(1,976)
Total	71,180	71,040	(140)

NCA will within the ethical guidelines and the framework for proper risk management, risk diversification and liquidity seek to achieve the best return on financial investments. Investments will be made in accordance with the Board's guidelines. The investments are considered as current assets and are valued at market value as of 31.12.

During 2015, a new investment agreement has been contracted with DnB. The new capital invested concerns the donations from NRK Telethon 2014 to be spent over a period of 5 years. Any gains or losses generated from these investments are earmarked for use within the Telethon projects.

During the year 2015 funds market has been characterized by a lack of liquidity and risk willingness. Money has become more expensive in 2015 by the increase of the credit margin. This resulted in an increase of the interest rate which influence negatively the cost of bond fund.

NOTE 13 FUNDS

		Opening balance 01.01.15	Incoming resources	Resources expended	Closing balance 31.12.15
<i>Unrestricted funds</i>					
Foundation capital	1)	78,221	1,815		80,036
Unrestricted income funds		57,545	210,975	(192,953)	75,568
Subtotal unrestricted funds		135,766			155,603
<i>Funds with internally imposed restrictions</i>					
Carbon fund	2)	1,577	(1,577)	0	0
Emergency reserve	2)	9,421	(8,421)	(1,000)	0
Subtotal funds with internally imposed restrictions		10,998			0
<i>Funds with externally imposed restrictions</i>					
Earmarked project funds	3)	24,656	54,883	(45,024)	34,515
Telethon funds		219,073	1,306	(36,050)	184,329
Legacy income funds		131	2,286	(130)	2,287
Subtotal funds with externally imposed restrictions		243,860			221,131
Total funds		390,623	261,268	(275,157)	376,734

1) NCA - being an organisation and not a trust - does not have a legally bound foundation capital; hence the classification as unrestricted funds. The Board of Directors has in a resolution adopted guidelines for the allocation of funds to and from the Foundation capital. The balance is each year increased according to the consumer price index.

2) NCA has previously had a Carbon fund and an Emergency reserve separated from the unrestricted funds by internally imposed restrictions. These are now lifted and the balance has been reintegrated in the unrestricted income funds.

3) NCA regularly organises fundraising campaigns when a humanitarian crisis occurs. These funds are accounted for as earmarked project funds with externally imposed restrictions. As these funds are collected from a large group of donors, a reimbursement to donors of funds not used in accordance with the restrictions would not be feasible. This situation has not been relevant in the past, and is thought unlikely to occur in the future.

Details of movements in earmarked project and campaign funds 2015:

	Opening balance 01.01.15	Incoming resources	Resources expended	Closing balance 31.12.15
Operation Day's Work 2010	5,339		(6,161)	(822)
Typhoon Philippines	6,305	5	(4,606)	1,703
Haiti Earthquake	4,458		(3,778)	680
Horn of Africa	2,013	3		2,015
Draught in Sahel	39			39
South Sudan Crisis	257	70	(6)	321
Gaza Crisis	15	5		20
North Iraq Emergency Response	236	2	(9)	229
Syria Emergency Response	1,431	1,355	(2,279)	507
Nepal Earthquake	0	12,755	(12,744)	11
Refugees Europe	0	35,812	(9,528)	26,283
Earmarked donations to projects (see note 4)	4,563	4,877	(5,913)	3,527
Earmarked project funds	24,656			34,515

NOTE 14 ACCRUALS FOR PENSION LIABILITIES

PENSION LIABILITIES FOR EMPLOYEES IN NORWAY

The pension schemes meet the requirements of the law on compulsory occupational pension and are covered through KLP.

The pension schemes cover 185 active persons, 410 previously active with deferred rights and a total of 77 retired persons. The schemes give right to defined future benefits. These are mainly dependent on the number of qualifying employment years, salary level at pension age, and the amount of benefits from the National Insurance Scheme. A contractual pension scheme is included.

In the course of 2015, a working group has studied different options for future pension schemes for employees working at or deployed from NCA Head Office. Based on this work, the Board has on the 7th of March 2016 decided on a transition to a defined contribution pension scheme, effective as of 1st of May 2016.

	2015		Sum
	Insured	Uninsured	
Net pension expenses			
Present value of pensions earned this year	8,167	1,657	9,824
Interest expense on the pension commitment	3,731	356	4,087
Return on pension funds	(4,125)	0	(4,125)
Estimate changes	3,144	51	3,195
Social security fees	1,152	234	1,385
Net pension expenses	12,068	2,298	14,367

	2015		2014	
	Insured	Uninsured	Insured	Uninsured
Net pension liabilities				
Defined benefit obligation (excl. social security fees) 31.12.	158,314	15,893	172,084	14,874
Pension funds valued at fair value 31.12.	(132,386)	0	(122,307)	0
Unrecognised actuarial gains (losses)	(47,883)	(1,389)	(68,590)	(2,525)
Social security fees	3,656	2,241	7,019	2,097
Net pension liabilities	(18,299)	16,745	(11,794)	14,446

Financial assumptions	2015	2014
Discount rate	2,62 %	2,10 %
Estimated salary increase/pension increase/social security base figure adjustment	3,10 %	3,10 %
Expected return on funds	3,30 %	3,20 %
Expected retirement according to AFP at 62 years old	25,00 %	25,00 %
Expected retirement according to AFP at 67 years old	75,00 %	75,00 %
Expected payment percentage early retirement scheme (less than 45 years old)	3,50 %	3,50 %
Expected payment percentage early retirement scheme (45 to 60 years old)	0,50 %	0,50 %
Expected payment percentage early retirement scheme (60 years old and older)	0,00 %	0,00 %

PENSION LIABILITIES FOR NATIONAL STAFF AT REPRESENTATIONS

National staff has pension schemes in accordance with local laws and regulations or Norwegian Church Aid's guidelines for provident funds. The most favourable scheme will be applied. Norwegian Church Aid's pension schemes will normally imply that 17% of the monthly salary will be set aside on a suspended account of which the employee pays 5% and Norwegian Church Aid 12%. When the employee quits, this amount will be disbursed.

	<u>2015</u>	<u>2014</u>
Pension liabilities for employees at Head Office	(1,554)	2,652
Pension liabilities for national staff at Representations	31,952	23,528
Total pension liabilities for Norwegian Church Aid	30,398	26,180

NOTE 15 BANK LOAN

Norwegian Church Aid has a long-term mortgage loan entered into in 2005 to finance the purchase of the Head Office building placed in Bernhard Getz' gate 3, Oslo. The original size was 42 MNOK, and as of 31.12.2015 the remaining principal amounts to 22,05 MNOK. The interests are NIBOR-regulated market-price. The loan has a 25-year repayment schedule. The mortgage placed as security amounts to 42 MNOK, whereas the balance sheet value of the property placed as security is 40.833.347 NOK (2014: 41.859.161 NOK).

NOTE 16 SHORT-TERM LIABILITIES

	<u>31.12.2015</u>	<u>31.12.2014</u>
Accrued, not due wages and salaries, other debt to employees	13,919	14,084
Public duties payable - Representations	1,365	1,072
Public duties payable - Norway *	7,663	8,178
Accounts payable	15,979	20,992
Accrued, not due expenses	14,553	10,749
Accounting provision project risk	2,735	3,400
Payable to donors	3,325	4,714
Payable to partners	4,686	1,584
Other short-term liabilities	356	7,414
Total current liabilities	64,581	72,187

* Included in the public duties payable in Norway are retained payroll taxes amounting to 3,78 MNOK. The amount is placed in a restricted bank account reserved for this purpose. The balance of the account is as of 31.12.2015 3,8 MNOK