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FIGURES FOR 2018

ANNUAL ACCOUNTS SDFI

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COMPLIANCE REPORT FOR THE SDFI ACCOUNTS

PURPOSE

Since its establishment in 2001, Petoro has served as the licensee for the state's participating interests in production licences, fields, pipelines and onshore facilities. Petoro is charged with managing the SDFI portfolio on the basis of sound business principles. As of the end of 2018, the portfolio consisted of 198 production licences, 12 more than at the beginning of the year. In January 2019, Petoro received participating interests for management in 14 production licences under the Awards in Predefined Areas (APA) 2018.

CONFIRMATION

The annual accounts are presented in accordance with the Provisions on Financial Management in Central Government, circular R-115 from the Ministry of Finance, and requirements in the instructions on financial management of the SDFI in Petoro AS, with the exceptions granted for the SDFI. The Board hereby confirms that the annual accounts, which comprise the appropriation and capital accounts prepared on a cash basis, provide a true and fair picture in accordance with the cash basis. The general ledger accounts report presents accounting figures for the SDFI as reported to the government accounts in accordance with the standard chart of accounts for state-owned enterprises.

The Board also confirms that the company accounts have been prepared in accordance with the Accounting Act and Norwegian generally-accepted accounting principles (NGAAP), and provide a true and fair picture of the SDFI's assets, obligations and financial results at 31 December 2018.

ASSESSMENT OF SIGNIFICANT FACTORS

APPROPRIATION AND CAPITAL ACCOUNTS

In accordance with the supplemental assignment letter dated 20 December 2018, the SDFI's appropriation for investments² totalled NOK 24 billion. The appropriation for operating income³ totalled NOK 124.7 billion. The appropriation for interest on the state's capital⁴ totalled NOK 3.1 billion. Operating income in accordance with the cash basis is affected first and foremost by the price of oil and gas and the volume of the SDFI's production sold. Equinor is responsible for marketing and sale of the SDFI's products under standing instructions for marketing and sale.

THE GENERAL LEDGER ACCOUNTS REPORT

in accordance with the cash basis presents net reported revenue including financial income of NOK 175.5 billion in 2018, compared with NOK 145 billion in 2017. This consists mainly of revenue from the sale of oil and gas. The revenues are primarily influenced by higher oil and gas prices in 2018. Expenses reported in the appropriation accounts comprise payments of NOK 22.6 billion as investments and NOK 32.8 billion as operating expenses. Payments in 2017 amounted to NOK 26.6 billion related to investments and NOK 28.7 billion related to operations. Payments to operations were primarily related to the operation of fields and facilities, processing and transport costs, as well as exploration and field development expenses. This is in addition to payments of financial expenses. Depreciation of fields and facilities amounted to NOK 23.6 billion in 2018, compared with NOK 24.6 billion in 2017.

THE SDFI ACCOUNTS

include a number of significant estimates which are subject to uncertainties and rely on discretionary assessments. These e.g. include capitalised exploration costs, estimates of reserves as the basis for depreciation, decommissioning expenses based on estimates for costs to be incurred far into the future, and assessment of impairment charges on tangible fixed assets.

Income after financial items in 2018 totalled NOK 114 billion, NOK 15 billion higher than the previous year. Net cash flow transferred to the state amounted to NOK 120 billion in 2018, compared with NOK 87 billion in 2017. Significantly higher oil and gas prices in 2018, compared with 2017, impacted both the cash flow and the financial result for the year. The realised price of oil averaged NOK 573 per bbl in 2018, compared with NOK 449 per bbl in 2017. The average price of gas was NOK 2.17 per Sm³ in 2018, compared with NOK 1.72 per Sm³ in 2017.

The total sales volume was 1.099 million bbls of oil equivalent (o.e.) per day, 25 lower than the previous year. Sales of liquids declined by 35 as a result of natural production decline and planned shutdowns in the second quarter of 2018, while sales of gas increased by 10 kboed (~0.6 billion Sm³) compared with the previous year as a result of higher sales of third-party gas. Sales of self-produced gas amounted

² Ch./item 2440.30

³ Ch./item 5440.24

⁴ Ch./item 5440.80

to two-thirds of the total sold volume for the year and reached a record level compared with previous years.

Production costs amounted to NOK 17 billion, an increase of NOK 3 billion from the previous year. The increase is due to the accounting provision for recognition of liability for the negative outcome of the initial verdict from the District Court in the case of Troll Unit and a general cost increase for fields in operation, higher CO₂ credit prices, as well as higher electricity costs for onshore facilities and terminals. Adjusted for the accounting provision in Troll Unit, this entailed a 7% increase in production costs from 2017.

The increase in transport and processing costs of NOK 0.6 billion is due to higher gas sales, as well as the separation of Nyhamna into a joint venture separate from Ormen Lange. Following the separation, shipper costs from Nyhamna are reported as tariff costs, while revenues from the ownership are reported under tariff income.

Costs for purchasing third-party gas increased by NOK 1 billion in 2018 as a result of higher volume and prices. Purchased gas is sold alongside equity gas and includes gas income.

The book value of Maria was impaired by NOK 1.6 billion in 2018. The significant reduction in the reserve base and lower well potential has given rise to the need for a new drainage strategy and additional investments on Maria. Previous impairments of Draugen and Martin Linge were reversed in 2017. This yields a negative effect on net income of NOK 6.5 billion when comparing this year's profit with 2017.

The change in mark to market assesment of open gas positions resulted in an accrued loss provision of NOK 1 billion as of 31 December 2018. As a result of reversing previous loss allocations, this yields a negative deviation of NOK 2 billion compared with 2017.

Costs incurred for investments in 2018 totalled NOK 22.6 billion, about NOK 2.7 billion lower than the year before. The lower investments were primarily caused by drilling fewer production wells, as well as somewhat lower activity in field development.

The portfolio's estimated remaining reserves totalled 5 544 million boe at the end of 2018, down by 335 million boe from the year before. The reserve growth of 62 million boe in 2018 was considerably lower than the annual production of 396 million boe. Reserve growth in 2018 primarily originated from the decision on Johan Sverdrup phase 2.

The book value of assets at 31 December 2018 was NOK 247 billion. The assets mainly consist of fixed assets related to field installations, wells, pipelines and onshore facilities, as well as current receivables. At year-end, future ARO totalled NOK 65.2 billion, down NOK 2.5 billion NOK from the previous year. Equity at 31 December amounted to NOK 163 billion.

ADDITIONAL INFORMATION

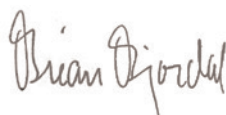
The Office of the Auditor General (OAG) is the external auditor, and approves the annual accounts for the SDFI. On completing its annual audit, the OAG issues a final audit letter (report) which summarises the conclusion of its audit work. The result of the audit will be reported by 1 May 2019.

The Board has appointed PwC to conduct a financial audit of the SDFI accounts as part of Petoro's internal audit process. PwC submits a written report to the board concerning the annual accounts prepared on a cash basis and based on the accounting principles founded on Norwegian auditing standard RS800 "Special considerations in the auditing about accounts prepared pursuant to a special-purpose framework". PwC's audit work forms the basis for the OAG's review of the annual accounts.

Stavanger, 6 March 2019



Gunn Wærsted
Chair



Brian Bjørdal
Deputy chair



Per Arvid Schøyen
Director



Hugo Sandal
Director



Trude J. H. Fjeldstad
Director



Ragnar Sandvik
Director
elected by the employees



Anne-Cathrine Nilsen
Director
elected by the employees



Grethe K. Moen
President and CEO

ACCOUNTS ON CASH BASIS, SDFI

Note on accounting principles for the accounts on a cash basis

The annual accounts for the SDFI have been prepared and presented in accordance with detailed guidelines stipulated in the Provisions on Financial Management in Central Government ("the Provisions"). The accounts accord with the requirements in Section 3.4.1 of the Provisions and more detailed provisions in circular R-115 of November 2016 from the Ministry of Finance, with the exceptions that apply for the SDFI.

The presentation of reporting to the appropriation accounts and general ledger accounts is prepared on the basis of Section 3.4.2 of the Provisions, the basic principles for the annual accounts:

- a) the accounting year matches the calendar year
- b) the accounts present all reported expenses and revenues for the accounting year
- c) expenses and revenues are shown gross in the accounts
- d) the accounts are prepared in accordance with the cash basis.

The reporting presentations of the appropriation accounts and general ledger accounts are prepared on the basis of the same principles, but are grouped in different charts of accounts. These principles correspond with requirements in Section 3.5 of the Provisions on how enterprises shall report to the government accounts. The item "net reported to appropriation accounts" is identical in both presentations.

Pursuant to the requirements in Section 3.7.1 of the Provisions, the enterprise is affiliated with the government's group account scheme for state-owned companies in Norges Bank.

APPROPRIATION REPORTING

The presentation of reporting to the appropriation accounts comprises an upper section with the appropriation reporting and a lower section, which shows the enterprise's listed balances in the capital accounts. The appropriation reporting presents accounting figures reported by the enterprise to the government accounts. These are posted in accordance with the chapters and items in the appropriation accounts the enterprise has at its disposal. The column "Total allocation" shows what the enterprise has at its disposal in the letter of assignment for each government account (chapter/item). The presentation also shows all financial assets and liabilities entered against the enterprise in the government's capital accounts.

The SDFI receives estimated appropriations. No authorisations have been received or issued to charge from/to chapters/items in other enterprises.

GENERAL LEDGER ACCOUNTS REPORT

The general ledger accounts report is formatted with an upper part which shows what has been reported to the government accounts in accordance with the standard chart of accounts for state-owned enterprises and a lower part which presents assets and liabilities included in the open account with the state. The general ledger accounts report presents accounting figures reported to the government accounts in accordance with the standard chart of accounts for state-owned enterprises. The report is not formatted in accordance with the method recommended by the Norwegian Government Agency for Financial Management (DFØ), but incorporates adjustments which reflect special conditions for public-sector enterprises.

ACCOUNTS ON CASH BASIS, SDFI

Appropriation accounts

Presentation of appropriation accounts reporting 31 Dec. 2018 - Figures in NOK

Expenses chapter	Type	Category	Description	Total allocation	2018 accounts	Overspend (-) and underspend
2440	Expenses	30	Investments	24 000 000 000	22 554 905 832	1 445 094 168
5440	Expenses	24.02	Operating expenses	30 100 000 000	32 036 437 942	-1 936 437 942
5440	Expenses	24.03	Exploration and field development expenses	2 100 000 000	2 184 000 037	-84 000 037
5440	Expenses	24.04	Depreciation	24 000 000 000	23 636 285 287	363 714 713
5440	Expenses	24.05	Interest	3 100 000 000	3 096 414 481	3 585 519
Total expensed				83 300 000 000	83 508 043 580	-208 043 580

Revenue chapter	Type	Category	Description	Total allocation	2018 accounts	Overspend (-) and underspend
5440	Revenue	24.01	Operating revenue	184 000 000 000	175 462 734 075	-8 537 265 925
5440	Expenses	30	Depreciation	24 000 000 000	23 636 285 287	-363 714 713
5440	Expenses	80	Interest on fixed capital	3 100 000 000	3 113 578 453	13 578 453
5440	Expenses	85	Interest on open accounts	0	-17 163 972	-17 163 972
Total recognised				211 100 000 000	202 195 433 843	-8 904 566 157
5440		24	Operating profit	124 700 000 000	114 509 596 327	-10 190 403 673
Net reported to appropriation accounts					-118 687 390 263	

Capital accounts

0677.03.04693	Settlement account Norges Bank - paid in	167 859 833 249
0677.03.08710	Settlement account Norges Bank - paid in	16 491 486 841
0677.04.05015	Settlement account Bank of Norway - paid out	-64 685 576 323
	Change in open accounts	-978 353 504
Total reported		0

Holdings reported to the capital accounts (31 Dec)

Account	Text	2018	2017	Change
	Open accounts with the Treasury	-3 364 091 145	-4 342 444 649	978 353 504

ACCOUNTS ON CASH BASIS, SDFI

Appropriation accounts

NOTE A Explanation of total allocation			
Type and category	Transferred from last year	Allocation for the year	Total allocation
2440.30		24 000 000 000	24 000 000 000
5440.24.02		30 100 000 000	30 100 000 000
5440.24.03		2 100 000 000	2 100 000 000
5440.24.04		24 000 000 000	24 000 000 000
5440.24.05		3 100 000 000	3 100 000 000
5440.24.01		184 000 000 000	184 000 000 000
5440.30		24 000 000 000	24 000 000 000
5440.80		3 100 000 000	3 100 000 000
5440.85		0	0
5440.24		124 700 000 000	124 700 000 000

NOTE B Explanation for authorisations used and calculation of possible amount to be transferred to next year

Not relevant for the SDFI, which receives estimated appropriations.

ACCOUNTS ON CASH BASIS, SDFI

Capital accounts – specified

SDFI CAPITAL ACCOUNTS 2018 – Figures in NOK			
Items			
Open account government			3 364 091 145
Fixed capital investment before impairment		193 739 946 831	
Impairment		-1 200 985 432	
Fixed capital investment account		192 538 961 399	192 538 961 399
Total			195 903 052 544
Open account government at 1 Jan. 2018		-4 342 444 649	
Total expenses	22 554 905 832		
Total revenue	-141 242 296 095		
Cash flow	-118 687 390 263	-118 687 390 263	
Net transfer to the state		119 665 743 767	
Open account state at 31 Dec. 2018		-3 364 091 145	-3 364 091 145
Fixed assets 1 Jan. 2018		-194 821 326 286	
Investments for the year		-22 554 905 832	
Depreciation for the year		23 636 285 287	
Impairment		1 200 985 432	
Fixed assets 31 Dec. 2018		-192 538 961 399	-192 538 961 399
Total			-195 903 052 544

Stavanger, 6 March 2019



Gunn Wærsted
Chair




Brian Bjørndal
Deputy chair



Per Arvid Schøyen
Director



Hugo Sandal
Director



Trude J. H. Fjeldstad
Director



Ragnar Sandvik
Director
elected by the employees



Anne-Cathrine Nilsen
Director
elected by the employees



Grethe K. Moen
President and CEO

ACCOUNTS ON CASH BASIS, SDFI

General ledger accounts report

Specification of the general ledger accounts report 31 Dec. 2018		
	2018	2017
Operating revenues reported to the appropriation accounts		
Sales and lease payments received	165 261 085 854	132 997 435 409
Other amounts paid in	10 431 743 093	12 881 184 463
Total paid in from operations	175 692 828 947	145 878 619 872
Operating expenses reported to the appropriation accounts		
Depreciation	23 636 285 287	24 648 044 133
Other disbursements for operations	32 765 810 337	28 658 993 411
Total disbursed to operations	56 402 095 625	53 307 037 544
Net reported operating expenses	-119 290 733 322	-92 571 582 328
Investment and financial income reported to the appropriation accounts		
Financial income paid in	-230 094 872	-835 578 762
Total investment and financial income	-230 094 872	-835 578 762
Investment and financial expenses reported to the appropriation accounts		
Paid out for investment	22 612 511 194	26 658 459 248
Paid out for share purchases	-62 040 944	-90 945 423
Paid out for financial expenses	4 555 477 706	5 112 470 175
Total investment and financial expenses	27 105 947 955	31 679 983 999
Net reported investment and financial expenses	27 336 042 828	32 515 562 761
Revenues and expenses reported under common chapters		
Depreciation (see Ch. 5440 revenue)	-23 636 285 287	-24 648 044 133
Interest on the government's capital and open accounts with the Treasury (see Ch. 5440 revenue)	-3 096 414 481	-3 567 970 153
Net reported expenses under joint chapters	-26 732 699 768	-28 216 014 285
Net expenses reported to the appropriation accounts	-118 687 390 263	-88 272 033 852

ACCOUNTS ON CASH BASIS, SDFI

General ledger accounts report

Overview of open accounts with the Treasury

Assets and liabilities*	2018	2017
O/U call	-520 145 318	-353 144 900
AP nonop	-127 073 112	56 487 435
AR nonop	-61 302 117	-1 133 674 872
Inventory nonop	-92 977 768	-159 124 367
Prep exp nonop	-146 686 467	936 171 349
Working cap - nonop	-39 167 375	1 752 400 542
VAT	8 998 653	16 000 927
Total open accounts with the Treasury	-978 353 504	1 115 116 115

*)

O/U call - prepayments calculated net of JV cash call and billing

AP nonop - accounts payable from JV billing

AR nonop - accounts receivable from JV billing

Inventory nonop - inventory from JV billing

Prep exp nonop - prepayments from JV billing

Working cap - nonop - primarily accruals in monthly settlements from JV billing

VAT - balance of VAT payments

Comment on change in open accounts 2018:

The change is primarily caused by a reduction in advance payments to operators, as well as a reduced amount owed in the operators' settlement and lower pre-paid expenses to operators.

ACCOUNTS BASED ON ACCOUNTING ACT

Income statement pursuant to NGAAP

All figures in NOK million	Notes	2018	2017
OPERATING REVENUE			
Operating revenue	3, 4, 9, 11	177 431	150 720
Total operating revenue		177 431	150 720
OPERATING EXPENSES			
Exploration expenses		1 780	1 554
Production expenses	5, 17, 22	17 440	14 262
Transport and processing expenses	5	9 720	9 078
Depreciation and impairment	2	27 135	21 209
Costs gas purchases, storage and admin.	5, 9, 10	5 815	4 770
Total operating expenses		61 890	50 874
Operating income		115 541	99 846
FINANCIAL ITEMS			
Financial income		1 705	1 989
Financial expenses	12	3 036	2 916
Net financial items	8	-1 331	-928
NET INCOME FOR THE YEAR	19	114 210	98 919

ACCOUNTS BASED ON ACCOUNTING ACT

SDFI balance sheet at 31 December

All figures in NOK million	Notes	2018	2017
Intangible fixed assets	2	65	68
Tangible fixed assets	1, 2, 18, 21	216 529	224 161
Financial assets	2, 11	218	238
Fixed assets		216 811	224 467
Storage	6	3 608	2 534
Trade debtors	9, 10	26 654	27 175
Bank deposits		61	176
Current assets		30 323	29 884
TOTAL ASSETS		247 134	254 352
Equity at 1 Jan.		168 063	156 302
Paid from/(to) the state during the year		-119 666	-87 157
Net profit		114 210	98 919
Equity adjustments		0	0
Equity	19	162 607	168 063
Long-term decommissioning liabilities	12, 18	65 190	67 647
Other long-term liabilities	13	3 348	3 629
Long-term liabilities		68 538	71 276
Trade creditors		2 315	1 987
Other current liabilities	9, 14, 15	13 674	13 026
Current liabilities		15 989	15 013
TOTAL EQUITY AND LIABILITIES		247 134	254 352

Stavanger, 6 March 2019



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Director



Grethe K. Moen
President and CEO

ACCOUNTS BASED ON ACCOUNTING ACT

SDFI Cash flow statement

All figures in NOK million	Notes	2018	2017
CASH FLOW FROM OPERATIONAL ACTIVITIES			
Cash receipts from operations	3, 4	175 463	145 043
Cash disbursements from operations	5	-32 036	-30 222
Disbursements from exploration and field development		-2 184	
Change in working capital in the licences		352	-1 426
Change over/under call in the licenses		520	353
Refundable VAT		-9	
Cash flow from operational activities		142 106	113 747
CASH FLOW FROM INVESTMENT ACTIVITIES			
Investments	2,11	-22 555	-26 564
Cash flow from investment activities		-22 555	-26 564
CASH FLOW FROM FINANCING ACTIVITIES			
Net transfer to the state		-119 666	-87 157
Cash flow from financing activities		-119 666	-87 157
Change in bank deposits of apportioned liability partnerships (DA)		-115	66

NOTES TO THE COMPANY ACCOUNTS

GENERAL

As of 31 December 2018, Petoro AS acted as licensee on behalf of the SDFI for interests in 198 production licences and 15 joint ventures for pipelines and terminals, including where Petoro safeguards the commercial interests in Mongstad Terminal DA, Vestprosess DA, and manages the shares in Norpipe Oil AS. The SDFI is also entitled to potential profits in production licences with net profit agreements. The company has the same rights and obligations as other licensees, and manages the SDFI on the NCS on the basis of sound business principles.

Petoro's administration of the portfolio is subject to the Regulations on Financial Management in Central Government. Accounts for the portfolio are presented both on the cash basis used by the government and in accordance with the Norwegian Accounting Act. Petoro maintains separate accounts for all transactions relating to its participating interests, so that revenue and costs from production licences and joint ventures are kept separate from operation of the company. Cash flow from the portfolio is transferred to the central government's own accounts with Norges Bank. The company prepares separate annual accounts for the SDFI, with an overview of the participating interests managed by the company and associated resource accounting.

ACCOUNTING PRINCIPLES FOR THE COMPANY ACCOUNTS

The principal difference between the profit based on the Accounting Act and on a cash basis is that the latter includes cash payment for investments and operating expenses. Adjustments are also made for accruals of income and expenses on a cash basis, with a corresponding adjustment to debtors and creditors in the balance sheet. Realised currency loss/gain related to operating expenses and income is classified on the cash basis as operating expenses and income. The accounts based on the Accounting Act present realised currency loss/gain as financial expenses/income, and these items are accordingly not included in the operating profit. Differences between the accounts prepared in accordance with the Accounting Act (NGAAP) and on a cash basis are indicated in the notes below.

The SDFI's interests in private limited companies and apportioned liability partnerships relating to the production of petroleum are included under the respective items in the income statement and recorded in the balance sheet according to the proportionate consolidation method for the SDFI's share of income, expenses, assets and liabilities. The same applies to licence interests in oil and gas activities, including pipeline transport, which are not organised as companies.

The SDFI's participation in Equinor Natural Gas LLC (ENG) is recorded as an investment in an associate and recorded in accordance with the equity method. The SDFI's share of the equity is recorded in the balance sheet under financial fixed assets and its share of the profit/loss is recorded as operating revenue in the income statement.

Dividend from the shares in Norpipe Oil AS is recorded as a financial item. In addition, revenue from production licences with net profit agreements (concerns licences awarded in the second licensing round) is recorded as other income.

The functional currency is the Norwegian krone.

Revenue recognition principles

The SDFI records revenue from the production of oil, NGL and gas using the sales method. This means that sales are recorded in the period when the volumes are lifted and sold to the customer.

Revenue from ownership in transport and process facilities is recorded when the service is rendered.

Gas swap and borrowing agreements where settlement takes the form of returning volumes are, as a general rule, accrued using the sales method. At the same time, a provision is made for the associated production costs in the event that the SDFI has lent/swapped gas. When lending gas from the SDFI, the lower of production expense and estimated net present value of the future sales price is capitalised as a pre-paid expense at the date of the loan. Furthermore, the SDFI's share of location swaps related to the purchase or sale of third-party gas is recorded net as operating revenue. The SDFI's share of time swaps is recorded gross.

Liabilities arising because too much crude oil has been lifted in relation to the SDFI's share of the production partnership are valued at production cost, while receivables from the other partners in the production partnerships are valued at the lower of production cost and the estimated present value of the future sales price.

Purchases of third-party gas for resale and purchase of gas for inventory for optimisation are recorded gross as operating expenses. The corresponding revenue is included in sales income.

Purchases and sales between fields and/or transport systems

Internal expenses and revenues are eliminated in purchases and sales between fields and/or transport systems in which the SDFI is both owner and shipper, so that only costs paid to third parties appear as net transport costs.

Foreign currencies

Transactions in foreign currencies are recorded at the transaction rate. Monetary items in foreign currencies are valued at the exchange rate prevailing on the balance sheet date. Unrealised currency losses and realised currency losses/gains are recorded as financial income or financial expenses.

Classification of assets and liabilities

Assets intended for ownership or use over a longer period are classified as fixed assets. Other assets are classified as current assets. Debtors due within one year are classified as current assets. Similar criteria are applied for classification of current and long-term liabilities.

Research and development

Research and development costs are expensed on a continuous basis. In addition to spending on direct research and development in each joint venture, the operator also charges expenses for general research and development to the partnership in accordance with the extent of exploration, development and operating expenses in the joint venture.

Exploration and development costs

Petoro employs the successful efforts method to record exploration costs for SDFI oil and gas operations. This means that costs related to geological and geophysical surveying are expensed. However, expenses linked to the drilling of exploration wells are recognised in the balance sheet pending evaluation. Such costs are expensed if the evaluation determines that the discovery is not commercially viable. Considerable time can elapse between the drilling of a well and a final development decision. Capitalised exploration well expenses are accordingly assessed quarterly to determine whether sufficient progress is being made in the projects so that the criteria for capitalisation continue to be met. Dry wells or wells where progress is insufficient are expensed.

Expenses linked to development, including wells, platforms and equipment, are capitalised. Costs for operational preparations are expensed on a continuous basis.

Tangible fixed assets

Tangible fixed assets and investments are carried at historical cost with deduction for planned and contingent depreciation.

Fixed assets under construction are carried at historical cost. Fixed assets leased on terms which largely transfer the financial risk and control to the SDFI (financial leasing) are capitalised under tangible fixed assets and the associated lease obligation is recognised as an obligation under long-term interest-bearing debt at the net present value of the lease charges. The fixed asset is subject to planned depreciation, and the obligation is reduced by the lease payment after deduction of calculated interest costs.

The SDFI does not take up loans, and incurs no interest expenses associated with the financing of development projects.

Ordinary depreciation of oil and gas production facilities is calculated for each field and field-dedicated transport system using the unit of production method. This means that the acquisition cost is depreciated in line with the ratio between volume sold during the period and reserves at the start of the period. Investments in wells are depreciated in line with the reserves made available by the wells drilled.

Petoro determines the reserve base for depreciation purposes on the basis of estimated remaining reserves per field, which are adjusted by a factor calculated as the ratio between the Norwegian Petroleum Directorate's total of low reserves in production and the sum of basis reserves in production. This is done for both oil and gas reserves. This reserve adjustment totalled 70.4 per cent of expected remaining oil reserves in 2018, while the corresponding figure for gas reserves was 86.5 per cent. The reserve estimates are revised annually, and any changes affect only future depreciation expenses.

Ordinary depreciation for onshore facilities and transport systems as well as riser platforms used by multiple fields, is calculated on a straight-line basis over the remaining licence period at 31 December.

Other tangible fixed assets are depreciated on a straight-line basis over their expected economic lifetime.

Intangible fixed assets

Intangible fixed assets are carried at their fair value at the time of acquisition. They are depreciated over the expected contract period or their expected economic lifetime, and any impairment charges are deducted.

Impairment

When the accounts are prepared, tangible fixed assets and intangible assets are reviewed for indications of a decline in value. Producing oil and gas fields or installations are normally treated as separate entities for the purposes of assessing impairment. Should the recoverable value be lower than the book value, and this decline is not expected to be temporary, the asset is written down to its recoverable value, which is the higher of the asset's fair value less sales costs and its utility value. The utility value is calculated using discounted cash flows, which are discounted using a discount rate based on SDFI's weighted average cost of capital (WACC).

The impairment charge will be reversed if the conditions for writing down the asset no longer apply.

Maintenance expenses

Expenses related to repair and maintenance are expensed on a continuous basis. Expenses for major replacements and renovations that significantly extend the economic life of the tangible fixed assets are capitalised.

Abandonment and decommissioning expenses

Under the terms of a licence, the authorities can require the licensees to remove offshore installations when their production life comes to an end. The estimated fair value of obligations for decommissioning and removal is recorded in the accounts in the period when the liability arises, normally when wells are drilled and installations are built and ready for use. The obligation is capitalised as part of the acquisition cost of wells and installations, and depreciated therewith. Changes to estimated cessation and decommissioning costs are recorded and capitalised in the same manner and depreciated over the remaining economic life of the assets. The discount rate is based

on the discount rate for enterprise bonds (OMF) as listed in NRS6.

A change in the liability relating to its time value, the effect of the decommissioning date having come one year closer, is recorded as a financial expense.

Inventories

Inventories of spare parts and operating materials are valued at the lower of acquisition cost according to the FIFO principle, or net realisable value. Spare parts of insignificant value for use in connection with operating oil or gas fields are expensed at the time of acquisition. Spare parts of significant value are recorded as inventory at the time of acquisition and expensed when they are used in operations. Petoro takes a point of departure in the operators' assessments made as regards which materials should be capitalised and which expensed.

Accounts receivable

Accounts receivable are recognised at face value in the balance sheet less a provision for expected loss. This provision is based on an individual assessment of each debtor.

Bank deposits

Bank deposits include cash, bank deposits and other monetary instruments with a maturity of less than three months at the date of purchase. Cash flows from oil and gas sales are transferred to the state on a daily basis. Booked bank deposits thus include the SDFI's share of bank deposits in companies with apportioned liability in which the SDFI has an interest, and in which the proportionate consolidation method is used.

Current liabilities

Current liabilities are recognised at face value.

Taxes and fees

The SDFI is exempt from income tax in Norway. The SDFI is registered for value-added tax (VAT) in Norway. Virtually all the SDFI's sales of oil and gas products from its activity take place outside the geographic scope of Norway's VAT legislation (continental shelf and exports). The SDFI invoices these sales to the buyer free of tax. At the same time, the SDFI can deduct any VAT incurred on invoiced costs relevant to its activity.

Financial instruments

The SDFI is covered by the state's overall risk management. Financial instruments are used as part of Equinor's optimisation of gas sales.

Financial instruments are valued according to the lowest value principle, unless stated criteria have been met. Unrealised losses relating to financial instruments are recorded as expenses. Portfolio valuations are used as a basis where this, based on the nature of the financial instruments, is considered to be the most sensible approach, and the portfolio is balanced in volume and time. Eliminations are carried out where legal rights exist to offset unrealised losses and gains, or where deposits/margins that correspond with the market value of the derivatives have been paid and capitalised. Gains are otherwise recognised upon realisation.

Financial instruments that are not current assets follow the valuation rules for fixed assets.

Contingent liabilities

Probable and quantifiable losses are expensed. Contingent assets are not included unless the asset is reasonably certain to be settled. According to NGAAP a liability is recognized in the SDFI accounts if the initial verdict from a court has a negative outcome, regardless of the company's view of a favourable outcome when the initial verdict has been appealed.

NOTE 1

ASSET TRANSFERS AND CHANGES

In January 2018, the Ministry of Petroleum and Energy completed its Awards in Predefined Areas (APA 2017), where 17 production licenses were awarded with SDFI participation. In the 24th licensing round in June 2018, two production licenses were carved out from existing licences with SDFI participation, and 11 production licenses were relinquished and 2 were sold. In January 2019, the Ministry of Petroleum and Energy completed its Awards in Predefined Areas (APA 2018), where an additional 14 production licenses were awarded with SDFI participation.

NOTE 2**SPECIFICATION OF FIXED ASSETS**

All figures in NOK million	Book value at 31 Dec 17	Historical cost at 1 Jan 18	Accumulated depreciation 1 Jan 17	Addition 2018	Impairment 2018	Disposal 2018	Transfers 2018	Depreciation 2017	Book value at 31 Dec 18
Fields under development	25 398	25 398	0	7 815	0	0	0	0	33 212
Fields in operation	164 518	550 580	-386 061	11 024	-1 562	-141	298	-23 067	151 071
Pipelines and terminals	30 086	71 440	-41 355	307	0	0	0	-2 502	27 890
Capitalised exploration expenses	4 159	4 159	0	1 483	0	-989	-298	0	4 355
Total tangible fixed assets	224 161	651 577	-427 416	20 628	-1 562	-1 130	0	-25 569	216 529
Intangible assets	68	287	-219	1	0	0	0	-4	65
Financial fixed assets	238	238	0	-20	0	0	0	0	218
Total fixed assets (NGAAP)	224 467	652 103	-427 635	20 609	-1 562	-1 130	0	-25 573	216 811
Translation to cash basis	-29 646	-68 691	39 045	1 946	360	1 130	0	1 937	-24 273
Total fixed assets on cash basis	194 821	583 412	-388 591	22 555	-1 201	0	0	-23 636	192 539

Tangible fixed assets for the Snøhvit field include a capitalised long-term financial charter for three ships used for LNG transport from the field. These vessels are being depreciated over 20 years, which is the duration of the charter.

Depreciation assessments calculate utility value using discounted future cash flows, which are discounted using a discount rate based on the weighted average cost of capital (WACC). Impairment tests are based on Petoro's best estimate of cash flows (market prices, production, costs and exchange rate assumptions). The discount rate for calculating utility value is 7-8 per cent real value. Inflating is estimated at 2 per cent per year. When the utility value is assessed to be lower than the book value, the assets are written down to their utility value.

The general price assumptions used to calculate depreciation:

Nominal prices/year	2019	2020	2025	2030
Oil NOK/bbl	607	566	523	577
Gas price NOK/Sm ³	2.6	2.4	2.1	2.4

Maria has been depreciated as a consequence of a significant reduction in the reserve base and lower well potential that has resulted in a need for a new drainage strategy and additional investments in Maria.

Intangible fixed assets include investments in further development of Etzel Gas Storage and a lesser amount in Åsgard Transport.

Financial fixed assets of NOK 218 million include, in addition to the shareholding in Norpipe Oil AS recorded at NOK 1, capacity rights for regasification of LNG at the Cove Point terminal in the US, with an associated agreement on the sale of LNG from Snøhvit to Equinor Natural Gas LLC (ENG) in the US. This activity is assessed as an investment in an associate and recorded in accordance with the equity method (See also Note 11). The SDFI participates in ENG under the marketing and sale instruction with regard to activities related to the marketing and sale of the government's LNG from Snøhvit. Cash flows from ENG are settled continuously on a monthly basis in connection with the purchase and sale of LNG.

NOTE 3**SPECIFICATION OF OPERATING REVENUE BY AREA**

All figures in NOK million	2018	2017
Licence	159 162	131 937
Market	23 001	23 120
Net profit agreements	406	428
Elimination internal sales	-5 138	-4 765
Total operating revenue	177 431	150 720
Conversion to cash basis	-1 968	-5 677
Total cash basis	175 463	145 043

Market primarily comprises revenue from the resale of gas, tariff revenues, unrealised losses and revenue from trading inventory. Trading inventory mainly relates to physical volumes.

NOTE 4**SPECIFICATION OF OPERATING REVENUE BY PRODUCT**

All figures in NOK million	2018	2017
Crude oil, NGL and condensate	70 340	61 171
Gas	94 786	77 398
Transport and processing revenue	11 178	10 674
Other revenue	721	1 050
Net profit agreements	406	428
Total operating revenue (NGAAP)	177 431	150 720
Conversion to cash basis	-1 968	-5 677
Total cash basis	175 463	145 043

All crude oil, NGL and condensate from the SDFI are sold to Equinor, and all gas is sold by Equinor through the sale instructions issued to Equinor at the SDFI's expense and risk. Virtually all gas is sold to customers in Europe under bilateral contracts, or over the trading desk. About 30 per cent of annual gas volumes is purchased by the five largest customers.

NOTE 5**SPECIFICATION OF PRODUCTION AND OTHER OPERATING EXPENSES BY AREA**

All figures in NOK million	2018	2017
PRODUCTION EXPENSES		
Licence	13 819	11 204
Market	3 621	3 058
Total production expenses	17 440	14 262
TRANSPORT AND PROCESSING EXPENSES		
Licence	14 907	13 634
Market	-49	209
Elimination internal purchases	-5 138	-4 765
Total transport and processing expenses	9 720	9 078
OTHER OPERATING EXPENSES		
Market	5 815	4 770
Total other operating expenses	5 815	4 770
Total operating expenses	32 975	28 110
Conversion to cash basis	-939	664
Total cash basis	32 036	28 775

Production costs for Licence include NOK 2.2 billion related to the initial verdict in the case of Troll Unit. Over, underlift is included in the figures for Market. Gassled and other gas infrastructure is organisationally placed under Market for reporting of production expenses and transport and processing expenses. Other operating expenses Market primarily comprises the cost of purchasing gas for resale and purchases for inventory to optimise gas sales.

NOTE 6**INVENTORIES**

All figures in NOK million	2018	2017
Petroleum products	2 194	1 028
Spare parts	1 413	1 506
Total inventories	3 608	2 534

Petroleum products comprise LNG and natural gas. The SDFI does not hold inventories of crude oil, as the difference between produced and sold volumes is included in over/underlift.

Not relevant to the accounts on a cash basis.

NOTE 7**INTEREST INCLUDED IN THE SDFI'S APPROPRIATION ACCOUNTS**

Interest on the state's fixed capital is incorporated in the accounts on a cash basis. Interest amounts are calculated in accordance with the requirements in the 2018 letter of assignment to Petoro AS from the Ministry of Petroleum and Energy.

Interest on the state's fixed capital is charged to operations in order to take account of capital costs and to provide a more accurate picture of the use of resources. This is a calculated expense without cash effect.

The accounts on a cash basis include an open account with the government which represents the difference between charging to

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All figures in NOK million	2018	2017
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NOTE 11**INVESTMENTS IN ASSOCIATED COMPANIES**

As of 1 January 2009, the SDFI's participation in Equinor Natural Gas LLC (ENG) in the US has been treated as an investment in an associate, which is recognised in accordance with the equity method. At the time it was established in 2003, the investment was recorded at the original acquisition cost of NOK 798 million.

The company's business office is located in Stamford in the US and it is formally owned 56.5 per cent by Equinor Norsk LNG AS, which reflects the SDFI's ownership interest under the marketing and sale instruction. The remaining 43.5 per cent is owned by Equinor North America Inc. As a result of the merger between former Statoil and Hydro's petroleum activities in 2007, the profit/loss is allocated in accordance with a disproportionate distribution model which gives 48.4 per cent to the SDFI.

The SDFI participates in ENG under the marketing and sale instruction with regard to activities related to the marketing and sale of the state's LNG from Snøhvit. Cash flows from ENG are settled continuously on a monthly basis in connection with the purchase and sale of LNG.

In addition to ENG, the shareholdings in Norsea Gas AS and Norpipe Oil AS are included in the table below. Norsea Gas AS was wound up in 2018. The winding up dividend from Norsea Gas AS was NOK 373.5 million.

All figures in NOK million	2018	2017
Opening balance financial fixed assets	238	362
Share of profit for the year in associated company	-20	-123
Closing balance financial fixed assets	218	238

NOTE 12**SHUT-DOWN/DECOMMISSIONING**

The liability comprises future abandonment and decommissioning of oil and gas installations. Norwegian authority requirements and the Oslo-Paris (OSPAR) Convention for the Protection of the Marine Environment of the North-East Atlantic provide the basis for determining the extent of the decommissioning liability.

The liability is calculated on the basis of estimates from the respective operators. A number of factors underlying the decommissioning estimate are associated with significant uncertainty, including assumptions for decommissioning and estimating methods, technology and the removal date. The removal date is largely expected to occur one or two years after cessation of production, see Note 23.

Interest expense on the liability is classified as a financial expense in the income statement. The discount rate is based on the discount rate for enterprise bonds (OMF) as listed in NRS6.

The estimated decommissioning costs have been adjusted downward by NOK 3.7 billion as a result of changes in future estimated costs from operators, changing the decommissioning and removal date, as well as changes in the discount rate.

The changed estimate in 2017 was specified with changed discount rates (130), changed ownership interest (-195) and changed estimate (-3 501).

All figures in NOK million	2018	2017
Liability at 1 January	67 647	67 546
New liabilities	2	2 565
Actual decommissioning	-174	-298
Changes to estimates	-3 682	-3 566
Interest expense	1 397	1 400
Liability at 31 December	65 190	67 647

NOK 174 million for cessation and decommissioning incurred in 2018, and is included in the accounts on a cash basis.

NOTE 13**OTHER LONG-TERM LIABILITIES**

Other long-term liabilities pursuant to NGAAP comprise:

- debt related to financial leasing of three LNG carriers delivered in 2006
- debt related to the final settlement of commercial arrangements concerning the transition to company-based gas sales
- income not yet earned in anticipated repayment of profit shares in licenses with net profit agreements

Three financial leasing contracts were entered into in 2006 on the delivery of three ships to transport LNG from Snøhvit. These contracts run for 20 years, with two options for five-year extensions. Future discounted minimum payment for financial leasing totals NOK 1 032 million as of 31 December 2018. Of this, NOK 112 million falls due for payment in 2019, and NOK 450 million is to be paid in the subsequent four years. The residual NOK 470 million shall be paid after 2024.

Repayment liabilities for previously paid-up profit shares in licences with net profit agreements linked to decommissioning is included in long-term liabilities and amounts to NOK 1 533 million.

Other long-term liabilities total NOK 783 million, of which NOK 206 million falls due within more than five years from the balance sheet date.

Not relevant to the accounts on a cash basis.

NOTE 14**OTHER CURRENT LIABILITIES**

Other current liabilities pursuant to NGAAP falling due in 2018 consist mainly of:

- provisions for accrued unpaid costs at December, adjusted for cash calls in December
- other provisions for accrued unpaid costs not included in the accounts received from operators

Accounts receivable from licence operators has been moved from short term liabilities to current assets in the report. A comparable change has been made for comparison figures in 2017.

Not relevant to the accounts on a cash basis.

NOTE 15**FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

Pursuant to the marketing and sale instruction issued to Equinor, only limited use is made of derivative financial instruments (derivatives) to manage risk in the SDFI portfolio. This is primarily because the SDFI is owned by the Norwegian state and is accordingly included in the state's overall risk management. The SDFI does not have significant interest-bearing debt, and sells primarily oil, gas and NGL at current prices. Instruments used to manage price risk for sales at fixed prices or for deferred gas production relate to forwards and futures.

At 31 December 2018, the market value of the derivatives was NOK 1 008 million in assets and NOK 1 863 million in liabilities. The comparable figures at the end of 2017 were NOK 596 million in assets and NOK 2 275 million in liabilities. These figures include the market value of listed futures and unlisted instruments. The market value of built-in derivatives was related to end-user customers in continental Europe. In 2018, this amounted to NOK 133 million in assets and NOK 283 in liabilities. The comparable figures in 2017 were NOK 498 in assets. Net unrealised loss on outstanding positions as of 31 December 2018 is carried to expense.

Price risk

The SDFI is exposed to fluctuations in oil and gas prices in the global market. Equinor purchases all oil, NGL and condensate from the SDFI at market-based prices. SDFI's revenue from gas sales is the price actually obtained. Based on the arrangement relating to the marketing and sale instruction along with the SDFI's participation in the state's overall risk management, only limited use is made of financial instruments (derivatives). They are primarily employed to manage price risk for sales at fixed prices or for deferred gas production to counteract fluctuations in profit and loss owing to variations in commodity prices.

Currency risk

The most significant part of the company's revenue from the sale of oil and gas is invoiced in USD, EUR or GBP. Parts of its operating expenses and investments are also billed in equivalent currencies. When converting to NOK, currency fluctuations will affect the SDFI's income statement and balance sheet. The SDFI does not utilise currency hedging in relation to future sales of petroleum, and its exposure in the balance sheet at 31 December 2018 was largely related to one month's outstanding revenue.

Interest risk

The SDFI is primarily exposed to interest risk through financial leases. Together with Equinor, the company has a financial liability related to charters for LNG ships pursuant to the marketing and sale instruction. The SDFI has no other interest-bearing debt exposed to interest rate fluctuations.

Credit risk

The SDFI's sales are made to a limited number of parties, with all oil, NGL and condensate sold to Equinor. In accordance with the marketing and sale instruction, financial instruments for the SDFI's operations are purchased from other parties with sound credit ratings. Financial instruments are only established with large banks or financial institutions at levels of exposure approved in advance. The SDFI's credit risk in current transactions is accordingly regarded as limited.

Liquidity risk

The SDFI generates a significant positive cash flow from its operations. Internal guidelines on managing the flow of liquidity have been established.

NOTE 16

LEASES/CONTRACTUAL LIABILITIES

All figures in NOK million	Leases	Transport capacity and other liabilities
2019	5 191	1 575
2020	4 315	1 255
2021	3 449	1 172
2022	2 978	1 129
2023	1 499	1 067
Beyond	505	3 684

Leases represent operations-related contractual liabilities for the chartering/leasing of rigs, supply ships, production ships, helicopters, standby vessels, bases and so forth as specified by the individual operator. The figures represent cancellation costs.

Transport capacity and other liabilities relate to the sale of gas, and consist mainly of transport and storage liabilities in the UK and continental Europe as well as terminal capacity liabilities relating to the Cove Point terminal in the US. The SDFI's share of installations and pipelines on the NCS is generally higher than or equal to the transport share. Hence, no liabilities are calculated for these systems.

Other liabilities

In connection with the award of licences to explore for and produce petroleum, licensees may be required to commit to drill a certain number of wells. Licensees are also committed to undertake exploration activities through approved budgets and work programmes. SDFI was committed at year-end to participate in 19 wells with an expected cost in 2019 of NOK 1.1 billion.

The SDFI has also accepted contractual liabilities relating to investments in new and existing fields. Overall, this amounts to NOK 12.6 billion for 2019 and NOK 20.45 billion for subsequent periods, totalling NOK 33 billion. Through approved budgets and work programmes, the SDFI is also committed to operating and investment expenses for 2019. The mentioned liabilities for 2019 are included in this total.

In connection with the sale of the SDFI's oil and gas, Equinor has issued guarantees to suppliers and owners of transport infrastructure, as well as in connection with operations in the US, the UK and continental Europe. Guarantees issued in connection with trading activities are provided as security for lack of financial settlement. In total, the guarantees amount to NOK 1 billion for the SDFI's share.

The SDFI and Equinor deliver gas to customers under joint gas sale agreements. SDFI's gas reserves will be utilised in accordance with the SDFI's share of production from the fields selected to deliver the gas at any given time.

Not relevant to the accounts on a cash basis.

NOTE 17**OTHER LIABILITIES**

The SDFI could be affected by possible legal actions and disputes as a participant in production licences, pipelines and onshore facilities, and in the joint sale of the SDFI's gas together with Equinor. The final scope of the SDFI's liabilities or assets associated with such disputes and claims cannot be reliably estimated at this time. The SDFI's financial standing is not expected to be significantly negatively impacted by the outcome of such disputes. Provisions have been made in the accounts for issues where a negative outcome for the SDFI portfolio is thought to be more likely than not.

According to NGAAP a liability is recognised in the SDFI accounts if the initial verdict from a court has a negative outcome regardless of the the company's view of a favorable outcome when the initial verdict has been appealed. In the case of Troll Unit a liability for the initial verdict has been recognised in the accounts amounting to NOK 2.4 billion as of 31 December 2018.

Not relevant to the accounts on a cash basis.

NOTE 18**SIGNIFICANT ESTIMATES**

The SDFI accounts are presented in accordance with the Norwegian Accounting Act and Norwegian generally accepted accounting principles, which means that the management makes assessments and exercises judgement in a number of areas. Changes in the underlying assumptions could have a significant effect on the accounts. Where the SDFI portfolio is concerned, it is presumed that assessments of the book value of tangible fixed assets, reserves, decommissioning of installations, exploration expenses and financial instruments could have the greatest significance.

Recoverable reserves include volumes of crude oil, NGL (including condensate) and dry gas as reported in resource classes 1-3 in the classification system used by the Norwegian Petroleum Directorate (NPD). Only reserves for which the licensees' plan for development and operation (PDO) has been sanctioned in the management committee and submitted to the authorities are included in the portfolio's expected reserves. A share of the field's remaining reserves in production (resource class 1) provides the basis for depreciation. A share of oil and gas, respectively, is calculated annually for the portfolio to represent the relationship between low and basis reserves. This common share is used to calculate the depreciation basis for each field. The downwardly adjusted basis reserves which make up the foundation for depreciation expenses are of great significance for the result, and adjustments to the reserve base can cause major changes in the SDFI's profit.

Drilling expenses for exploration wells are capitalised temporarily until an assessment has been made of whether oil or gas reserves have been found. Assessments of the extent to which these expenses should remain capitalised or be written down in the period will affect results for the period.

Substantial investments in tangible fixed assets have been made in the SDFI portfolio. Each time the accounts are prepared, these investments are reviewed for depreciation if there are indications of a decline in value. The assessment of whether an asset must be written down is largely based on discretionary judgements and assumptions about future market prices.

Reference is otherwise made to the description of the company's accounting principles and to Notes 12 and 15, which describe the company's treatment of exploration expenses, uncertainties related to decommissioning and financial instruments.

Not relevant to the accounts on a cash basis.

NOTE 19**EQUITY**

All figures in NOK million	2018	2017
Equity at 1 Jan.	168 063	156 302
Net income	114 210	98 919
Cash transfers to the state	- 119 666	- 87 157
Equity at 31 Dec.	162 607	168 063

Not relevant to the accounts on a cash basis.

NOTE 20**AUDITORS**

The SDFI is subject to the Appropriations Regulations, as well as the Regulations and Provisions on Financial Management in Central Government. In accordance with the Act relating to the Office of the Auditor General (OAG) of 7 May 2004, the OAG is the external auditor for the SDFI. The audit takes place during the period from 1 May 2018 – 30 April 2019, and the result of the audit will be reported in the form of an auditor's report by 1 May 2019.

In addition, PricewaterhouseCoopers AS (PwC) has been engaged by Petoro's board of directors to perform a financial audit of the SDFI as part of the internal audit function. PwC submits its audit report to the board in accordance with international auditing standards. PwC's fee is charged to the accounts of Petoro AS.

NOTE 21**EXPECTED REMAINING OIL AND GAS RESERVES – UNAUDITED**

Oil* in million bbl, Gas in billion Sm ³	2018		2017		2016	
	Oil	Gas	Oil	Gas	Oil	Gas
Expected remaining reserves at 1 Jan.	1 615	678	1 489	712	1 599	743
Corrections for earlier years **	-9	0	0	0	-3	-1
Change in estimates	-33	-6	30	3	18	-1
Extensions and discoveries	127	0	112	0	1	0
Improved recovery	7	1	129	4	20	1
Purchase of reserves	0	0	0	0	2	6
Sale of reserves	0	0	0	0	0	0
Production	-136	-41	-145	-41	-150	-37
Expected remaining reserves at 31 Dec.	1 572	632	1 615	678	1 489	712

* Oil includes NGL and condensate

** The correction is due to individual fields reporting negative reserves. Production is measured exactly, whereas remaining reserves are estimates.

Reserve growth is the total of changes in estimates, extensions and discoveries, as well as improved recovery

At the end of 2018, the portfolio's estimated total remaining reserves were 5 544 million boe, down by 335 million boe from the end of 2017. Production was 396 million boe in 2018. The reserve growth of 62 million boe primarily came from the decision on Johan Sverdrup Phase 2. This gives a reserve replacement rate for 2018 of 16 per cent, compared with 78 per cent in 2017.

NOTE 22**RESEARCH AND DEVELOPMENT**

Petoro contributes to research and development (R&D) through the SDFI meeting its share of the operator's costs for general research and development pursuant to the Accounting Agreement. NOK 497 million was expensed by the SDFI for R&D in 2018 as regards charges from the operators during the year.

NOTE 23**INCIDENTS AFTER THE BALANCE-SHEET DATE**

In the third quarter of 2018, Equinor entered into an agreement to purchase 100 per cent of the shares in Danske Commodities (DC). The agreement was approved in January 2019 and entered into force on 1 February 2019. DC is one of Europe's largest companies within short-term electricity trading. Short-term gas trading is also part of the company's activities. Petoro is in dialogue with Equinor regarding handling the SDFI's participation as regards the transaction under the Marketing and Sale Instruction.

NOTE 24**STATE'S OVERVIEW OF INTERESTS**

Production licence	At 31 Dec. 2018 Participating interest (%)	At 31 Dec. 2017 Participating interest (%)
018	5.00000	5.00000
018 B	5.00000	5.00000
018 C	-	5.00000
018 DS	-	5.00000
028 C	30.00000	30.00000
034	40.00000	40.00000
036 BS	20.00000	20.00000
036 E	20.00000	20.00000
037	30.00000	30.00000
037 B	30.00000	30.00000
037 E	30.00000	30.00000
038	-	30.00000
038 C	30.00000	30.00000
038 D	30.00000	30.00000
040	30.00000	30.00000
043	30.00000	30.00000
043 BS	30.00000	30.00000
043 ES	30.00000	-
050	30.00000	30.00000
050 B	30.00000	30.00000
050 C	30.00000	30.00000
050 D	30.00000	30.00000
050 DS	30.00000	30.00000
050 ES	30.00000	30.00000
050 FS	30.00000	30.00000
050 GS	30.00000	30.00000
050 HS	30.00000	30.00000
050 IS	30.00000	30.00000
052	37.00000	37.00000
053	33.60000	33.60000
053 C	33.60000	33.60000
054	40.80000	40.80000
055 C	33.60000	33.60000
057	30.00000	30.00000
062	19.95000	19.95000
064	30.00000	30.00000
074	19.95000	19.95000
074 B	19.95000	19.95000
077	30.00000	30.00000
078	30.00000	30.00000
079	33.60000	33.60000
085	62.91866	62.91866
085 B	62.91866	62.91866
085 C	56.00000	56.00000
089	30.00000	30.00000
093	47.88000	47.88000
093 B	47.88000	47.88000

Production licence	At 31 Dec. 2018 Participating interest (%)	At 31 Dec. 2017 Participating interest (%)
093 C	47.88000	47.88000
093 D	47.88000	47.88000
094	14.95000	14.95000
094 B	35.69000	35.69000
095	59.00000	59.00000
097	30.00000	30.00000
099	30.00000	30.00000
100	30.00000	30.00000
102	30.00000	30.00000
102 C	30.00000	30.00000
102 D	30.00000	30.00000
102 E	30.00000	30.00000
102 F	30.00000	30.00000
102 G	30.00000	30.00000
102 H	30.00000	-
104	33.60000	33.60000
104 B	33.60000	33.60000
107 B	7.50000	7.50000
107 D	7.50000	7.50000
110	30.00000	30.00000
110 B	30.00000	30.00000
120	16.93548	16.93548
120 B	16.93548	16.93548
120 CS	16.93548	16.93548
124	27.09000	27.09000
128	24.54546	24.54546
128 B	54.00000	54.00000
128 D	24.54546	24.54546
128 E	24.54546	24.54546
134	13.55000	13.55000
152	30.00000	30.00000
153	30.00000	30.00000
153 B	30.00000	30.00000
153 C	30.00000	-
158	47.88000	47.88000
169	30.00000	30.00000
169 B1	37.50000	37.50000
169 B2	30.00000	30.00000
169 C	50.00000	50.00000
171 B	33.60000	33.60000
176	47.88000	47.88000
190	40.00000	40.00000
193	30.00000	30.00000
193 B	30.00000	30.00000
193 C	30.00000	30.00000
193 D	30.00000	30.00000
193 E	30.00000	30.00000
193 FS	30.00000	30.00000

Production licence	At 31 Dec. 2018 Participating interest (%)	At 31 Dec. 2017 Participating interest (%)
195	35.00000	35.00000
195 B	35.00000	35.00000
199	27.00000	27.00000
208	30.00000	30.00000
209	35.00000	35.00000
237	35.69000	35.69000
248	40.00000	40.00000
248 B	40.00000	40.00000
248 C	40.00000	40.00000
248 D	40.00000	40.00000
248 E	40.00000	40.00000
248 F	40.00000	40.00000
248 GS	40.00000	40.00000
248 HS	40.00000	40.00000
248 I	40.00000	40.00000
248 J	40.00000	-
250	45.00000	45.00000
255	30.00000	30.00000
255 B	30.00000	30.00000
255 C	30.00000	30.00000
255 D	30.00000	-
263 C	19.95000	19.95000
265	30.00000	30.00000
275	5.00000	5.00000
277	30.00000	30.00000
309 C	33.60000	33.60000
318	20.00000	20.00000
318 B	20.00000	20.00000
318 C	20.00000	20.00000
327	20.00000	20.00000
327 B	20.00000	20.00000
393	20.00000	20.00000
435	35.00000	35.00000
448	30.00000	30.00000
473	19.95000	19.95000
475 BS	30.00000	30.00000
475 CS	30.00000	30.00000
479	14.95000	14.95000
489	20.00000	20.00000
502	33.33333	33.33333
504	52.40700	52.40700
516	24.54545	24.54545
532	20.00000	20.00000
537	20.00000	20.00000
537 B	20.00000	-
602	20.00000	20.00000
608	20.00000	20.00000
612	-	20.00000

Production licence	At 31 Dec. 2018 Participating interest (%)	At 31 Dec. 2017 Participating interest (%)
615	20.00000	20.00000
615 B	20.00000	20.00000
618	-	20.00000
659	30.00000	30.00000
682	20.00000	20.00000
685	20.00000	20.00000
695	20.00000	20.00000
718	-	20.00000
720	20.00000	20.00000
728	-	20.00000
728 B	-	20.00000
745 S	-	30.00000
749	20.00000	20.00000
751	20.00000	20.00000
762	20.00000	20.00000
768	20.00000	20.00000
768 B	20.00000	20.00000
775	20.00000	20.00000
775 B	20.00000	-
776	20.00000	20.00000
777	20.00000	20.00000
777 B	20.00000	20.00000
777 C	20.00000	20.00000
777 D	20.00000	-
793	20.00000	20.00000
795	20.00000	20.00000
805	-	20.00000
815	20.00000	20.00000
829	20.00000	20.00000
830	20.00000	20.00000
831	20.00000	20.00000
832	20.00000	20.00000
832 B	20.00000	-
837	20.00000	20.00000
841	20.00000	20.00000
844	20.00000	20.00000
848	-	20.00000
849	-	20.00000
854	20.00000	20.00000
855	20.00000	20.00000
857	20.00000	20.00000
858	20.00000	20.00000
859	20.00000	20.00000
860	20.00000	20.00000
864	20.00000	20.00000
885	20.00000	20.00000
886	20.00000	20.00000
886 B	20.00000	-

Production licence	At 31 Dec. 2018 Participating interest (%)	At 31 Dec. 2017 Participating interest (%)
892	20.00000	20.00000
894	20.00000	20.00000
896	20.00000	20.00000
899	20.00000	20.00000
902	20.00000	20.00000
904	30.00000	-
907	20.00000	-
916	20.00000	-
921	20.00000	-
923	20.00000	-
934	20.00000	-
935	20.00000	-
949	20.00000	-
950	20.00000	-
954	20.00000	-
958	20.00000	-
959	20.00000	-
960	20.00000	-
961	20.00000	-
964	25.00000	-

Net profit licences *

027		
027 B		
027 C		
027 D		
027 FS		
027 GS		
028		
028 B		
028 S		
029		
029 B		
029 C		
033		
033 B		

Unitised fields	At 31 Dec. 2018 Participating interest (%)	At 31 Dec. 2017 Participating interest (%)	Remaining production period	Licence period
Flyndre Unit	-	0.35400	-	-
Fram H-Nord Unit	11.20000	11.20000	2030	2024
Gimle Unit	24.18630	24.18630	2032	2023
Grane Unit	28.90500	28.90500	2043	2030
Gullfaks Unit	30.00000	30.00000	2034	2036
Haltenbanken Vest Unit (Kristin)	19.57700	19.57700	2034	2027
Heidrun Unit	57.79339	57.79339	2044	2024
Johan Sverdrup Unit	17.36000	17.36000	2058	2036
Martin Linge Unit	30.00000	30.00000	2031	2027
Norne Inside	54.00000	54.00000	2035	2026
Ormen Lange Unit	36.48500	36.48500	2042	2040
Oseberg Area Unit	33.60000	33.60000	2040	2031
Sindre Unit	27.09000	27.09000	2032	2023
Snorre Unit	30.00000	30.00000	2040	2040
Snøhvit Unit	30.00000	30.00000	2051	2035
Statfjord Øst Unit	30.00000	30.00000	2025	2026
Sygna Unit	30.00000	30.00000	2025	2026
Troll Unit	56.00000	56.00000	2054	2030
Valemon Unit	30.00000	30.00000	2026	2031
Vega Unit	28.32000	28.32000	2030	2024
Visund Inside	30.00000	30.00000	2040	2034
Åsgard Unit	35.69000	35.69000	2032	2027

Felt	At 31 Dec. 2018 Participating interest (%)	At 31 Dec. 2017 Participating interest (%)	Remaining production period	Licence period
Atla	30.00000	30.00000	2019	2025
Draugen	47.88000	47.88000	2035	2024
Dvalin	35.00000	35.00000	2032	2041
Ekofisk	5.00000	5.00000	2050	2028
Eldfisk	5.00000	5.00000	2050	2028
Embla	5.00000	5.00000	2050	2028
Gjøa	30.00000	30.00000	2027	2028
Heimdal	20.00000	20.00000	2021	2021
Johan Castberg	20.00000	20.00000	2052	2019
Kvitebjørn	30.00000	30.00000	2035	2031
Maria	30.00000	30.00000	2033	2036
Rev	30.00000	30.00000	2019	2021
Skirne	30.00000	30.00000	2020	2025
Skuld	24.54546	24.54546	2035	2026
Statfjord Nord	30.00000	30.00000	2025	2026
Svalin	30.00000	30.00000	2043	2030
Tordis	30.00000	30.00000	2030	2040
Tune	40.00000	40.00000	2021	2020
Urd	24.54546	24.54546	2035	2026
Veslefrikk	37.00000	37.00000	2025	2020
Vigdis	30.00000	30.00000	2040	2040

Fields no longer producing	At 31 Dec. 2018 Participating interest (%)	At 31 Dec. 2017 Participating interest (%)	Licence period
Jette Unit	30.00000	30.00000	2021
Jotun (027 B)	-	-	-
Tor Unit	3.68744	3.68744	2028
Varg	30.00000	30.00000	-
Yttergryta	19.95000	19.95000	2027

PIPELINES AND ONSHORE FACILITIES

Oil infrastructure	At 31 Dec. 2018 Participating interest (%)	At 31 Dec. 2017 Participating interest (%)	Licence period
Oseberg Transport System (OTS)	48.38379	48.38379	2031
Troll Oil Pipeline I + II	55.76808	55.76808	2023
Grane oil pipeline	42.06310	42.06310	2030
Kvitebjørn Oil Pipeline	30.00000	30.00000	2020
Norpipe Oil AS (interest)	5.00000	5.00000	2028
Mongstad Terminal DA	35.00000	35.00000	-
Gas infrastructure			
Gassled**	46.69700	46.69700	2028
Haltenpipe	57.81250	57.81250	2020
Mongstad Gas Pipeline (EMV)	56.00000	56.00000	2030
Nyhamna	26.13840	26.13840	2041
Polarled	11.94600	11.94600	2041
Valemon Rikgassrør	30.00000	30.00000	2031
Dunkerque Terminal DA	30.35317	30.35317	2028
Zeepipe Terminal J.V.	22.88161	22.88161	2028
Vestprosess DA	41.00000	41.00000	-
Norsea Gas AS (Interest)	-	40.00600	-
Ormen Lange Eiendom DA	36.48500	36.48500	-

The SDFI also has intangible fixed assets relating to gas storage capacity in the UK and Germany, and financial fixed assets related to an associate in the US (SNG).

* Production licences where the SDFI is not a licensee, but is entitled to a share of possible profit.

** Gassled has multiple transport licenses with various licence periods

RESOURCE ACCOUNTS 2018

The enclosed tables show remaining reserves for resource classes 1 through 3, as well as resources for resource classes 4 through 8.

Resource classes 1 to 8		Remaining recoverable resources		
		Oil, NGL and condensate million Sm ³	Gas billion Sm ³	Oil equivalents million Sm ³
RC 1-3	Reserves	249.9	631.5	881.4
RC 4	Resources in planning phase	30.1	34.6	64.7
RC 5	Production likely, but not clarified	27.5	50.0	77.4
RC 6	Development not likely	6.0	3.7	9.7
RC 7	Resources in new discoveries that have not been evaluated and potential future improved recovery measures	66.4	57.1	123.5
RC 8	Prospects	20.6	14.1	34.7
Sum		401	791	1192

Field	Original recoverable reserves			Remaining reserves		
	Oil and NGL* mill scm	Gas mill scm o.e.	Oil equivalent mill scm o.e.	Oil and NGL* mill scm	Gas mill scm o.e.	Oil equivalent mill scm o.e.
Nøkken	0.02	0.04	0.05	0.02	0.04	0.05
Atla	0.10	0.39	0.50	0.03	0.00	0.03
Draugen	71.12	0.80	71.92	1.34	0.00	1.33
DVALIN	0.30	6.28	6.58	0.30	6.28	6.58
Ekofisk group ¹⁾	37.08	10.37	47.46	5.22	0.73	5.96
FRAM H-NORD	0.08	0.00	0.08	0.01	0.00	0.01
GIMLE	0.79	0.22	1.02	0.01	0.01	0.02
GJØA	9.47	11.45	20.92	1.94	3.19	5.13
GRANE	43.01	0.00	43.01	8.79	0.00	8.79
Gullfaks group ²⁾	142.06	32.27	174.32	9.91	7.83	17.74
HEIDRUN	115.78	26.77	142.56	22.03	15.50	37.53
HEIMDAL	1.34	9.23	10.57	0.00	0.01	0.02
JOHAN CASTBERG	17.78	0.00	17.78	17.78	0.00	17.78
JOHAN SVERDRUP	72.07	1.78	73.85	72.07	1.78	73.85

Felt	Original recoverable reserves			Remaining reserves		
	Oil and NGL*	Gas	Oil equivalent	Oil and NGL*	Gas	Oil equivalent
	mill scm	mill scm o.e.	mill scm o.e.	mill scm	mill scm o.e.	mill scm o.e.
KRISTIN	7.17	5.70	12.87	0.57	0.69	1.26
KVITEBJØRN	15.67	28.94	44.61	3.75	5.47	9.23
MARIA	2.46	0.08	2.54	2.10	0.08	2.18
MARTIN LINGE	4.50	7.72	12.22	4.50	7.72	12.22
NORNE	52.32	6.92	59.24	2.40	2.90	5.30
Norne satellites ³⁾	3.66	0.16	3.82	0.90	0.01	0.91
ORMEN LANGE	7.00	111.63	118.63	1.75	36.39	38.15
OSEBERG	142.76	39.27	182.03	8.01	22.00	30.01
OSEBERG SØR	23.91	7.47	31.37	4.46	3.53	7.99
OSEBERG ØST	8.34	0.13	8.46	1.01	0.01	1.03
REV	0.27	0.80	1.07	0.02	0.00	0.02
SINDRE	0.01	0.01	0.02	0.01	0.01	0.02
SKIRNE	0.70	3.09	3.79	0.08	-0.16	-0.08
SNORRE	95.72	1.99	97.71	27.60	0.06	27.66
SNØHVIT	12.06	62.73	74.80	7.99	46.62	54.61
STATFJORD NORD	12.97	0.64	13.61	0.83	-0.09	0.74
STATFJORD ØST	12.34	1.32	13.66	0.32	0.09	0.40
SVALIN	2.95	0.00	2.95	1.17	0.00	1.17
SYGNA	3.37	0.00	3.37	0.18	0.00	0.18
TORDIS	20.63	1.41	22.04	1.32	0.12	1.44
TROLL	186.37	802.20	988.57	20.82	439.68	460.50
TUNE	1.49	7.68	9.17	-0.05	-0.18	-0.23
VALEMON	0.61	4.12	4.73	0.17	1.36	1.54
VEGA	6.52	6.22	12.74	2.80	2.97	5.76
VESLEFRIKK	22.14	2.16	24.30	0.68	0.74	1.43
VIGDIS	22.65	0.51	23.16	3.29	-0.06	3.22
Visund group ⁴⁾	17.65	19.49	37.14	5.52	12.34	17.86
ÅSGARD	71.69	78.93	150.62	8.24	13.86	22.10
Totalt	1269	1301	2570	250	632	881

1) Ekofisk group consists of Ekofisk, Eldfisk and Embla

2) Gullfaks group: Gullfaks and Gullfaks Sør

3) Norne satellites: Skuld and Urd

4) Visund group: Visund and Visund Sør



STATENS DIREKTE ØKONOMISKE
ENGASJEMENT SDØE
Org. nr.: 980977269

Riksrevisjonens beretning

Til Statens direkte økonomiske engasjement

Uttalelse om revisjonen av årsregnskapet

Konklusjon

Riksrevisjonen har revidert Statens direkte økonomiske engasjements årsregnskap for 2018. Årsregnskapet består av ledelseskomentarer og oppstilling av bevilgnings- og artskontorrapportering, inklusiv noter til årsregnskapet for regnskapsåret avsluttet per 31. desember 2018.

Bevilgnings- og artskontorrapporteringen viser at 118 687 390 263 kroner er rapportert netto til bevilgningsregnskapet.

Etter Riksrevisjonens mening gir Statens direkte økonomiske engasjements årsregnskap et dekkende bilde av virksomhetens disponible bevilgninger, inntekter og utgifter i 2018 og av mellomværende med statskassen per 31. desember 2018, i samsvar med regelverket for økonomistyring i staten.

Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med *lov om Riksrevisjonen*, *instruks om Riksrevisjonens virksomhet* og internasjonale standarder for offentlig revisjon (ISSAI 1000–2999). Våre oppgaver og plikter i henhold til disse standardene er beskrevet under «Revisors oppgaver og plikter ved revisjonen av årsregnskapet». Vi er uavhengige av virksomheten slik det kreves i lov og instruks om Riksrevisjonen og de etiske kravene i ISSAI 30 fra International Organization of Supreme Audit Institutions (INTOSAIs etikkregler), og vi har overholdt de øvrige etiske forpliktelsene våre i samsvar med disse kravene og INTOSAIs etikkregler. Etter vår oppfatning er revisjonsbevisene vi har innhentet tilstrekkelige og hensiktsmessige som grunnlag for vår konklusjon.

Øvrig informasjon i årsrapporten

Ledelsen er ansvarlig for årsrapporten, som består av årsregnskapet (del VI) og øvrig informasjon (del I–V). Riksrevisjonens uttalelse omfatter revisjon av årsregnskapet og virksomhetens etterlevelse av administrative regelverk for økonomistyring, ikke øvrig informasjon i årsrapporten (del I–V). Vi attesterer ikke den øvrige informasjonen.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese den øvrige informasjonen i årsrapporten. Formålet er å vurdere om det foreligger vesentlig inkonsistens mellom den øvrige informasjonen, årsregnskapet og kunnskapen vi har opparbeidet oss under revisjonen. Vi vurderer også om den øvrige informasjonen ser ut til å inneholde vesentlig feilinformasjon. Dersom vi konkluderer med at den øvrige informasjonen inneholder vesentlig feilinformasjon, er vi pålagt å rapportere dette i revisjonsberetningen.

Det er ingenting å rapportere i så måte.

Ledelsens, styrets og det overordnede departementets ansvar for årsregnskapet

Ledelsen og styret er ansvarlige for å utarbeide et årsregnskap som gir et dekkende bilde i samsvar med regelverket for økonomistyring i staten. Ledelsen og styret er også ansvarlige for å etablere den interne kontrollen som de mener er nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

Det overordnede departementet og styret har det overordnede ansvaret for at virksomheten rapporterer relevant og pålitelig resultat- og regnskapsinformasjon og har forsvarlig internkontroll.

Riksrevisjonens oppgaver og plikter ved revisjonen av årsregnskapet

Målet med revisjonen er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som gir uttrykk for Riksrevisjonens konklusjon. Betryggende sikkerhet er et høyt sikkerhetsnivå, men det er ingen garanti for at en revisjon som er utført i samsvar med *lov om Riksrevisjonen, instruks om Riksrevisjonens virksomhet* og internasjonale standarder for offentlig revisjon (ISSAI 1000–2999), alltid vil avdekke vesentlig feilinformasjon som eksisterer. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon blir ansett som vesentlig dersom den, enkeltvis eller samlet, med rimelighet kan forventes å påvirke de beslutningene brukere treffer på grunnlag av årsregnskapet.

Vi utøver profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen, i samsvar med *lov om Riksrevisjonen, instruks om Riksrevisjonens virksomhet* og ISSAI 1000–2999.

Vi identifiserer og anslår risikoene for vesentlig feilinformasjon i årsregnskapet, enten den skyldes misligheter eller utilsiktede feil. Videre utformer og gjennomfører vi revisjonshandlinger for å håndtere slike risikoer og innhenter tilstrekkelig og hensiktsmessig revisjonsbevis som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon ikke blir avdekket, er høyere for feilinformasjon som skyldes misligheter, enn for feilinformasjon som skyldes utilsiktede feil. Grunnen til det er at misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, feilpresentasjoner eller overstyring av intern kontroll.

Vi gjør også følgende:

- opparbeider oss en forståelse av den interne kontrollen som er relevant for revisjonen, for å utforme revisjonshandlinger som er hensiktsmessige ut fra omstendighetene, men ikke for å gi uttrykk for en mening om hvor effektiv virksomhetens interne kontroll er
- evaluerer om regnskapsprinsippene som er brukt, er hensiktsmessige, og om tilhørende opplysninger som er utarbeidet av ledelsen, er rimelige
- evaluerer den totale presentasjonen, strukturen og innholdet i årsregnskapet, inkludert tilleggsopplysningene
- evaluerer om årsregnskapet representerer de underliggende transaksjonene og hendelsene på en måte som gir et dekkende bilde i samsvar med regelverket for økonomistyring i staten

Vi kommuniserer med ledelsen og informerer det overordnede departementet, blant annet om det planlagte omfanget av revisjonen og når revisjonsarbeidet skal utføres. Vi vil også ta opp forhold av betydning som er avdekket i løpet av revisjonen, for eksempel svakheter av betydning i den interne kontrollen.

Når det gjelder forholdene som vi tar opp med ledelsen og informerer det overordnede departementet om, tar vi standpunkt til hvilke som er av størst betydning ved revisjonen av årsregnskapet, og avgjør om disse skal regnes som sentrale forhold ved revisjonen. De beskrives i så fall i et eget avsnitt i revisjonsberetningen, med mindre lov eller forskrift hindrer offentliggjøring. Forholdene omtales ikke i beretningen hvis Riksrevisjonen beslutter at det er rimelig å forvente at de negative konsekvensene av en slik offentliggjøring vil være større enn offentlighetens interesse av at saken blir omtalt. Dette vil bare være aktuelt i ytterst sjeldne tilfeller.

Dersom vi gjennom revisjonen av årsregnskapet får indikasjoner på vesentlige brudd på administrative regelverk med betydning for økonomistyring i staten, gjennomfører vi utvalgte revisjonshandlinger for å kunne uttale oss om hvorvidt det er vesentlige brudd på slike regelverk.

Uttalelse om øvrige forhold

Konklusjon knyttet til administrative regelverk for økonomistyring

Vi uttaler oss om hvorvidt vi er kjent med forhold som tilsier at virksomheten har disponert bevilgningene på en måte som i vesentlig grad strider mot administrative regelverk med betydning for økonomistyring i staten. Uttalelsen gis med moderat sikkerhet og bygger på ISSAI 4000-serien for etterlevelserevisjon. Moderat sikkerhet for uttalelsen oppnår vi gjennom revisjon av årsregnskapet som beskrevet ovenfor, og kontrollhandlinger vi finner nødvendige.

Basert på revisjonen av årsregnskapet og kontrollhandlinger vi har funnet nødvendige i henhold til ISSAI 4000-serien, er vi ikke kjent med forhold som tilsier at virksomheten har disponert bevilgningene i strid med administrative regelverk med betydning for økonomistyring i staten.

Oslo; 30.04.2019

Etter fullmakt

Tora Struve Jarlsby
ekspedisjonssjef

Lars Christian Møller
avdelingsdirektør