

To the Board of Directors
The Foundation Norwegian Refugee Council

AUDITOR'S REPORT

Report on the financial statements

We have audited the accompanying financial statements of Norwegian Refugee Council, which comprise the balance sheet as at December 31, 2010, the statements of income, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

The Board of Directors' and Secretary General responsibility for the financial statements

The Board of Directors and Secretary General are responsible for the preparation and fair presentation of these financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as the Board of Directors and Secretary General determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements of Norwegian Refugee Council have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the foundation as of December 31, 2010, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Report on other legal and regulatory requirements*Opinion on the Board of Directors' report*

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Directors' report concerning the financial statements and the going concern assumption, and the proposal for the allocation of result is consistent with the financial statements and complies with the law and regulations.

Opinion on registration and documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the international standard on assurance engagements (ISAE) 3000, «Assurance Engagements Other than Audits or Reviews of Historical Financial Information», it is our opinion that the Board of Directors and Secretary General have fulfilled their duty to properly record and document the foundation accounting information as required by law and generally accepted bookkeeping practice in Norway.

Opinion on payouts and asset management

Based on our audit of the financial statements as described above and control procedures we have considered necessary in accordance with the international standard on assurance engagements (ISAE) 3000, it is our opinion that the foundation has been managed and the payouts performed in accordance with laws and the foundation's objectives and articles of association.

Oslo, 26 May 2011

ERNST & YOUNG AS



Tommy Romskaug

State Authorised Public Accountant (Norway)

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