



## Annual Report 2016



### **Greenland Oil Spill Response A/S**

REG No. A/S517428  
GER No. 12663765



The Annual Report was presented and approved at the Annual General Meeting of the Company on 29 March 2017.

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Chairman of the meeting

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## Management's statement

Today the Board of Directors and the Executive Board have approved the Annual Report of Greenland Oil Spill Response A/S for the financial year 1 January 2016 to 31 December 2016.

The Annual Report has been prepared in accordance with the Greenlandic Financial Statements Act.

We consider the accounting policies applied to be appropriate, and in our opinion the Annual Report gives a fair presentation of the Company's assets, equity, liabilities and financial position at 31 December 2016 and of the results of the Company's activities and cash flows for the financial year ended 31 December 2016.

We find that Management's review provides a fair statement of the circumstances accounted for in the review.

The Annual Report is recommended for approval by the Annual General Meeting.

Nuuk, 28 March 2017

Executive Board

Lonnie Bogø Wilms

Board of Directors

Steen Ove Hansen  
Chairman

Oddbjørg Varhaug Greiner    Hanne Berthels



## Independent auditor's report

To the shareholder of Greenland Oil Spill Response A/S

### **Auditor's report on the Annual Report**

We have reviewed the Annual Report of Greenland Oil Spill Response A/S for the financial year ended 31 December 2016, which comprises Management's statement, Management's review, accounting policies, income statement, balance sheet, cash flow statement and notes. The Annual Report is prepared in accordance with the Greenlandic Financial Statements Act.

### **Management's responsibility for the Annual Report**

Management is responsible for the preparation of an Annual Report that gives a fair presentation as provided by the Greenlandic Financial Statements Act. Management is also responsible for the internal control deemed necessary by Management in order to prepare an Annual Report free from material misstatement, whether due to fraud or error.

### **Auditor's responsibility**

Our responsibility is to express an opinion on the Annual Report based on our audit. We have conducted our audit in accordance with international standards on auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the Annual Report is free from material misstatement.

An audit involves the performance of audit procedures to obtain audit evidence about the amounts and disclosures in the Annual Report. The audit procedures selected depend on the auditor's assessments, including the assessment of the risks of material misstatement in the Annual Report, whether due to fraud or error. In making the risk assessment, the auditor considers internal controls of relevance to the Company's preparation of an Annual Report that gives a fair presentation. The purpose of this is to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of the Company's internal control. An audit also includes an assessment as to whether Management's choice of accounting policies is appropriate, as to whether the accounting estimates made by Management are reasonable and as to the overall presentation of the Annual Report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit did not give rise to qualifications.



Greenland  
Oil Spill Response

## **Opinion**

In our opinion, the Annual Report gives a fair presentation of the Company's assets, equity, liabilities and financial position at 31 December 2016 and of the results of the Company's activities and cash flows for the financial year ended 31 December 2016 in accordance with the Greenlandic Financial Statements Act.

Nuuk, 28 March 2017

## **Grønlands Revisionskontor A/S**

state-authorized public accountants

Knud Østergaard

state-authorized public accountant



## Corporate information

### **Company**

Greenland Oil Spill Response A/S  
Aqqusinersuaq 48A  
P.O. Box 4051  
3900 Nuuk  
Greenland

REG No.: A/S517428  
Formation: 20 July 2012  
Registered office: Kommuneqarfik Sermersooq  
Financial year: 1 January to 31 December

### **Board of Directors**

Steen Ove Hansen (Chairman), Grundtvigs Alle 5, ground floor 0003, 6700 Esbjerg, Denmark  
Oddbjørg Varhaug Greiner, Lindeveien 71, 4314 Sandnes, Norway  
Hanne Berthels, Kangillinnguit 5, 3905 Nuussuaq, Greenland

### **Executive Board**

Lonnie Bogø Wilms, Innannguaq 4B, 3900 Nuuk, Greenland

### **Auditor**

Grønlands Revisionskontor A/S, statsautoriserede revisorer  
Imaneq 18, 2<sup>nd</sup> floor left  
3900 Nuuk  
Greenland

### **Bank**

Grønlandsbanken, P.O. Box 1033, 3900 Nuuk, Greenland

### **Lawyer**

Plesner Law Firm, Amerika Plads 37, 2100 Copenhagen Ø, Denmark



## Management's review

### **Significant activities of the Company**

The main activity of the Company is to operate on a commercial basis in the fields of oil spill contingency, oil spill response, environmental clean-up after oil spills and other related activities in the mineral resources area in Greenland.

### **Developments in activities and financial situation**

The international downward trend in the oil industry is also reflected in the level of interest in oil exploration in Greenland during the past year. Even less activity is expected in 2017, meaning that GOSR also expects its revenue to be lower than ever. Therefore, it is extremely important that, in future, GOSR expands its business areas and/or finds alternative sponsorships/funding. This issue is currently being discussed with the owners of the Company.

Although there has been next to no activity among GOSR's clients, the activity level of the Company has been relatively high. The voluntary oil spill response organisation has recruited an additional six new oil spill responders, who are currently receiving training, and the total number of volunteers has now reached 21. Our oil spill responders are private citizens of Nuuk and Aasiaat, the two towns in which GOSR's equipment is located. The semi-volunteer response team makes it possible to ensure rapid deployment with local knowledge in connection with oil spill response activities. The work and training efforts made by oil spill responders in 2016 corresponded to almost a full-time equivalent employee.

In 2016, our oil spill responders completed relevant further training and participated in several drills, including LIVEX 2016, a major drill in May-June 2016 conducted jointly with the national defence, the police and the Greenlandic authorities, which was a great opportunity for them to test their acquired skills and develop further.

In March 2016, with the participation of four of the Company's oil spill responders, Greenland Oil Spill Response conducted a joint "cold climate" drill with the British response company OSRL, with which the Company signed a Memorandum of Understanding back in 2014. The same type of drill will be conducted in late March 2017 with the participation of an additional six oil spill responders from Greenland Oil Spill Response.

International cooperation and knowledge sharing are extremely important to GOSR and its continued development. Therefore, GOSR takes part in an EU-funded oil spill response project called Integrated oil spill response actions and environmental effects – GRACE along with 12 other research institutions. The project is focused on developing, comparing and evaluating the effectiveness and environmental effects of different oil spill response methods in a cold climate. The project runs from early 2016 to early 2019. In 2017, various response methods will be tested in Greenland. GOSR as well as



Greenland  
Oil Spill Response

the Danish Centre for Environment and Energy (DCE) will be responsible for the part of the project to be conducted in Greenland. The budget totals EUR 5.28 million, and GOSR's share in the project amounts to EUR 230,000, which will be used for purchase of testing equipment and for vessel leasing in Greenland.

Revenue for the year amounted to DKK 3,698,016 compared to DKK 4,645,801 last year. The post-tax loss from ordinary activities amounted to DKK 311,729 in 2016 compared to a loss of DKK 114,266 in 2015. In the current circumstances, Management finds the 2016 result satisfactory.

#### **Events occurring after the end of the financial year**

No events have occurred after the end of the financial year that could materially affect the Company's financial position.





## Oil spill response equipment

Greenland Oil Spill Response's stock of oil spill response equipment is located at the ports of Nuuk and Aasiaat as the Company deemed and still deems that placing the equipment at these two locations will best meet the oil spill emergency response needs of the Company's clients in Greenland for the time being.

The oil spill response equipment in stock comprises a very large amount of equipment suitable for Greenlandic conditions.



Photo: Lars Demant-Poort

**Ro-Clean  
Desmi Troil  
Boom  
AF750PU**

*Category:*  
*Inshore boom*

*In stock: 280  
x 20m*

TROILBOOM AF750PU is an airfilled lightweight rapid response boom designed to provide simple and effective oil spill containment. The boom is ideal for oil spill containment in harbours, marinas, enclosed coastal waters, rivers, estuaries, API separators, industrial ponds and lagoons.



Photo: Leiff Josefsen

**Ro-Clean  
Desmi Troil  
Boom  
GP750**

*Category:*  
*Inshore boom*

*In stock: 112  
x 25m*

TROILBOOM GP ('General Purpose') is a foam-filled, lightweight rapid response boom designed to provide simple and effective oil spill containment. The boom is ideal for oil spill containment in harbours, marinas, enclosed coastal waters, rivers, estuaries, API separators, industrial ponds and lagoons.



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Photo: Lonnie Wilms

**Ro-Clean  
Desmi Troil  
Boom Beach**

*Category:  
Inshore/shore  
boom*

*In stock: 268  
x 10m*

TROILBOOM BEACH is a special purpose containment boom that utilises water ballast. The water is pumped into two tubes along the bottom of the boom. This water acts as ballast when the boom is floating; once the boom is stranded these tubes sit on the ground and form a seal. Therefore, this type of boom is ideal for oil containment on beaches and in swamps and other areas with shallow water levels.



Photo: Lonnie Wilms

**Ro-Clean  
Desmi  
OM140**

*Category:  
Rope Mop  
skimmer*

*In stock: 28*

OM140 is a simple but extremely effective Rope Mop skimmer. This type of skimmer has been used with great success to recover oil by sea for many years around the world.



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***Vikoma Mini  
Vac system***

*Category: Vacuum  
skimmer*

*In stock: 28*

The Mini Vac skimmer from Vikoma is a lightweight, aluminium skimmer intended to be lifted by two persons, making it ideal for use in remote and inaccessible sites. This type of skimmer has been successfully employed in locations all around the globe by emergency response organisations, coast guards and port authorities.

Photo: Lonnie Wilms



***Vikoma  
Komara 20***

*Category: Disc  
skimmer*

*In stock: 28*

The Komara 20 skimmer from Vikoma is a versatile, oleophilic disc skimmer, which will operate in most environments at a recovery speed of up to 23m<sup>3</sup>/h, with more than 98% oil pick-up.

Photo: Nicola Jackson



Photo: Lonnie Wilms

**Delta Skimmer system**

*Category:*

*In stock: 28*

The Delta skimmer system is a self-contained free-floating oil recovery system, specifically designed for operation in shallow waters and inaccessible areas. The system will recover up to 24m<sup>3</sup>/h. The lightweight construction of the Delta skimmer makes it particularly valuable around piers, jetties, lakes, ponds, ports, harbours, rivers and inland waters as well as for beach clean-up and shoreline operations. The compact design also allows the system to operate in holding tanks, etc.



Photo: Lonnie Wilms

**Fastank**

*Category:*  
*Containment system*

*In stock: 48*

Fastanks are temporary containment systems that can be assembled in minutes and are highly efficient for containing oil in connection with an oil spill response. The system is very stable and can be placed on an uneven surface and is easy to clean.

In addition to the equipment mentioned above, Greenland Oil Spill Response has a large amount of the chemical dispersant Dasic Slickgone NS as well as personal protection equipment (PPE) and beach and shoreline decontamination kits. Dasic Slickgone is one of the world's best selling types (type 3) dispersant concentrates and is exceptionally efficient on a broad spectrum of oils, including heavy oils and water-in-oil emulsions even at low temperatures.



## Management of the Company

### Board of Directors

Greenland Oil Spill Response is operated in accordance with the principles for corporate governance issued by the Government of Greenland.

The members of the Board of Directors receive a fixed annual fee of DKK 50,000. The Vice-chairman receives an annual fee of DKK 75,000, and the Chairman receives an annual fee of DKK 150,000. These fees accord with the owners' recommendations for Greenland Oil Spill Response.

Each year, the Board of Directors of Greenland Oil Spill Response holds four ordinary Directors' meetings.

The Board of Directors performs an annual evaluation of the Board and notifies the shareholder, the Government of Greenland, of the outcome and the Board's recommendations.



**Steen Ove Hansen**  
*Chairman*

Director of Sales and Business Development, Stenca Trading

- Other positions of trust: Masava Kemi (member), Alslev Rustfri Montage (board member), AMU-vest (board member).

- Competences: Wide knowledge of business development, logistics and the offshore industry, including extensive knowledge on logistics and business development in Greenland.

- Qualifications: Shipping agent, German and English correspondent, 27 years of experience with logistics and the offshore industry from Denmark, the Faroe Islands and Greenland.



**Oddbjørg Varhaug Greiner**

*Vice-chairman*  
Consultant

- Other positions of trust: None

- Competences: Extensive knowledge of oil spill response, oil spill contingency, petroleum exploration activities and wide knowledge of the offshore industry and the Norwegian requirements used by the Greenlandic authorities as guidelines for offshore activities.

- Qualifications: Master of Geology from NTNU, 20+ years of experience with Norwegian and international oil exploration, 8 years of experience as an Offshore Installation Manager and 5 years of experience as an Operative Director at NOFO.



**Hanne Berthels**

Chief Controller, Air  
Greenland

- Other positions of trust: None

- Competences: Extensive knowledge of management accounting and business economics as well as wide knowledge of Greenlandic conditions, project management and strategic development.

- Qualifications: Bachelor of Commerce in business economy from Niuernermik Ilinniarfik and further education with the General Management Programme at CEDEP in Paris and single courses in national economics at Ilisimatusarfik. 20+ years of experience with management accounting in Air Greenland.

**Executive Board**

Lonnie Bogø Wilms, Managing Director of Greenland Oil Spill Response, joined the Company in 2013. The Managing Director receives a fixed annual salary of DKK 537,945 and free residence. Telecommunications expenses are covered by Greenland Oil Spill Response in accordance with general rules. The term of notice for the Managing Director is six months on the part of the Company and four months on the part of the Managing Director. Neither bonus plans nor a retiring age has been agreed upon.



**Lonnie Bogø  
Wilms**

Managing  
Director of  
Greenland Oil  
Spill Response  
A/S

- Other positions of trust: None

- Competences: Extensive knowledge about emergency response and mineral resources activities in Greenland, oil spill response in general, Greenlandic conditions, international negotiation and offshore HSE.

- Qualifications: Master of Science in Business, Language and Culture from the University of Southern Denmark, Bachelor degree from Bergen University College, Professional Certificate in Risk Management and Decision Making from Stanford Center for Professional Development. 7 years of experience with oil spill response and general emergency response in Greenland as well as 2 years of experience with air safety in Denmark.



## Accounting policies

Pursuant to the Danish Executive Order for Greenland on the application of the rules for state-owned limited liability companies (derogations), the Annual Report of Greenland Oil Spill Response A/S has been prepared in accordance with the provisions of the Greenlandic Financial Statements Act on class B enterprises. Moreover, the Company has opted to follow individual rules applicable to class C enterprises.

The Annual Report has been prepared using the same accounting policies as last year and in Danish kroner (DKK).

### **Recognition and measurement**

Income is recognised in the income statement as earned. This includes value adjustments of financial assets and liabilities. All costs, including amortisation, depreciation, impairment losses and provisions as well as reversals due to changes in accounting estimates of amounts previously recognised in the income statement, are also recognised in the income statement.

Assets are recognised in the balance sheet if it is probable that future economic benefits will flow to the Company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet if it is probable that future economic benefits will flow from the Company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

Recognition and measurement take into account predictable losses and risks which occur before the presentation of the Annual Report and which concern matters existing on the balance sheet date.

### **Income statement**

#### **Revenue**

Revenue is recognised in the income statement provided that delivery has been effected and the risk has passed to the buyer by year-end, and provided that the income can be measured reliably and is expected to be received. Revenue is recognised less rebates and discounts in connection with the sale.



### **Cost of sales**

Cost of sales includes costs for raw materials and consumables used less rebates and discounts as well as change in inventories for the year.

### **Other external expenses**

Other external expenses comprise expenses for distribution, sales, marketing, administration, premises and bad debts.

### **Staff costs**

Staff costs comprise wages and salaries, including holiday pay and pensions as well as other costs for social security, etc., for Company employees. Staff costs are less reimbursements received from the authorities.

### **Amortisation, depreciation and impairment losses**

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment for the year as well as gains and losses arising from the sale of intangibles and property, plant and equipment.

### **Financial items**

Financial items comprise interest income and interest expenses as well as realised and unrealised capital gains and losses arising from financial assets and liabilities. Financial income and expenses are recognised in the income statement with the amounts that concern the financial year.

### **Tax on profit/loss for the year**

Tax for the year, comprising current income tax and change in deferred tax, is recognised in the income statement by the share attributable to net profit/loss for the year and directly in equity by the share attributable to equity transactions.

### ***Balance sheet***

#### **Property, plant and equipment**

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less estimated residual value after the end of the useful life.

Cost comprises the purchase price and expenses directly attributable to the acquisition until the date on which the asset is ready for use.





Oil spill response equipment is considered property, plant and equipment for lease, where lessees carry the costs of returning the equipment to its original condition after use. The equipment is systematically depreciated to a residual value of 50% over a 10-year period.

Depreciation is calculated on a straight-line basis over the following estimated useful lives and residual values of the assets:

	Useful life	Residual value
Oil spill response equipment	10 years	50 %

In the acquisition year, minor assets with an estimated useful life of less than one year are recognised as costs in the income statement.

Gains or losses on the disposal of property, plant and equipment are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement under amortisation, depreciation and impairment losses.

### **Inventories**

Inventories comprise oil spill response equipment consumed when used, such as fuel, chemicals, absorbent booms, disposable suits, etc., and are measured at cost.

### **Receivables**

Receivables are recognised at amortised cost, which normally corresponds to the nominal value. Receivables are written down to the net realisable value to counter expected losses.

### **Prepayments**

Prepayments recognised under assets include costs and expenses paid in relation to subsequent financial years.

### **Cash**

Cash comprises deposits with banks and operating cash.

### **Income tax and deferred tax**

Current tax receivables and liabilities are recognised in the balance sheet with the amount which can be calculated on the basis of the estimated taxable income for the year adjusted for taxable incomes of previous years.



Deferred tax is the tax on all temporary differences between the carrying amounts and the tax bases of assets and liabilities calculated on the basis of the planned use of the asset or the planned settlement of the liability.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised at the expected value of their utilisation, either by elimination in tax on future earnings or by offsetting deferred tax liabilities.

Deferred tax is measured on the basis of the tax rules and tax rates which will be effective at the balance sheet date under current legislation when the deferred tax is expected to crystallise as current tax.

### **Liabilities**

Other liabilities, including trade payables as well as other payables are measured at amortised cost, which normally corresponds to the nominal value.

### **Deferred income**

Deferred income includes payments received in relation to income for subsequent years.

## ***Cash flow statement***

The cash flow statement shows the Company's cash flows for the year from operating, investing and financing activities for the year, the year's change in cash and cash equivalents as well as cash equivalents at the beginning and end of the year.

The cash flow effect from the acquisition and divestment of enterprises is shown as a separate item under cash flow from investing activities. Cash flows relating to enterprises acquired are recognised in the cash flow statement from the date of acquisition. Cash flows relating to enterprises divested are recognised until the date of the divestment.

### **Cash flows from operating activities**

Cash flows from operating activities are recognised as profit/loss for the year adjusted for non-cash operating items, working capital changes and income tax paid.

### **Cash flows from investing activities**

Cash flows from investing activities comprise payments relating to the acquisition and divestment of enterprises and activities as well as the purchase and sale of non-current assets.



### **Cash flows from financing activities**

Cash flows from financing activities comprise changes in the size or composition of the share capital and related costs. Cash flows from financing activities also include the raising of loans, repayments on interest-bearing debt and the payment of dividend to shareholders.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash less short-term debts to banks and short-term securities that can be converted into cash without difficulty and only present an insignificant risk of changes in value.



## Income statement 1 January to 31 December

<u>Note</u>	<u>2016</u>	<u>2015</u>
Revenue	3,698,016	4,645,801
Raw materials and consumables used	0	(283,733)
Other external expenses	<u>(1,427,499)</u>	<u>(1,744,722)</u>
<b>Gross profit</b>	<b><u>2,270,517</u></b>	<b><u>2,617,346</u></b>
1 Staff costs	(1,802,151)	(1,932,506)
2 Depreciation and impairment of property, plant and equipment	<u>(925,000)</u>	<u>(925,000)</u>
<b>Operating profit</b>	<b><u>(456,634)</u></b>	<b><u>(240,160)</u></b>
Other financial income	0	72,615
3 Other financial expenses	<u>(404)</u>	<u>0</u>
<b>Loss before tax</b>	<b><u>(457,038)</u></b>	<b><u>(167,545)</u></b>
4 Tax on loss for the year	<u>145,309</u>	<u>53,279</u>
<b>Loss for the year</b>	<b><u>(311,729)</u></b>	<b><u>(114,266)</u></b>
<b>Proposal for distribution of net loss:</b>		
Distribution, retained loss	<u>(311,729)</u>	<u>(114,266)</u>
<b>Distribution, total</b>	<b><u>(311,729)</u></b>	<b><u>(114,266)</u></b>



## Balance sheet as at 31 December

<b>Assets</b>		
<u>Note</u>	<u>2016</u>	<u>2015</u>
<b>Non-current assets</b>		
5 Oil spill response equipment	14,337,500	15,262,500
Property, plant and equipment, total	14,337,500	15,262,500
Deposits	81,666	81,666
Investments, total	<u>81,666</u>	<u>81,666</u>
<b>Non-current assets, total</b>	<b><u>14,419,166</u></b>	<b><u>15,344,166</u></b>
<b>Current assets</b>		
Inventories	1,462,500	1,462,500
Inventories, total	1,462,500	1,462,500
Trade receivables	266,353	608,104
6 Deferred tax assets	188,254	42,945
Other receivables	0	6,074
Prepayments	136,600	0
Receivables, total	591,207	657,123
Cash	<u>4,239,539</u>	<u>2,850,702</u>
<b>Current assets, total</b>	<b><u>6,293,246</u></b>	<b><u>4,970,325</u></b>
<b>Assets, total</b>	<b><u>20,712,412</u></b>	<b><u>20,314,491</u></b>



<b>Equity and liabilities</b>			
<u>Note</u>		<u>2016</u>	<u>2015</u>
<b>Equity</b>			
7	Contributed capital	500,000	500,000
8	Reserve according to the by-laws	19,500,000	19,500,000
9	Retained loss	<u>(403,939)</u>	<u>(92,210)</u>
	<b>Equity, total</b>	<b><u>19,596,061</u></b>	<b><u>19,907,790</u></b>
<b>Liabilities</b>			
	Trade payables	250,226	142,324
	Other payables	299,693	264,377
	Deferred income	566,432	0
	Current payables, total	<u>1,116,351</u>	<u>406,701</u>
	<b>Liabilities, total</b>	<b><u>1,116,351</u></b>	<b><u>406,701</u></b>
	<b>Equity and liabilities, total</b>	<b><u>20,712,412</u></b>	<b><u>20,314,491</u></b>
10	<b>Remuneration for the auditors elected by the Annual General Meeting</b>		
11	<b>Related parties</b>		



## Cash flow statement 1 January to 31 December

<u>Note</u>	<u>2016</u>	<u>2015</u>
Loss for the year	(311,729)	(114,266)
12 Adjustments	780,095	799,106
13 Change in working capital	920,875	263,329
Cash flows from operations before financial items	1,389,241	948,169
Interest received, etc.	0	72,616
Interest paid, etc.	(404)	0
Cash flow from ordinary activities	<u>1,388,837</u>	<u>1,020,785</u>
<b>Cash flows from operating activities</b>	<b><u>1,388,837</u></b>	<b><u>1,020,785</u></b>
<b>Change in cash and cash equivalents</b>	<b><u>1,388,837</u></b>	<b><u>1,020,785</u></b>
Cash and cash equivalents at 1 January 2016	<u>2,850,702</u>	<u>1,829,917</u>
<b>Cash and cash equivalents at 31 December 2016</b>	<b><u>4,239,539</u></b>	<b><u>2,850,702</u></b>
<b>Cash and cash equivalents</b>		
Cash	<u>4,239,539</u>	<u>2,850,702</u>
<b>Cash and cash equivalents at 31 December 2016</b>	<b><u>4,239,539</u></b>	<b><u>2,850,702</u></b>



## Notes

	<u>2016</u>	<u>2015</u>
<b>1. Staff costs</b>		
Wages and salaries	1,144,596	1,064,712
Pensions	79,278	78,747
Other social security costs	11,869	9,876
Other staff costs	566,408	779,171
	1,802,151	1,932,506
Executive Board	537,945	527,631
Board of Directors	<u>275,000</u>	<u>275,000</u>
	<b><u>812,945</u></b>	<b><u>802,631</u></b>
Average number of employees	3	2
<b>2. Depreciation and impairment of property, plant and equipment</b>		
Depreciation of oil spill response equipment	<u>925,000</u>	<u>925,000</u>
	<b><u>925,000</u></b>	<b><u>925,000</u></b>
<b>3. Other financial expenses</b>		
Other financial expenses	<u>404</u>	<u>0</u>
	<b><u>404</u></b>	<b><u>0</u></b>
<b>4. Tax on loss for the year</b>		
Deferred tax adjustment for the year	<u>(145,309)</u>	<u>(53,279)</u>
	<b><u>(145,309)</u></b>	<b><u>(53,279)</u></b>





## 5. Property, plant and equipment

	<u>Oil spill response equipment</u>	
Cost at 1 January 2016		18,500,000
Cost at 31 December 2016		18,500,000
Depreciation and impairment at 1 January 2016		3,237,500
Depreciation for the year		925,000
Depreciation and impairment at 31 December 2016		<u>4,162,500</u>
Carrying amount at 31 December 2016		<b><u>14,337,500</u></b>

## 6. Deferred tax assets

Deferred tax assets at 1 January 2016	42,945	(10,334)
Deferred tax on profit/loss for the year	<u>145,309</u>	<u>53,279</u>
	<b><u>188,254</u></b>	<b><u>42,945</u></b>

## 7. Contributed capital

Contributed capital at 1 January 2016	<u>500,000</u>	<u>500,000</u>
	<b><u>500,000</u></b>	<b><u>500,000</u></b>

The share capital is made up of 50,000 shares of DKK 10 and multiples thereof.  
The capital is not divided into classes.

## 8. Reserve according to the by-laws

Reserve according to the by-laws at 1 January 2016	<u>19,500,000</u>	<u>19,500,000</u>
	<b><u>19,500,000</u></b>	<b><u>19,500,000</u></b>

## 9. Retained earnings/loss

Retained earnings/loss at 1 January 2016	(92,210)	22,056
Retained loss for the year	<u>(311,729)</u>	<u>(114,266)</u>
	<b><u>(403,939)</u></b>	<b><u>(92,210)</u></b>



	<u>2016</u>	<u>2015</u>
<b>10. Remuneration for the auditors elected by the Annual General Meeting</b>		
Grønlands Revisionskontor A/S, statsautoriserede revisorer	89,665	54,425
Fee, statutory audit	26,000	25,000
Fees, other services	<u>63,665</u>	<u>29,425</u>
	<b><u>89,665</u></b>	<b><u>54,425</u></b>
<b>11. Related parties</b>		
Ownership		
The following has been entered in the register of shareholders as holding at least 5% of the voting rights or at least 5% of the share capital:		
Government of Greenland, Imaneq 4, 3900 Nuuk, Greenland		
<b>12. Adjustments</b>		
Amortisation, depreciation and impairment of property, plant and equipment and intangibles	925,000	925,000
Other financial income	0	(72,615)
Other financial expenses	404	0
Tax on loss for the year	(145,309)	(53,279)
	780,095	799,106
<b>13. Change in working capital</b>		
Change in receivables	211,225	313,489
Change in trade and other payables	709,650	(50,160)
	920,875	263,329