

Overview 2017

LH

Pension Fund for Nurses

Engjateigi 11

105 Reykjavík

430269-4889

Statement of changes in net assets available for benefits 2017

	2017	2016
Premiums		
Members	28.504	38.250
Employers	151.558	160.801
Increase in pension payments	1.819.467	1.596.012
State contribution to equalize disability pension burden	26.837	24.503
Liquidated and employers deposits on commitments	119.306	317.755
	<u>2.145.672</u>	<u>2.137.321</u>
Pensions		
Pensions	4.269.589	3.721.607
Direct expenses due to disability pension	2.180	2.688
	<u>4.271.769</u>	<u>3.724.294</u>
Net investment income		
Net income from holdings in companies and funds	1.433.686	(887.024)
Net income from bonds	962.934	671.221
Interest income from bank deposits	(8.022)	(41.275)
Interest income from cash equivalents	187	1.417
Investment expenses	(13.758)	(6.530)
	<u>2.375.027</u>	<u>(262.191)</u>
Operating expenses		
Office and management expenses	78.993	78.036
Other expenses	345	1.175
	<u>169.592</u>	<u>(1.928.375)</u>
Increase in net assets during the year	169.592	(1.928.375)
Net assets from previous year	26.444.480	28.372.855
Net assets for pension payments at year-end	<u>26.614.072</u>	<u>26.444.480</u>

Balance sheet 31.12.2017

	2017	2016
Assets		
Investments		
Holdings in companies and funds	12.538.638	13.376.813
Bonds	12.142.715	11.650.919
	<u>24.681.353</u>	<u>25.027.732</u>
Claims		
Claims on employers	2.564	232.518
Other claims	2.109	182
	<u>4.674</u>	<u>232.700</u>
Other assets		
Fixed assets	3.024	4.077
Cash equivalents	2.150.103	1.362.294
	<u>26.839.154</u>	<u>26.626.804</u>
Assets	<u>26.839.154</u>	<u>26.626.804</u>
Liabilities		
Accrued pension commitments	18.909	17.029
Other liabilities	206.173	165.294
	<u>225.083</u>	<u>182.324</u>
Liabilities	<u>225.083</u>	<u>182.324</u>
Net assets for pension payments at year-end	<u>26.614.072</u>	<u>26.444.480</u>
Off balance sheet assets		
Claims on employers acc. Act no. 2/1997 article 20	57.739.100	54.250.433

Cash flow statement 2017

	2017	2016
Inflow		
Premiums	2.375.621	1.941.955
Paid interest income on cash equivalents and claims	32.272	37.547
Other inflow	1.611	2.156
	<u>2.409.505</u>	<u>1.981.658</u>
Outflow		
Pensions	4.232.549	3.691.937
Operating expenses	77.330	80.120
Investment in operating assets	185	414
Other outflow	15.958	18.377
	<u>4.326.022</u>	<u>3.790.848</u>
New disposable resources for investments	<u>(1.916.517)</u>	<u>(1.809.190)</u>
Investment transactions		
Received income from holdings in companies and funds	52.911	77.268
Investment in holding companies and funds	(795.615)	(950.586)
Sold holdings in companies and funds	2.834.788	1.126.692
Installments on bond principals and interest	1.434.537	1.246.723
Purchased bonds	(1.158.569)	(492.901)
Sold bonds	376.381	399.137
Purchased other investments	0	(17.090)
Sold other investments	0	50.071
Other investments expenses	0	(2.229)
	<u>2.744.433</u>	<u>1.437.085</u>
Increase (decrease) in cash equivalents	827.915	(372.105)
Exchange rate difference on cash equivalents	(40.107)	(77.405)
Cash equivalents at beginning of year	1.362.294	1.811.805
Cash equivalents at year-end	<u><u>2.150.103</u></u>	<u><u>1.362.294</u></u>

Financial indicators LH

	2017	2016	2015	2014	2013
Financial position based on actuarial valuation					
Net assets in excess of total liabilities.....	(75,3%)	(73,8%)	(69,0%)	(65,0%)	(64,2%)
Net assets in excess of accrued liabilities.....	(74,4%)	(72,9%)	(68,0%)	(64,9%)	(64,1%)
Yield					
Nominal yield.....	9,37%	1,40%	7,51%	10,71%	11,55%
Real yield.....	7,51%	(0,68%)	5,40%	9,58%	7,62%
Net real yield.....	7,19%	(0,97%)	5,13%	9,31%	7,34%
Average net real yield over the last 5 years.....	5,54%	6,02%	6,56%	5,88%	4,53%
Average net real yield over the last 10 years.....	1,10%	0,25%	1,41%	2,20%	2,21%
Investment securities					
Listed holdings in companies and funds.....	48,1%	50,1%	51,8%	47,9%	44,6%
Listed bonds.....	40,4%	38,3%	35,2%	35,5%	37,7%
Unlisted holdings in companies and funds.....	2,7%	3,2%	3,7%	5,9%	5,5%
Unlisted bonds.....	8,8%	8,4%	9,2%	10,4%	12,2%
Other investments.....	0,0%	0,0%	0,1%	0,2%	0,0%
Investment securities by currencies					
Securities in Icelandic krona.....	60,7%	58,2%	54,9%	55,3%	58,3%
Securities in foreign currencies.....	39,3%	41,8%	45,1%	44,7%	41,7%
Members and pensioners					
Average number of active members.....	220	265	305	351	382
Average number of pensioners.....	1.124	1.056	996	946	908
Number of total fund members at year-end**.....	2.922	2.936	2.961	2.984	3.002
Amounts at fixed prices (in millions ISK)					
Total premiums.....	2.164	2.197	1.715	1.553	1.422
Total pensions.....	4.308	3.829	3.333	2.911	2.692
Total net investment income.....	2.395	(269)	2.234	3.927	2.997
Total operating expenses.....	80	80	75	71	71
Increase in net assets for pension payments.....	171	(1.982)	392	1.449	1.657
Breakdown of pension payments by type					
Old-age pensions.....	91,1%	90,6%	90,0%	89,4%	89,3%
Disability pension.....	5,1%	5,8%	6,8%	7,3%	7,5%
Spouse's pension.....	3,8%	3,6%	3,3%	3,2%	3,2%
Children's allowance.....	0,0%	0,0%	0,0%	0,0%	0,0%
Other financial indicators					
Pensions as percentage of premiums.....	199,1%	174,3%	194,4%	187,4%	189,3%
Operating expenses as percentage of premiums.....	3,7%	3,7%	4,4%	4,6%	5,0%
Net investment income as % of average asset position.....	9,0%	-1,0%	7,8%	13,9%	10,9%
Operating expenses as % of average asset position.....	0,30%	0,29%	0,26%	0,25%	0,26%