

The NKS Secretariat

NKS(17)2
2017-06-08



Financial Statements

for

The Nordic Nuclear Safety Research Programme

2016

8 June 2017
Finn Physant
FRIT

Statement by Management

The Chairmann, Sigurður M. Magnússon and the NKS Secretariat have considered and approved the Financial Statements of The Nordic Nuclear Safety Research Programme (in the following referred to as 'NKS') for the financial year 1 January 2016 - 31 December 2016.

In our opinion, the Financial Statements provide a true and fair view of the organisation's assets, liabilities and equity, financial position as at 31 December 2016 and the results of the organisation's activities for the financial year 1 January 2016 - 31 December 2016.

In our opinion, the management's review includes a fair description of the issues dealt with in the management review.

The Management recommend the financial statement for approval by the Group of Owners.

Copenhagen, 8 June 2017

The Management:

Chairman



Sigurður M. Magnússon

NKS Secretariat




Finn Physant


We, the signers, as representatives of the owners of NKS hereby approve The Financial Statements for The Nordic Nuclear Safety Research Programme 2016.

Copenhagen, 8 June 2017


Group of Owners:




Sigurður M. Magnússon
Iceland, chairman



Ole Harbitz
Norway



Charlotte Bro
Denmark



Eva Simic
Sweden



Jorma Aurela
Finland

Independent Auditors' Report

To the group of owners of NKS

Opinion

We have audited the Financial Statements of NKS for the financial year 1 January - 31 December 2016, which comprise income statement, balance sheet, notes and financial programme specification, including a summary of significant accounting policies, for NKS. The Financial Statements are prepared in accordance with the agreements and the accounting policies, which is decided by the Management, and which is described at page 12.

In our opinion, the Financial Statements give a true and fair view of NKS' financial position at 31 December 2016 and of the results of NKS' operations for the financial year 1 January - 31 December 2016 in accordance with the agreements and the accounting policies, which is decided by the Management.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark as well as in accordance with generally accepted government auditing standards. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of NKS in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The Management's Responsibilities for the Financial Statements

The Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the agreements and the accounting policies, which is decided by the Management, and for such internal control as the 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, the Management is responsible for assessing NKS' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless the Management either intends to liquidate NKS 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 ISAs and the additional requirements applicable in Denmark as well as in accordance with generally accepted government auditing standards, 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 of accounting information taken on the basis of these Financial Statements.

Independent Auditors' Report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark as well as in accordance with generally accepted government auditing standards, 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 NKS' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on NKS' 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 NKS to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

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.

Statement on Management's Review

The Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, 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 Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Based on the work we have performed, we conclude that Management's Review is in accordance with the Financial Statements. We did not identify any material misstatement of Management's Review.

Independent Auditors' Report

Declaration on compliance with other legislation and other regulations

Opinion on legal-critical audit and performance audit

The Management is responsible for ensuring that the transactions covered by the Financial Statements comply with applicable appropriations, laws and other regulations as well as agreements and standard practice and that due financial consideration has been applied to the management of funds and operations of the activities included in the annual accounts.

In conjunction with our audit of the Financial Statements, it is our responsibility in accordance with generally accepted auditing standards to select relevant areas for both legal-critical audit and performance audit. In the case of legal-critical auditing, we assess with a high degree of certainty whether the transactions covered by the Financial Statements comply with the applicable appropriations, laws and other regulations as well as agreements and standard practice. In the performance audit, we assess with a high degree of certainty whether the systems, processes or transactions examined support due financial consideration for the management of the funds and operations of the activities included in the Financial Statements.

If we conclude, on the basis of the work we have carried out, that grounds for significant critical comments exist, we are under obligation to report on this.

We have no critical comments to report in this regard.

Roskilde, 8 June 2017

Dansk Revision Roskilde

Godkendt revisionsaktieselskab, CVR-nr. 14 67 80 93



Palle Sundstrøm

Partner, State-Authorised Public Accountant

Management's review

2016 has been characterised by planned work/operation of the R (Reactor)-part and the B (Emergency Preparedness)-part.

A new Programme manager of the R parts has started.

In the course of 2016, the currency market for the Norwegian currency has developed in a positive direction, while the Swedish currency has developed in a negative direction, in comparison with the Danish currency and the EURO. The total foreign exchange loss at the end of the year is at DKK 175,630/ EUR 23,624/7,4344.

The Financial Statements are presented in DKK, but the amounts are also stated in EUR in a separate column.

The Financial Statements show a deficit of DKK 1,061,243 / EUR 142,748, which is consistent with decisions taken by the Board.

Subsequently, the equity as at 31 December 2016 constitutes DKK 7,159,872 / EUR 963,073.

In assessing the year's deficit and equity as at 31 December 2016, consideration must be made of the contracts for the R and B parts of DKK 6,006,629 / EUR 807,951, which is calculated at 31 December 2016, where invoices have not yet been received or where the work has not yet been completed.

It may also be noted that NKS in accordance with programme managers' statements has received external funding of around DKK 14.6 mio. / EUR 1.96 mio. in the form of un-charged contributions. The external funding is the work performed in connection with the implementation of activities for which invoices will not be sent.

Unused activity, coordination and travel funds for programmes for the year 2015 are returned to the reserve as are unused common programme costs for a total of DKK 960,512 / EUR 129,198.

Income statement 2016

				Rate
				7,4344
Grants and interest income				
Danish Emergency Management Agency	DKK	428.347,50	EUR	57.616,96
Ministry of Economic Affairs and Employment, FI	DKK	2.537.250,00	EUR	341.285,11
Icelandic Radiation Safety Authority	DKK	179.100,00	EUR	24.090,71
Norwegian Radiation Protection Authority	DKK	989.527,50	EUR	133.101,19
Swedish Radiation Safety Authority	DKK	3.695.510,00	EUR	497.082,48
Additional funding	DKK	836.397,08	EUR	112.503,64
Interest income	DKK	5.320,88	EUR	715,71
Total grants and interest income	DKK	8.671.452,96	EUR	1.166.395,80
Expenses				
R-Part	DKK	3.454.566,28	EUR	464.673,18
B-Part	DKK	4.642.991,43	EUR	624.528,06
Activity support	DKK	154.915,38	EUR	20.837,64
Fees	DKK	1.122.500,00	EUR	150.987,30
Common program expenses	DKK	172.148,35	EUR	23.155,65
Travels	DKK	9.944,22	EUR	1.337,60
Exchange adjustments	DKK	175.630,45	EUR	23.624,02
Total expenses for the NKS programme	DKK	9.732.696,11	EUR	1.309.143,46
Income - Expenses	DKK	-1.061.243,15	EUR	-142.747,65

Balance sheet 2016**Assets:****Rate
7,4344****Giro and bank accounts converted to DKK, Note 1**

DK/IS-giro 918-9297	DKK	573.799,55	EUR	77.181,69
FI-giro 800015-70837915	DKK	2.849.016,49	EUR	383.220,77
NO-giro 7874.07.06976	DKK	790.983,13	EUR	106.395,02
SE-giro 6 64 63-1	DKK	4.502.672,84	EUR	605.653,83

Giro and bank accounts total	DKK	8.716.472,01	EUR	1.172.451,31
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Total Assets	DKK	8.716.472,01	EUR	1.172.451,31
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Liabilities:**Equity:**

Retained from previous years	DKK	8.221.115,16	EUR	1.105.820,94
Result of this year	DKK	-1.061.243,15	EUR	-142.747,65

Total equity	DKK	7.159.872,01	EUR	963.073,28
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Statement for new financial year, Note 2	DKK	1.556.600,00	EUR	209.378,03
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Total Liabilities	DKK	8.716.472,01	EUR	1.172.451,31
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Notes

Note 1: Giro and bank accounts:	Currency	DKK	EUR
DK/IS-giro 918-9297:			
Holding 31.01.2017	DKK	573.799,55	77.181,69
FI-giro 800015-70837915			
Holding 31.01.2017	EUR	1.267,07	1.267,07
Giro deposits 31.01.2017	EUR	381.953,70	381.953,70
NO-giro 7874.07.06976			
Holding 31.01.2017	NOK	172.428,41	18.976,77
Giro deposits 31.01.2017	NOK	794.307,27	87.418,25
SE-giro 6 64 63-1:			
Holding 31.01.2017	SEK	5.785.266,40	605.653,83
Total		8.716.472,01	1.172.451,31

Exchange rates pr. 31.12.2016

EUR	743,44
NOK	81,82
SEK	77.83

Note 2: Payment regarding the new financial year from Swedish Radiation Safety Authority:
Owner contribution for 2017 - Paid 30.12.2016

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Financial programme specification - 31 January 2017

DKK				EURO		7.4344				
	Budget from 2015	Returned 2015	Budget 2016	Total budget 2016	Payments made	Contracts signed, but not paid	Rest budget	Payments made	Contracts signed, but not paid	Rest budget
Total	2.187.967	-117.172	4.191.467	6.262.262	3.454.567	2.680.220	127.475	464.673	360.516	17.147
R-Part	4.701.547	-764.276	4.151.010	8.088.281	4.642.991	3.326.409	118.881	624.528	447.435	15.991
B-Part	52.225	0	100.000	152.225	154.915	0	-2.690	20.838	0	-362
2016 seminar	14.226	-14.226	0	0	0	0	0	0	0	0
NSFS 2015	7.500	-7.500	1.130.000	1.130.000	1.122.500	0	7.500	150.987	0	1.009
Fees										
Common programme	56.889	-56.889	250.000	250.000	172.149	0	77.851	23.156	0	10.472
exp.	449	-449	10.000	10.000	9.944	0	56	1.338	0	8
Travels										
I alt	7.020.803	-960.512	9.832.477	15.892.768	9.557.066	6.006.629	329.073	1.285.519	807.951	44.264
	F1	F2	F3	F	G	H1	H2	G	H1	H2

F₁ + F₂ + F₃ = FF - G = H = H₁ + H₂

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Notes

Detailed financial programme specification - 31 January 2017

Specification:	DKK		EURO		7,4344					
	Budget from 2015	Returned 2015	Budget 2016	Total budget 2016	Payments made	Contracts signed, but not paid	Rest budget	Payments made	Contracts signed, but not paid	Rest budget
R-Part: Common program.	320.676	-75.676	641.667	886.667	549.192	250.000	87.475	73.872	33.627	11.766
Activities	1.847.036	-21.241	3.499.800	5.325.595	2.895.375	2.430.220	0	389.456	326.889	0
Travel young scientists	20.255	-20.255	50.000	50.000	10.000	0	40.000	1.345	0	5.380
B-Part: Common program.	335.952	-90.952	600.000	845.000	512.049	250.000	82.951	68.876	33.627	11.158
Preparedness	1.439.865	-543.967	2.250.010	3.145.908	1.775.884	1.370.024	0	238.874	184.282	0
Measurement	2.234.534	-93.400	815.000	2.956.134	1.880.763	1.075.371	0	252.981	144.648	0
Radioecology	570.239	0	436.000	1.006.239	460.225	546.014	0	61.905	73.444	0
Waste	85.000	0	0	85.000	0	85.000	0	0	11.433	0
Travel young scientists	35.957	-35.957	50.000	50.000	14.070	0	35.930	1.893	0	4.833
2016 seminar NSFS 2015	52.225	0	100.000	152.225	154.915	0	-2.690	20.838	0	-362
	14.226	-14.226	0	0	0	0	0	0	0	0
Fee Secretariat	7.500	-7.500	660.000	660.000	652.500	0	7.500	87.768	0	1.009
Fee Chairman incl. travels	0	0	470.000	470.000	470.000	0	0	63.220	0	0
Reports etc.	14.969	-14.969	26.250	26.250	12.531	0	13.719	1.686	0	1.845
Postage etc.	-348	348	7.500	7.500	9.260	0	-1.760	1.246	0	-237
Equipment	2.225	-2.225	15.000	15.000	0	0	15.000	0	0	2.018
Internet	32.300	-32.300	90.000	90.000	63.675	0	26.325	8.565	0	3.541

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Detailed financial programme specification - 31 January 2017

DKK				EURO				7,4344			
Specification:	Budget from 2015	Returned 2015	Budget 2016	Total budget 2016	Payments made		Contracts signed, but not paid		Rest budget		
Auditing	-3.125	3.125	61.250	61.250	61.250	0	0	8.239	0	0	1.965
Information material	-711	711	30.000	30.000	15.392	0	14.608	2.070	0	1.965	1.340
Various	11.579	-11.579	20.000	20.000	10.041	0	9.959	1.351	0	1.340	
Travels Secretariat	449	-449	10.000	10.000	9.944	0	56	1.338	0	8	
Diff.	0	0	0	0	0	0	0	0	0	0	
Total	7.020.803	-960.512	9.832.477	15.892.768	9.557.066	6.006.629	329.073	1.285.519	807.951	44.264	
	F1	F2	F3	F	G	H1	H2	G	H1	H2	

F₁ + F₂ + F₃ = FF - G = H = H₁ + H₂

Accounting policies

The Financial Statements is presented in accordance with the agreements and the accounting policies, which is decided by the Management.

The Financial Statements is presented in accordance with the same accounting policies as last year.

Recognition and measurement

The association uses the "open post"-principle, which means, that all expenses, which is paid in the period 1/2-2016 - 31/1-2017, are included in the financial statements.

Conversion of foreign currencies

Transactions in foreign currencies are in the course of the year translated to the exchange rate at the beginning of the financial year. Giro and bank accounts, receivables and payables in foreign currencies, is translated at the exchange rates at the balance sheet date.

Realised and unrealised exchange differences is recognised in the income statement as financial income or financial expenses.

The income statement

Revenue recognitions

Income include grants for the financial year from the owners and the additional funding.

Expenses

Expenses include paid expenses for the financial year's approved projects for respectively the R- and the B-part, including common program expenses and travels, activity supports and fees. The association is not taxable for VAT and therefore the expenses of the association is recognized including VAT.

Interest income

Interest income include interest income.

Income taxes

The association is not liable to pay tax.

Balance sheet

Cash and cash equivalents

Cash and cash equivalents include bankdeposit in giro and bank accounts in Denmark, Finland, Norway and Sweden.

Received prepayments

Received prepayments is measured at the exchange rates at the balance sheet date.