



Activity Report 2012

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Preface

Once again, the Nuclear Waste Fund is pleased to report good results for the past year. The nominal return in 2012 was 4.6 percent, which, with a negative rate of inflation, is equivalent to a real return of 4.7 percent. The rate of return was lower than last year, but was still 2.1 percentage points higher than the comparison index. The Fund capital increased by SEK 2,851 million, amounting to SEK 50,817 million at the end of the year.

The positive result is partially attributable to lower market rates. At the same time, continued low interest rate levels limit the potential future returns for a fund which, with the current restrictions, is only allowed to invest in Swedish treasury bonds and covered mortgage bonds. Due to falling interest rates, in combination with a short duration in the Fund's investments, the present value of the costs for final

disposal of nuclear fuel and safe decommissioning of nuclear facilities which the Fund has to finance is increasing more than the value of the Fund.

The current short duration in the Fund's investments is therefore a critical factor that has been the subject of much discussion by the Board during the year.

It is very urgent that the financing system as a whole be re-examined, including the Fund's investment options. We at the Nuclear Waste Fund are taking an active part in the work being pursued within the framework of the Government's commission to the Swedish Radiation Safety Authority to reconsider the regulatory framework and analyze the effects of a broadening of the Fund's investment rules. The Board of Governors looks forward to clarifying results and decisions during 2013

Stockholm, February 2013



Susanne Lindh
Chairman

A few words about the Nuclear Waste Fund 2012

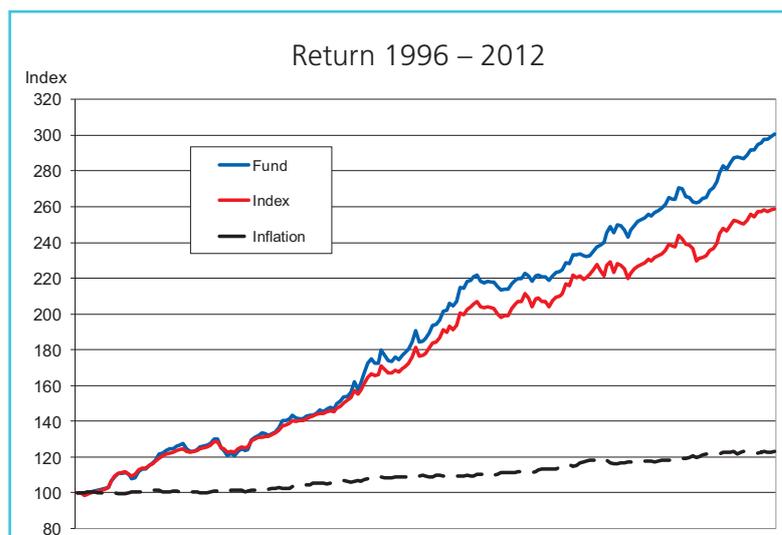
- The rate of return was 4.6 percent, which was 2.1 percentage points higher than the comparison index. Since the inflation rate was 0.1 percent, the real rate of return was 4.7 percent.
- The Fund capital increased by SEK 2,851 million, amounting to SEK 50,817 million at the end of the year.
- Fund management costs remained quite low, amounting to 0.019 percent of the Fund capital at the end of 2012, of which 0.012 percentage points were for asset management and 0.007 percentage points were for administration.

All figures in the following are based on measurement of the Fund's investments at fair value (market value).

Return 1996 – 2012

The following graph shows the change in value of SEK 100 that was paid into the Nuclear Waste Fund on 1 January 1996. For the sake of comparison, the change in value of SEK 100 with the comparison index return is also shown, along with how much has been used to compensate for inflation during the period.

- SEK 100 in the Nuclear Waste Fund has grown to SEK 301.
- SEK 100 invested at the comparison index has grown to SEK 259.
- SEK 23 of the return has been used to compensate for inflation.



År	Nominal return (%)	Comparison index (%)	Active return (%)	Inflation (%)	Real return (%)
1996	10.6	10.8	-0.2	0.1	10.5
1997	9.9	7.4	2.5	1.9	8.0
1998	3.3	4.7	-1.4	-0.6	3.9
1999	-0.8	-0.6	-0.2	1.2	-2.0
2000	12.9	9.8	3.1	1.4	11.5
2001	3.5	4.7	-1.2	2.9	0.6
2002	14.9	11.8	3.1	2.3	12.6
2003	6.7	5.8	0.9	1.4	5.3
2004	13.2	11.2	2.0	0.4	12.8
2005	8.2	7.5	0.7	0.9	7.3
2006	1.2	2.5	-1.3	1.6	-0.4
2007	3.3	3.3	0.0	3.5	-0.2
2008	8.9	6.0	2.9	0.9	8.0
2009	2.5	0.0	2.5	0.9	1.6
2010	3.0	3.0	0.0	2.3	0.7
2011	9.4	9.7	-0.3	2.3	7.1
2012	4.6	2.5	2.1	-0.1	4.7
Average per year¹⁾	6.7	5.8	0.9	1.4	5.3

¹⁾ Calculated as the geometric mean of the annual values.

The **nominal return** consists of the sum of realized and unrealized value changes in the Fund's investments as well as interest received (including inflation compensation on index-linked investments).

The **Comparison index** has been

70% OMRX REAL, 15% Stockholm Stock Exchange's bond index all total and 15% Money Market Index 30 days from 1/1 1996 until 30/9 2003.

100% OMRX REAL from 1/10 2003 until 31/12 2008.

30% OMRX REAL and 70% OMRX TBOND from 1/1 2009 until 31/5 2009.

30% OMRX REAL, 50% OMRX TBOND and 20% OMRX MORT from 1/6 2009 until 31/7 2009.

30% OMRX REAL, 35% OMRX TBOND and 35% OMRX MORT from 1/8 2009 until 31/12 2010.

30% OMRX REAL and 70% OMRX BOND from 1/1 2011.

The consumer price index reported by SCB for December, the 12-month change in percent (rate of inflation), is used as a measure of **inflation**.

The **active return** relative to the index consists of the nominal return less the index return and shows how successfully the Fund has been managed in relation to the index.

The **real return** consists of the nominal return less inflation.

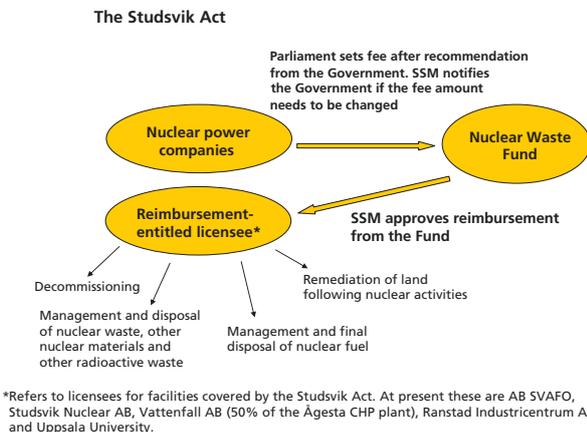
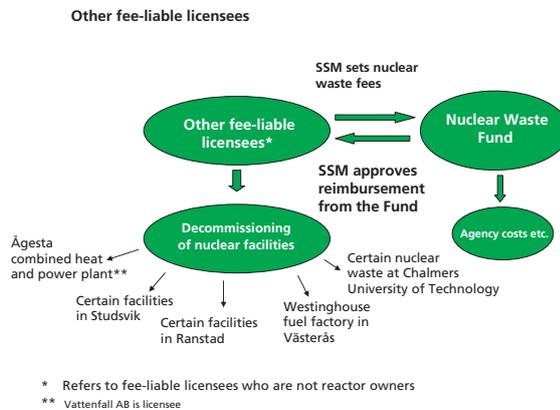
The financing system

In the early 1980s the Riksdag (Swedish parliament) devised a special system for financing of the costs for safe future management and disposal of the spent nuclear fuel and decommissioning and dismantling of the nuclear power reactors.

Under this financing system, the holder of a licence to own or operate a nuclear facility that gives or has given rise to residual products pays a special fee to the Swedish state. The fee is levied at a given rate per kWh of electricity delivered by the nuclear power plants. Since 2008 the fee can also be determined as an amount in kronor, to be paid for example by a fee-liable licensee who no longer delivers nuclear energy.

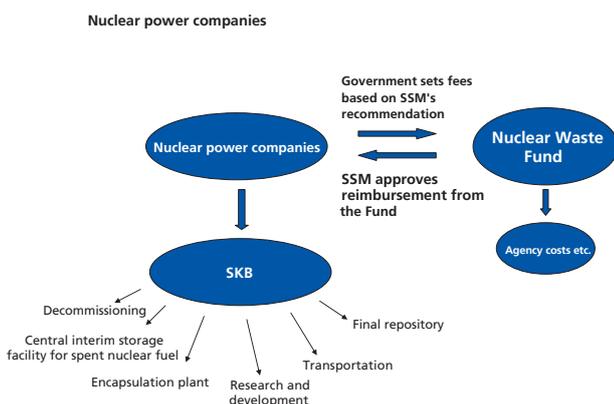
For the first 14 years the fees were deposited in interest-bearing accounts at Riksbanken (the Swedish central bank). Since 1996 the funded assets have been held by the Nuclear Waste Fund, which is a government authority. The Nuclear Waste Fund has its own Board of Governors but no employees. Kammarkollegiet performs administrative and capital management services for the Board. The Government decides on the size of the fee, based on a recommendation by the Swedish Radiation Safety Authority (SSM). In certain cases, SSM determines the fees. SSM and, in certain cases, the Government approve disbursements from the Fund. The nuclear power companies have formed the jointly owned company Svensk Kärnbränslehantering AB (Swedish Nuclear Fuel and Waste Management Co), SKB, to manage and dispose of the radioactive waste.

The main features of the financing system are illustrated in the following figures.



Each nuclear power company and other fee-liable licensee is fully responsible for all its costs, even if the fees accumulated in the Fund should not be sufficient. The party responsible for paying the nuclear waste fee must therefore provide a guarantee to the state for the costs the fee is intended to cover, but which are not covered by the paid-in and accumulated fees.

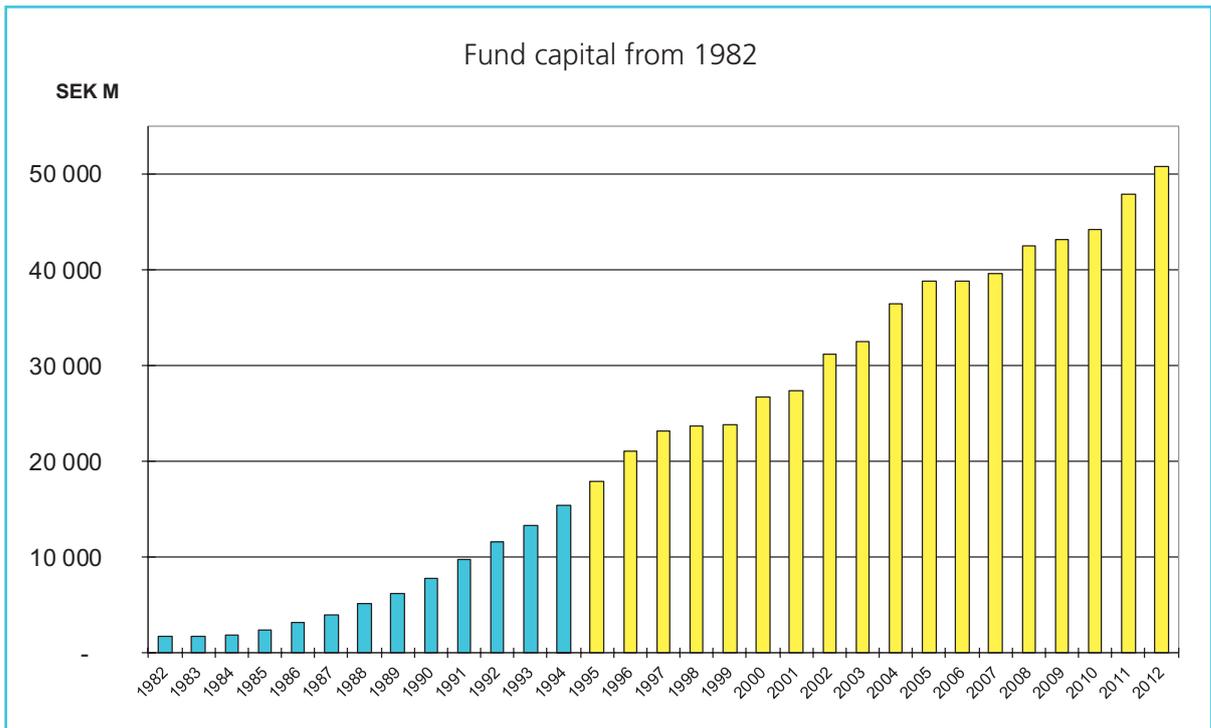
The principle for the financing of the disposal of nuclear waste is that the nuclear power industry should be liable for the costs. If it turns out that a reactor owner cannot pay, and fund assets and securities are insufficient, the state – and thereby the taxpayers – will in the end have to contribute the funds. As of 1 January 2008, the state is entitled to charge the nuclear power companies a risk fee for this risk. So far the Government has not decided on such a risk fee.



Growth of the Fund

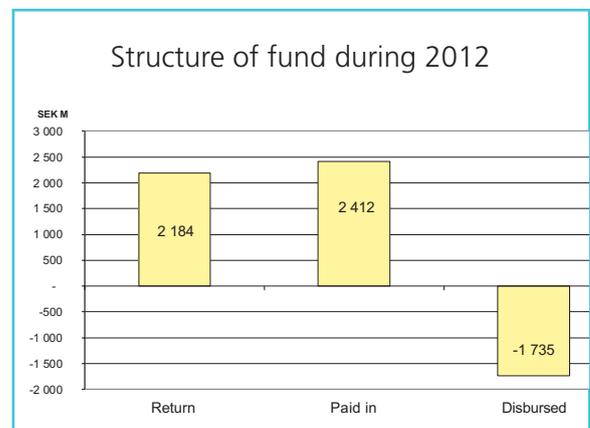
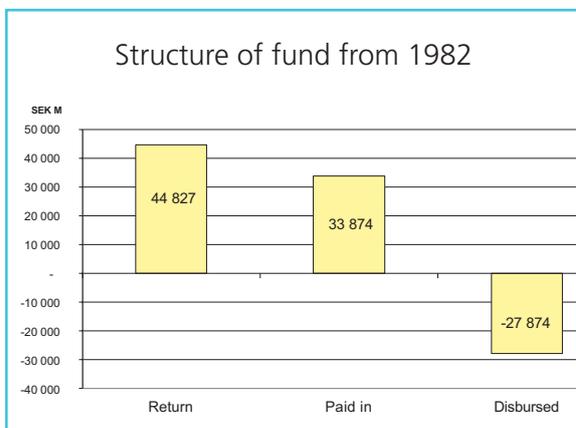
Amount of capital

The Nuclear Waste Fund was started in 1982. The size of the Fund at the end of each year since then is shown in the following bar graph.



The following figure shows how the current fund capital has been built up by accumulated payments, disbursements and return since the start.

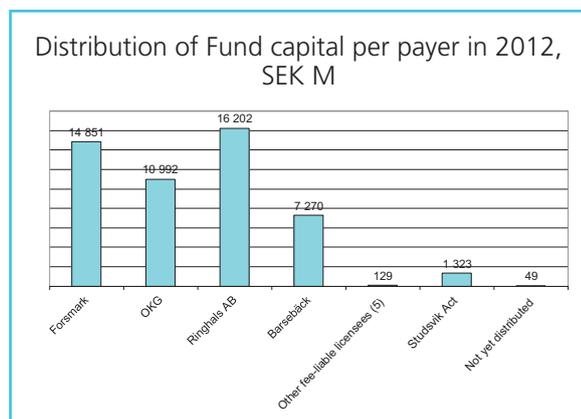
During 2012, the value of the Fund increased by SEK 2,851 million. The following figure shows how the increase has been built up by payments, disbursements (including the Fund's operating expenses) and return during the year.



Distribution of Fund capital per payer

The paid-in fees are earmarked for each payer and may only be used to cover the costs attributable to that particular payer. Joint costs are allocated among the fee-liable licensees. If the paid-in fees for a reactor owner or other fee-liable licensee should not suffice to cover the payer’s costs, fees paid in by another reactor owner may not be used to make up the difference. If Fund assets are left over for a fee-liable licensee after all costs relating to that fee-liable licensee have been paid, these surplus fees must be paid back to the payer. This repayment obligation does not apply to Studsvik fees, however. Any surplus Studsvik fees in the Fund go to the state.

Since 2010, five other fee-liable licensees pay fees to the Fund. The five other fee-liable licensees are Chalmers Tekniska Högskola AB, Westinghouse Electric AB, Vattenfall AB Ågesta, Ranstad Mineral AB and Studsvik Nuclear AB. The distribution of the fund capital by payer at 31 December 2012 is shown in the following chart.



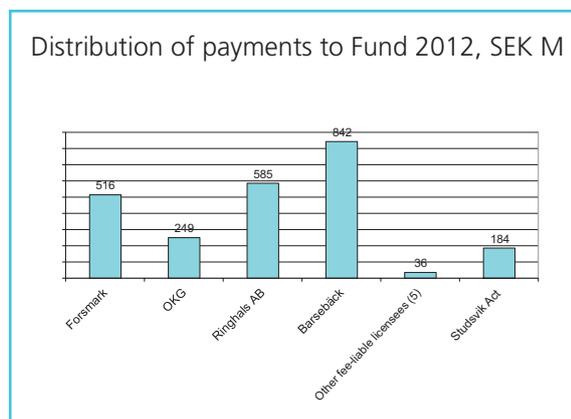
The method for keeping track of each payer’s share of the Nuclear Waste Fund is described in greater detail in the Income Statement.

Payments to the Fund in 2012

According to law, the holder of a licence to own or operate a nuclear facility that gives or has given rise to residual products shall pay a nuclear waste fee. Prior to 1 January 2008, this fee liability applied to the holder of a licence to own or operate a nuclear power reactor and was limited to the time the reactor is in operation. Up until 2017, the nuclear power-producing companies must also pay a special fee to finance the decommissioning of the research reactors in Studsvik and certain other costs for the early Swedish nuclear power programme.

These fees are calculated in relation to the energy that is delivered and set at a certain number of öre (1 öre = SEK 0.01) per kWh delivered. The fee is differentiated for each fee payer and is calculated so that the total fees for each payer cover that particular payer’s total costs. After 1 January 2008, the fee can also be set at a given amount in kronor, to be paid for example by a fee-liable licensee who no longer delivers nuclear energy or is a so-called other fee-liable licensee. The sizes of the fees are shown in the presentation of results in the formal annual report.

The fee payments in 2012 amounted to SEK 2,412 million. They are distributed as shown by the following chart.



Disbursements from the Fund 2012

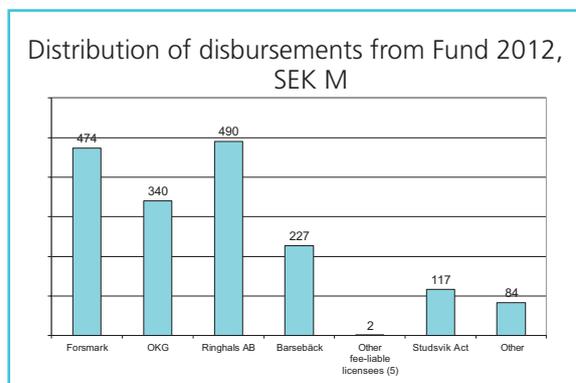
The nuclear waste fee is used to cover

- the licensees’ costs for safe management and disposal of waste products,
- the licensees’ costs for safe decommissioning and dismantling of nuclear facilities,
- the licensees’ and the state’s costs for the research and development needed for safe management and final disposal of residual products as well as decommissioning and dismantling of facilities,
- the state’s costs for management of the fund assets and examination of questions concerning fees, disbursement of funds etc.,
- the state’s costs for supervision of the decommissioning and dismantling of nuclear facilities,
- the state’s costs for examination of questions concerning final disposal and monitoring and control of the final repository,
- the licensees’, the state’s and the municipalities’ costs for information to the public in matters relating to management and disposal of spent nuclear fuel and nuclear waste, and
- costs for support to non-profit organizations for efforts in connection with questions concerning siting of facilities for management and disposal of spent nuclear fuel.

The special Studsvik fee will be used to cover the costs of the early Swedish nuclear power programme.

Disbursements in 2012 amounted to SEK 1,735 million.

They are distributed as shown by the following chart.



Capital management

Goal

According to the Government's regulations, the Fund must be managed to ensure a good return and satisfactory liquidity.

In its investment policy, the Board of Governors has formulated its return goal in the following manner:

“The goal is – taking into account the restrictions imposed by the Government on the investment activities – to achieve the highest possible real return on the managed capital.”

Investment rules

According to the Government's regulations, the Nuclear Waste Fund's investment options were restricted at the start in 1996 to deposits in an account at the National Debt Office. The deposits could, however, be made on conditions that reflected the terms for index-linked and fixed-income treasury bonds.

In 2002 the investment rules were changed so that the option of deposits with the National Debt Office on terms similar to those for treasury bonds was abolished and replaced with investments on the market for treasury bonds.

In the spring of 2009, the investment rules were changed to permit investments in covered bonds as well. Covered bonds are mortgage-backed bonds issued by housing finance institutions that are secured by a specially identified pool of assets consisting as a rule of mortgages which the institution has accepted as collateral for its own lending.

This means that the Fund has the following investment options.

- Sight deposits in accounts at the National Debt Office, with nominal return based on the repo rate.
- Short-term deposits at a fixed interest rate at the National Debt Office with an investment period that can vary between one month and one year.
- Investments on the market in treasury bills, fixed-income bonds or index-linked bonds issued by the National Debt Office.
- Investments on the market in debt instruments issued in accordance with the Covered Bonds Issuance Act (2003:1223).

Each year the Board adopts an investment policy for the Nuclear Waste Fund. The purpose of the policy is to provide rules for the investment of the Fund's assets. The policy sets the goal for rate of return while defining the division of responsibilities between the Fund's Board of Governors and Kammarkollegiet. The policy stipulates how different risks are controlled and limited and how the results of fund management are reported. The current investment strategy is posted at www.karnavfallsfonden.se

Investments and return

As shown by the table on p. 4, the real rate of return since the introduction of the current management rules in 1996 has amounted to an average of 5.3 percent per annum.

The nominal rate of return has exceeded the comparison index by an average of 0.9 percentage point per annum during the entire period since 1996.

Under the current investment rules, the Nuclear Waste Fund's options for optimizing the rate of return are limited to the following parameters:

- Choice of duration in the investments.
- Choice between fixed-income and index-linked investments.
- Choice between treasury bonds and covered bonds (since 15 May 2009).
- Choice of individual securities within each category and timing of purchases and sales.

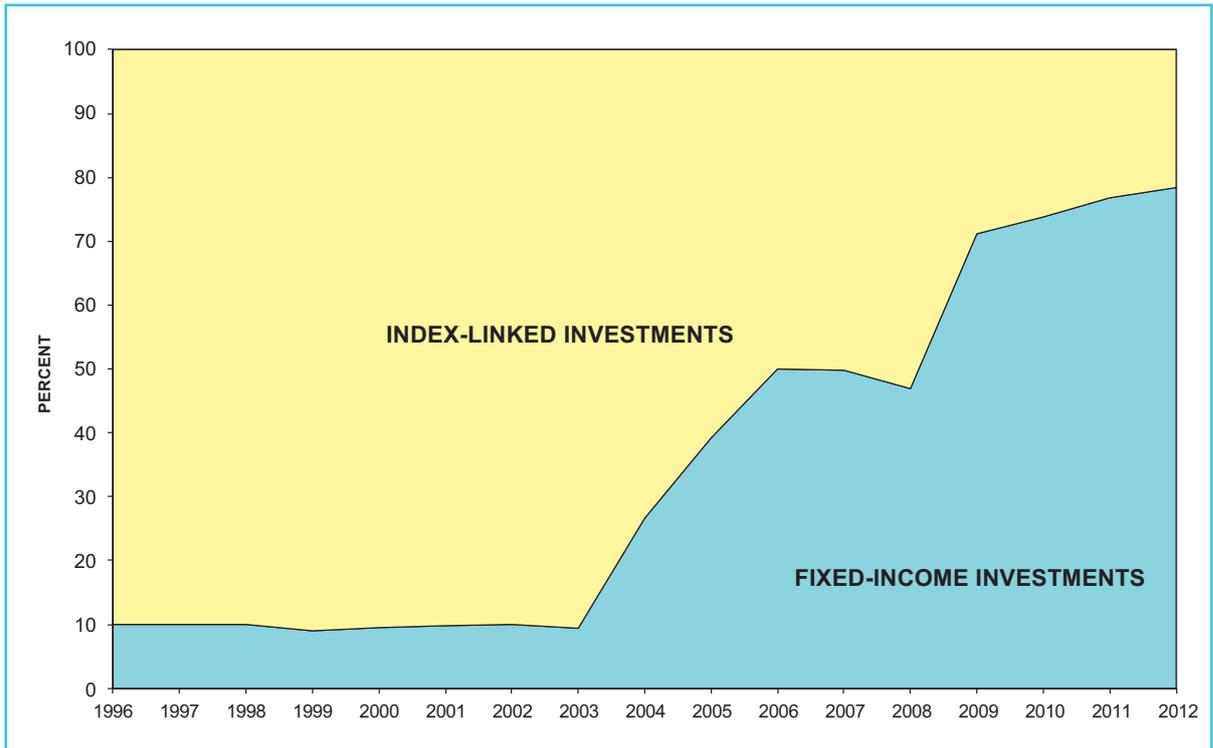
When the current management model was introduced in 1996, Sweden had experienced long periods with high inflation. There was therefore concern that the value of the Fund would be undermined by inflation. Unlike most other capital investors with similar management assignments, the Fund's Board of Governors therefore decided to invest nearly all the Fund's capital in index-linked bonds with long maturity. The Fund was then able to take advantage of the high real interest rates on the treasury bond market for long-term investments. Up until 2004, the proportion of index-linked investments was around

90 percent. Since then this percentage has steadily declined. At the end of 2012 the proportion of index-linked investments was 22 percent.

The reason for the decline in the proportion of index-linked investments is that conditions have changed. Riksbanken's inflation target, which was introduced in 1993, contributed to a sharp decline in the inflation rate, which meant that index-linked bonds were no longer as attractive since they compensate for

inflation. At the same time, the real market rates fell after 2000, which meant that the market value of the investments increased sharply. All these factors led to a decision by the Fund Board to partially realize the value increase and reduce the proportion of index-linked investments.

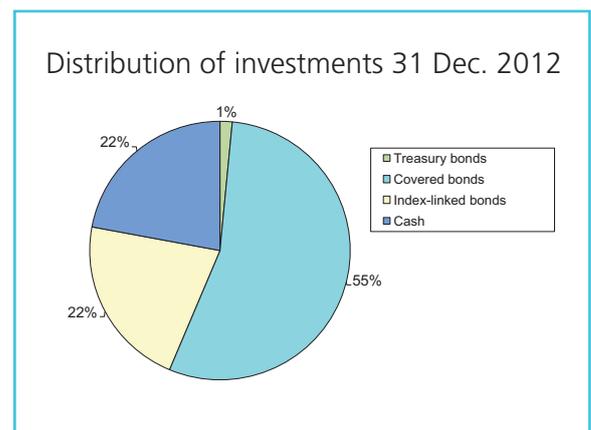
The proportions (%) of fixed-income and index-linked investments are shown in the following graph.



When the restriction to treasury bonds was abolished and the option of investing in covered bonds was opened in 2009, there was a large shift from fixed-income treasury bonds to covered bonds. The reason was that covered bonds yield a higher return at only a slightly higher risk compared with fixed-income treasury bonds.

The pie chart shows the distribution of the investments at the end of 2012. The proportion of covered bonds amounts to about 55 percent of the portfolio. The chart shows that the Fund had very high liquidity (cash) in the form of deposits with the National Debt Office at the repo rate.

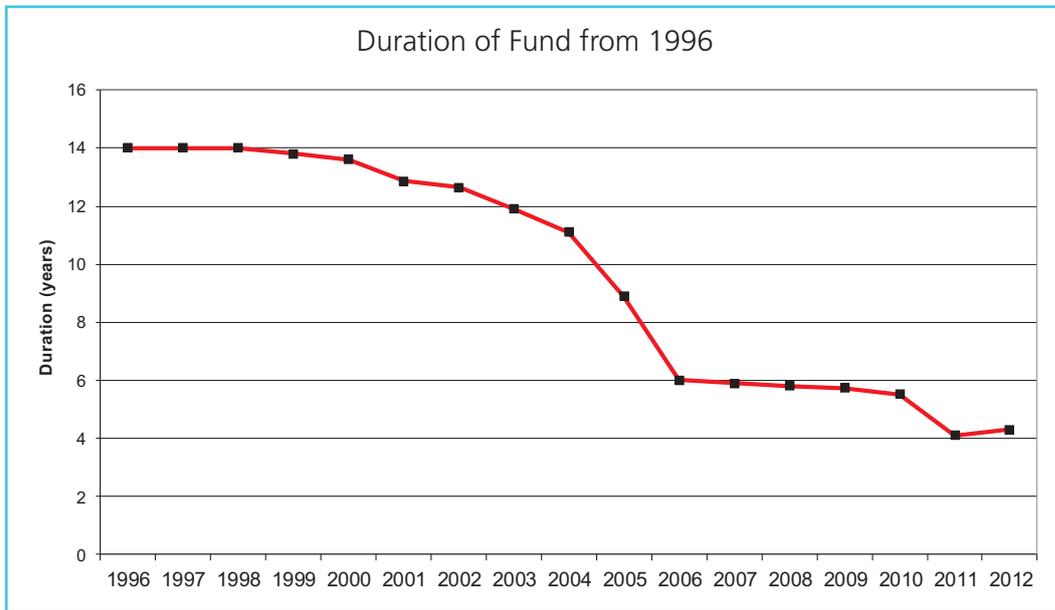
Duration is a measure of the interest rate risk in the portfolio. By interest rate risk is meant the change in value of an interest-bearing security that occurs



when the market interest rate rises or falls. A longer duration leads to a greater change in value at a given change in market rates.

In connection with the Fund's decision to increase the proportion of fixed-income investments, the duration was reduced. The duration reduction was car-

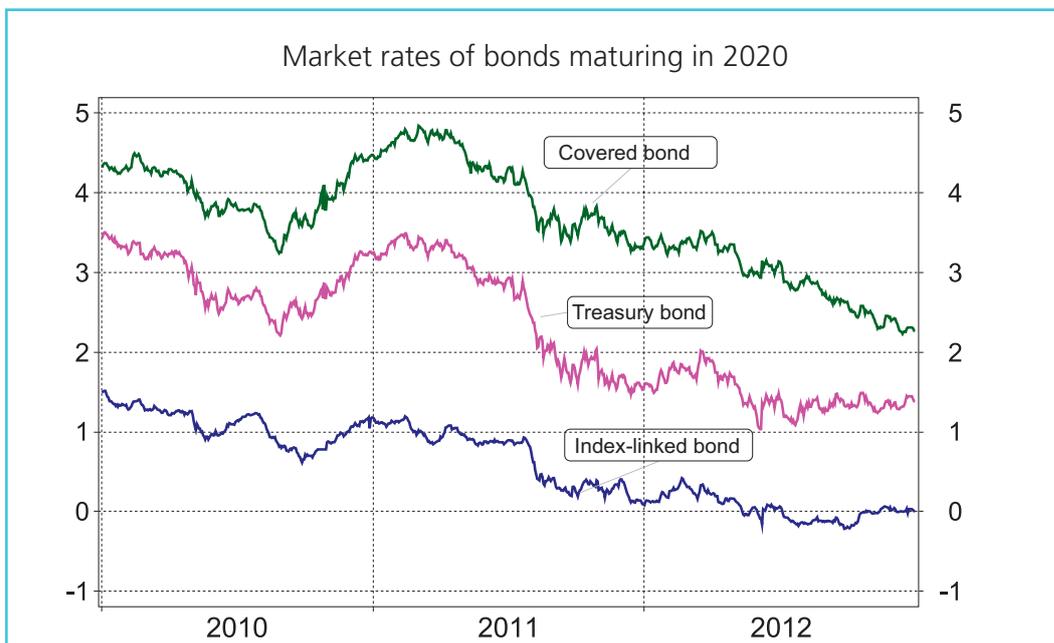
ried out during a period with falling interest rates, which contributed negatively to the development of the Fund. This reduction in duration continued at the end of 2011 due to an increase in the proportion of cash investments. The proportion of cash investments has remained at the same level during 2012.



Market trend

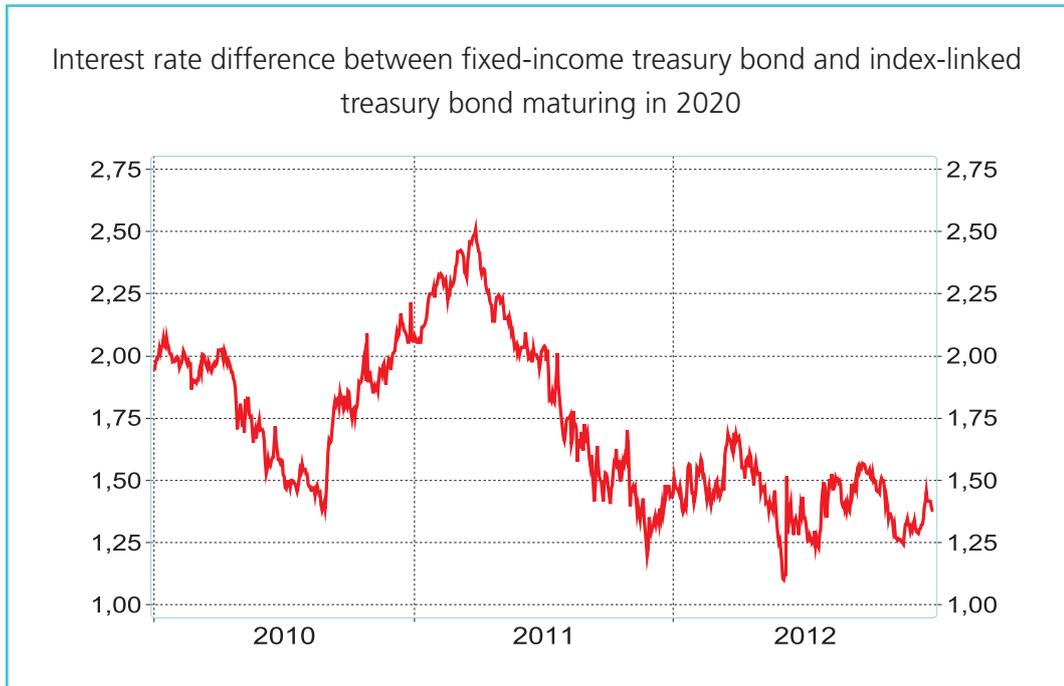
The Nuclear Waste Fund's investments and return should be viewed against the background of the market trend. The graph below shows the change in interest rates over the past three years for a long-term index-linked bond maturing in 2020 and for fixed-income bonds with an equivalent maturity. As is evident from the graph, the covered bond yields a bet-

ter return than the treasury bond. The return on the index-linked bond is dependent on how high the rate of inflation is. In the case of an index-linked bond, compensation is obtained for inflation (measured as the change in the consumer price index) in excess of the interest rate indicated by the lower curve.



The difference in interest rate level between the index-linked and the fixed-income bond is shown in the graph below. An inflation rate of over 1.4 percent is

necessary in order for it to be more profitable to buy an index-linked bond than a fixed-income treasury bond.



The Nuclear Waste Fund's Board of Governors and administration

Susanne Lindh
Chairman,
BSc. (Economics and Business), Urban Planning Director at the City of Stockholm

Daniel Barr
Vice Chairman
Licentiate in economics, Head of Bank Support Department at the National Debt Office

Urban Hansson Brusewitz
Ph.D., Director of Budget Division at the Ministry of Finance

KÄRNVALLSFONDEN

Göran Finnveden
Professor,
KTH

Charlotta Grette
Head of Group Control,
Vattenfall AB

Lena Johansson
Director-General of the National Board of Trade

Christer Malmgren
CFO of E.ON Sverige AB

The Board of Governors of the Nuclear Waste Fund is appointed by the Government.

	Appointed until
Susanne Lindh, Chairman	2014
Daniel Barr, Vice Chairman	2014
Urban Hansson-Brusewitz	2013
Göran Finnveden	2013
Charlotta Grette	2013
Lena Johansson	2013
Christer Malmgren	2014

The Nuclear Waste Fund has no employed staff. Kammarkollegiet performs administrative services for the Fund under a contract between the Fund and Kammarkollegiet, including capital management.

2012 Annual Report for the Nuclear Waste Fund

Presentation of results

Regulatory framework

The activities of the Nuclear Waste Fund are governed by the provisions of:

- the Act (2006:647) on Financial Measures for the Management of Residual Products from Nuclear Activities (the Financing Act) and the Act (1988:1597) on the Financing of the Management of Certain Radioactive Waste etc. (the Studsvik Act),
- the Ordinance (2008:715) on Financial Measures for the Management of Waste Products from Nuclear Activities (the Financing Ordinance) and the Ordinance (1988:1598) on the Financing of the Management of Certain Radioactive Waste etc. (the Studsvik Ordinance), and
- the Ordinance (2007:1055) with Terms of Reference for the Nuclear Waste Fund.

Tasks

According to the above acts and ordinances, the main task of the Nuclear Waste Fund is to

- manage Fund assets
- receive fee payments
- arrange disbursements on request from the Swedish Radiation Safety Authority (SSM)
- keep SSM informed of the size of the funds that have been set aside for the costs of each reactor owner and every other licensee.

According to the Ordinance with Terms of Reference for the Nuclear Waste Fund, Kammarkollegiet performs administrative services for the Fund under a contract between the Fund and the Agency. Under this contract, the Agency is responsible for the following tasks:

- case management and implementation of decisions,

- secretarial services,
- payments and disbursements, plus accounting,
- preparation of proposed annual accounts,
- registration and filing of documents, and
- office services and provision of premises.

Under the contract, Kammarkollegiet is also responsible for capital management within the framework determined by the Board of Governors.

The Fund has no employed staff.

Performances and costs

The Nuclear Waste Fund's most important performance is the return that is earned on the Fund's capital. This result is presented in the section headed "Return" below.

The Government has approved a budget for the Nuclear Waste Fund's administration.

The following table shows the Government-approved budget and the outcome for the past three years.

Table 1: Fund management costs

(SEK thousand)	2012	2011	2010
Government-approved budget	10,000	10,345	10,400
Outcome	9,861	9,654	9,698
- of which remuneration to Kammarkollegiet	9,140	9,045	9,000

Total fund management costs amounted to 0.019 percent of the market value of the managed capital at the end of 2012, consisting of 0.012 percentage points for asset management and 0.007 percentage points for administration. These costs can be regarded as very low, both for asset management and for administration.

Capital management

Goal

The Financing Ordinance (Section 19) states that the assets in the Nuclear Waste Fund shall be managed to ensure a good return and satisfactory liquidity. No more specific goals have been set by the state.

In its investment policy, the Board of the Nuclear Waste Fund has formulated its long-term goal for real return in the following manner:

“The goal is – taking into account the restrictions imposed by the Government on the investment activities – to achieve the highest possible real return on the managed capital.

“By “real return” is meant the nominal return less inflation, measured as the percentage change of the consumer price index during the measurement period.”

Investment restrictions

The Financing Ordinance (Section 19) also states that the Nuclear Waste Fund’s assets shall be deposited in an interest-bearing account at the National Debt Office, in treasury bills issued by the state or in covered bonds.

This means that investments are restricted to the following options:

- Sight deposits in accounts at the National Debt Office, with nominal return based on the repo rate.
- Short-term deposits at a fixed interest rate at the National Debt Office with an investment period that can vary between one month and one year.
- Investments on the market in treasury bills, fixed-income bonds or index-linked bonds issued by the National Debt Office.
- Investments on the market in debt instruments issued in accordance with the Covered Bonds Issuance Act (2003:1223) (since 15 may 2009).

Covered bonds are mortgage-backed bonds issued by housing finance institutions that are secured by a specially identified pool of assets consisting as a rule of mortgages which the institution has taken in as collateral for its own lending.

The Studsvik Act (Section 3) states that the fees under that Act shall be transferred to the Nuclear Waste Fund and that the rules in the Financing Act shall be applied to their management.

Investment policy

The Board of Governors has established an investment policy for the Nuclear Waste Fund. The investment policy must be reviewed at least once a year.

The purpose of the policy is to provide rules for the investment of the Fund’s assets. The policy sets the goal for rate of return while defining the division of responsibilities between the Fund’s Board of Governors and Kammarkollegiet. The policy stipulates how different risks are controlled and limited and how the results of fund management are to be reported.

No changes have been made in the investment policy during 2012.

Active management

The Nuclear Waste Fund’s assets are managed actively. This means that the investments deviate from the benchmark index for the securities in which investment is permitted for the purpose of achieving a higher return than that achieved by passive management (index management). Passive management entails that the investments follow the benchmark of all permitted investments (index) as closely as possible.

The basis for active management in 2012 was the standard portfolio. Active management was exercised via Kammarkollegiet’s choices of securities and maturities within the limitations set by the Board of Governors in the investment policy, via choices of when to buy and sell securities, as well as via repurchase transactions (repos).

Repurchase transactions (repos)

According to the investment strategy, the Nuclear Waste Fund may participate in the market for repurchase transactions (repos) for treasury bills and bonds (including index-linked bonds). A repo entails that the Fund sells treasury bills or bonds to a counterparty under an agreement to repurchase equivalent treasury bills or bonds at a later date at a certain agreed-upon price. Similarly, in the case of a reverse repo, the Fund purchases securities under an agreement on future resale at an agreed-upon price.

The purpose of repos is to achieve a higher return. According to the investment strategy, it is permitted to sell one or more securities under a repurchase agreement and deposit the proceeds in a sight deposit

account in the National Debt Office or invest them on the repo market, provided that the reverse repo relates to a security that is permitted for investments.

Repo trading made a positive contribution to the Fund's return in 2012 as well.

Return

The nominal and real returns achieved during the past five years are shown in the following table.

Table 2: Nominal and real return, inflation (%)

Year	Nominal return ⁱ⁾	Inflation ⁱⁱ⁾	Real return
2008	8.9	0.9	8.0
2009	2.5	0.9	1.6
2010	3.0	2.3	0.7
2011	9.4	2.3	7.1
2012	4.6	-0.1	4.7
Average per yearⁱⁱⁱ⁾	5.6	1.2	4.4

The nominal returns achieved for the standard portfolio in relation to the comparison index during the past five years are shown in the following table.

Table 3: Nominal and active return, comparison index (%)

Year	Nominal return ⁱ⁾	Comparison index ^{iv)}	Active return ^{v)}
2008	8.9	6.0	2.9
2009	2.5	0.0	2.5
2010	3.0	3.0	0.0
2011	9.4	9.7	-0.3
2012	4.6	2.5	2.1
Average per yearⁱⁱⁱ⁾	5.6	4.2	1.4

ⁱ⁾ The nominal return consists of the sum of realized and unrealized value changes in the investments plus interest received (including inflation compensation on index-linked investments).

ⁱⁱ⁾ The percentage change in the consumer price index reported by SCB for the past 12 months is used as a measure of the rate of inflation.

ⁱⁱⁱ⁾ Calculated as the geometric mean of the annual values.

^{iv)} 100% OMRX REAL up until 2008.
30% OMRX REAL and 70% OMRX TBOND from 1/1 2009 until 31/5 2009.
30% OMRX REAL, 50% OMRX TBOND and 20% OMRX MORT from 1/6 2009 until 31/7 2009.
30% OMRX REAL, 35% OMRX TBOND and 35% OMRX MORT from 1/8 2009 until 31/12 2010.
30% OMRX REAL and 70% OMRX BOND from 1/1 2011.

^{v)} Return above comparison index.

As is evident from Table 2, the nominal return in 2012 amounted to 4.6 percent. Inflation was -0.1 percent. The real return was thereby 4.7 percent. As an annual average, the real return over the past five-year period amounted to 4.4 percent.

As is evident from Table 3, the active return in 2012 amounted to 2.1 percent and during the past five-year period to an average of 1.4 percent per annum.

The goal set by the Board for active return is 0.25 percent per annum on average during rolling five-year periods. This goal has thereby been met with ample margin during the past five-year period.

Liquidity planning

The Financing Ordinance (Section 19) states that the Nuclear Waste Fund shall be managed to ensure satisfactory liquidity.

Due to the restrictions that apply to the investment activities, the overall liquidity risk in the investments is very low. Treasury bills and fixed-income treasury bonds normally have very good liquidity on the fixed-income market. Covered bonds have lower liquidity, but under normal market conditions their liquidity is nearly as good as that of fixed-income treasury bonds. The market for index-linked bonds is less liquid, however, and it therefore takes longer to cash them in.

Liquidity planning is done so that the Fund's cash on hand is always sufficient to meet planned disbursements.

In this context it can be mentioned that the Fund had very high liquidity at year-end in the form of deposits with the National Debt Office at the repo rate. This was not a consequence of liquidity planning, however, but a part of the active management strategy. The judgement was that deposits at the repo rate were preferable in the short term to fixed-income treasury bonds given the prevailing interest rate situation and expectations of rising bond rates.

Summary assessment

The nominal return during 2012 was 2.1 percentage points higher than the comparison index. For the past five-year period, the comparison index was exceeded by an average of 1.4 percentage points per annum. The goal established by the Board of exceeding the comparison index over a five-year period by 0.25 percentage point on average has thereby been achieved with ample margin.

All in all, the Board judges that the management result for the five-year period is very good, particularly considering the investment restrictions imposed on the Fund.

As mentioned previously, the goal is – taking into account the restrictions imposed by the Government on the investment activities – to achieve the highest possible real return on the managed capital. The real return (i.e. the nominal return less inflation) was 4.4 percent per annum on average during the past five-year period. The inflation rate during the same five-year period amounted to 1.2 percent per annum on average.

Based on the market rates that prevailed when the current management rules entered into effect in 1996, the Board specified a long-range goal for the period 1996 – 2020 of at least 4 percent average annual real return. Due to substantially lower market rates, it was judged unrealistic to achieve this goal, which was therefore abandoned by the Board in 2007.

Due to a favourable trend on the bond market and successful asset management, the real return during the period 1996 – 2012 averaged 5.3 percent per annum. In order to achieve the original goal, a real return of at least 1.3 percent per annum on average is required during the remaining time up until 2020. The chances of achieving the original goal should be viewed in the light of the fact that the market rate on an index-linked bond maturing in 2020 was -0.01 percent at the most recent year-end.

Payments to the Fund

According to its terms of reference, the Fund shall receive the fees that are paid under the Financing Act and the Studsvik Act. The fees for reactor owners are calculated in relation to the energy that is delivered and are determined annually by the Government based on a recommendation by SSM.¹ The recommended fee is based on Svensk Kärnbränslehantering AB's and SSM's own cost calculations. Payments have increased compared to last year due to raised fees and increased production. A fixed amount in kronor (SEK 842 million per year for 2012 – 2014) is set for the nuclear power plant in Barsebäck, which is no longer in operation. SSM has also determined a fixed fee

for five other fee-liable licensees, as shown in Table 6 below. The variable fees were as follows (öre/kWh):

Table 4: Fees

(öre/kWh)	2012	2011	2010
Forsmarks Kraftgrupp AB	2.1	1.0	1.0
OKG AB (Oskarshamn)	2.0	0.9	0.9
Ringhals AB	2.4	1.1	1.1
Studsvik Act	0.3	0.3	0.3

The following table shows how much energy was delivered.

Table 5: Electricity delivered

TWh (=1 000 000 000 kWh)	2012	2011	2010
Forsmarks Kraftgrupp AB	24.6	23.6	19.6
OKG AB (Oskarshamn)	12.4	15.5	12.1
Ringhals AB	24.4	18.9	23.9
Total	61.4	58.0	55.6

The Fund has received the following amounts.

Table 6: Fees paid in

(SEK thousand)	2012	2011	2010
Acc. to Financing Act	2,227,842	866,589	865,817
Forsmarks Kraftgrupp AB	516,173	235,945	196,006
OKG AB (Oskarshamn)	248,763	139,868	108,540
Ringhals AB	585,045	207,915	263,653
Barsebäck Kraft AB	842,000	247,000	247,000
Chalmers TH AB	14	14	15
Westinghouse Electric AB	3,490	3,490	4,281
Vattenfall AB, Ågesta	31,281	31,281	44,172
Ranstad Mineral AB	183	183	1,045
Studsvik Nuclear AB	893	893	1,105
Acc. to Studsvik Act	184,184	174,110	166,889
Total	2,412,026	1,040,699	1,032,706

Disbursements from the Fund

The Nuclear Waste Fund disburses money from the Fund. But it is SSM that examines and decides² how and to what extent Fund assets may be used to pay the costs reactor owners and other fee-liable licensees are expected to incur during a given future time period.

SSM also examines to what extent Fund assets may

² Under the Ordinance (2008:715) on Financial Measures for the Management of Waste Products from Nuclear Activities.

¹ Government decision 22/12 2011, M2011/3227/Ke

be used to reimburse a municipality for information costs under the Financing Act. Such reimbursement may not exceed SEK 10 million per municipality and 12-month period for municipalities where a facility for final disposal of spent nuclear fuel is planned or being built.

SSM also examines questions regarding to what extent Fund assets may be used for support to non-profit organizations under the Financing Act. Such support may be provided in an amount not in excess of SEK 2.5 million per organization and calendar year and in a total amount not in excess of SEK 3.5 million per calendar year.

The Government decides on disbursement of money from the Fund to state authorities to cover certain costs for research and development, supervision, case management, asset management etc. as stipulated in the Financing Act.

Disbursements have been made from the Fund in the following amounts.

Table 7: Disbursements

(SEK thousand)	2012	2011	2010
Forsmarks Kraftgrupp AB	474,370	361,818	349,550
OKG AB (Oskarshamn)	339,710	247,635	238,796
Ringhals AB	490,479	372,606	363,272
Barsebäck Kraft AB	227,219	181,311	170,999
Vattenfall AB, Ågesta	1,886	0	0
Acc. to Studsvik Act	117,254	158,072	131,467
State authorities	70,655	57,779	35,016
Municipalities	10,230	9,500	9,520
Non-profit organizations	3,437	2,999	3,000
Total	1,735,241	1,391,721	1,301,621

More detailed information on disbursements is provided in Note 6 to the Income Statement.

Change in the Fund

The fair value (market value) of the Nuclear Waste Fund increased in 2012 by SEK 2,850,904 thousand to SEK 50,816,552 thousand.

The change consisted of the following components.

Table 8: Change in the Fund

(SEK thousand)	2012	2011	2010
Fees paid in	2,412,026	1,040,699	1,032,706
Financial income	1,820,925	2,869,487	2,292,448
Financial expenses	-218	-25,585	-193,722
Change in unrealized gains	363,272	1,246,610	-790,539
Disbursement of reimbursements/subsidies	-1,735,241	-1,391,721	-1,301,621
Operating expenses	-9,861	-9,654	-9,698
Total	2,850,904	3,729,836	1,029,575

Distribution among fee-liable licensees

According to the Fund's terms of reference, the annual accounts shall be prepared in such a manner that they shows how large a proportion of the Fund's assets accrues to each reactor owner and every other fee-liable licensee.

The Fund has decided to use the same method as that employed for investment funds to keep track of each reactor owner's and other fee-liable licensee's share in the Fund. In brief, this method entails the following:

- A nominal share value was calculated at the start and each fee-liable licensee was allotted the number of shares that corresponded to the fee-liable licensee's balance at the time the new management rules were adopted.
- The market value (balance) of the Fund is determined daily. The market value of the Fund's assets is divided by the number of outstanding shares to obtain the current share value.
- Fee payments and disbursements relating to a fee-liable licensee are made in the form of "purchases/redemptions" of shares at the current share value. When a fee payment is made, the fee-liable licensee's number of shares increases, and when a disbursement is made it decreases.
- The market value of each fee-liable licensee's stake in the Fund is calculated by multiplying the current number of shares held by the reactor owner by the current share value. The distribution of the Fund among the fee-liable licensees is calculated by dividing the number of shares held by a given reactor owner by the total number of outstanding shares.
- The rate of return for a given period is calculated by measuring the change in the share value during the period.

The distribution of the fair value (market value) of the Fund among the fee-liable licensees at the end of each year was as follows.

Table 9: Fair value of Fund per fee-liable licensee (incl. accrued fees)

(SEK thousand)	2012	2011	2010
Acc. to Financing Act	49,443,927	46,738,760	43,131,165
Forsmarks			
Kraftgrupp AB	14,850,987	14,196,107	13,131,956
OKG AB (Oskarshamn)	10,991,960	10,626,491	9,842,546
Ringhals AB	16,201,937	15,440,218	14,306,531
Barsebäck Kraft AB	7,270,445	6,385,220	5,799,514
Chalmers TH AB	46	30	15
Westinghouse Electric AB	12,027	8,178	4,281
Vattenfall AB, Ågesta	111,868	79,085	44,172
Ranstad Mineral AB	1,569	1,328	1,045
Studsvik Nuclear AB	3,087	2,103	1,105
Acc. to Studsvik Act	1,323,363	1,201,664	1,071,961
Undistributed	49,262	25,224	32,687
Total	50,816,552	47,965,648	44,235,813

The undistributed amount consists mainly of certain accrued revenue and costs for the fourth quarter of each year and the balance in the Fund's interest-bearing account for payments and disbursements.

Basis for calculating the fee

According to the Financing Ordinance (Section 46), the Fund shall furnish information annually to SSM concerning what fees have been received for the latest calendar year, the Fund balance and the expected return on the Fund assets. The Fund has provided this information to SSM.

Guarantees

According to the Financing Act and the Financing Ordinance, the holder of a licence to own or operate a nuclear facility that gives or has given rise to residual products shall also provide guarantees. The reactor owner shall provide acceptable guarantees to the Nuclear Waste Fund corresponding to the financing and supplementary amounts determined by the Government. Other fee-liable licensees shall provide equivalent guarantees for the financing amount determined by SSM.

The financing and supplementary amounts determined by the Government for the reactor owners for 2012 – 2014 are presented below.

The financing amount is intended to compensate for the current deficit in the Nuclear Waste Fund, assuming that no further nuclear waste fees are paid in. This deficit is calculated as the difference between the expected basic and extra costs and the funds that have been set aside for these costs at the time of the calculation.

The supplementary amount constitutes a guarantee for deficits that can arise as a result of unplanned events. The supplementary amount thereby takes into account possible additional basic costs, allowing for a suitable uncertainty interval around the expected outcome for the costs.

The Government determines the size of the guarantees annually on the basis of a recommendation by SSM. The Government further decides which types of guarantees are acceptable, based on a pronouncement by the National Debt Office Type.

The Government has decided on the following guarantee amounts for the reactor owners for 2012 – 2014³.

Table 10: Guarantee amount per reactor owner

(SEK thousand)	Financing amount	Supplementary amount
Forsmarks Kraftgrupp AB	4,015,000	3,020,000
OKG AB	2,675,000	2,251,000
Ringhals AB	4,171,000	3,211,000
Total	10,861,000	8,482,000

SSM has decided that the following guarantee amounts shall apply during 2012 for Barsebäck Kraft and for other fee-liable licensees⁴.

Table 11: Financing amount per licensee

(SEK thousand)	Financing amount
Barsebäck Kraft AB	3,408,000
Ranstad Mineral AB	342
Chalmers University of Technology	534
Vattenfall AB	58,667
Studsvik Nuclear AB	15,853
Westinghouse Electric Sweden AB	53,752
Total	3,537,148

According to the Financing Ordinance, the guarantees shall be managed by the National Debt Office. According to the National Debt Office, the guarantees determined according to Table 10, and for Barsebäck Kraft AB in Table 11, have been provided in the cor-

³ Government decision I:14, 22/12 2011, M2011/3227/Ke

⁴ Decision by SSM on 24/01 2012 and 12/12 2011

rect amounts. As regards the other fee-liable licensees in Table 11, the National Debt Office has stated its opinion to the Government regarding the guarantees that have been proposed. However, the Government has not yet made a pronouncement on the acceptability of the proposed guarantees. For this reason, these other licensees have not yet pledged any guarantees.

Government commission

In October 2011, the Government commissioned SSM to conduct, in consultation with the National Debt Office, a review of the Financing Ordinance. The review shall cover questions relating to calculation of fees and the need for risk provisions. The results of the review should have been presented in December 2012.

In December 2011, the Government further commissioned SSM to conduct, in consultation with the National Debt Office, a review of the Financing Act, including relevant parts of the Financing Ordinance. The review shall cover questions relating to guarantees as well as a broadening of the Nuclear Waste Fund's investment rules, particularly with respect to

effects on the risk incurred by the state, fee levels and the need for guarantees. The results of the review should have been presented in May 2012.

The two Government commissions overlap to some extent, and the authorities decided, after contacts with the Ministry of the Environment, to regard them as a single review commission with two reporting deadlines. At the request of SSM, the Government decided that the reporting deadlines for both assignments should be changed to 31 May 2013. The reason for the extension of the review period was that the authorities realized during the course of the work that a fundamental principle in the decisions that are made about fund management, fees and guarantees should be a holistic view of the financing system. This warranted further analyses of the need for legislative amendments.

Since 2012, the Nuclear Waste Fund has participated actively in SSM's investigative work via its representation in the investigation project's steering group and working group

Income statement

(SEK thousand)	Note	2012	2011
Operating expenses			
Other running costs	1	-9,861	-9,654
Total		-9,861	-9,654
Result of operations		-9,861	-9,654
Transfers			
Other funds obtained for financing of subsidies	2	2,412,026	1,040,699
Financial income	3	1,820,925	2,869,487
Financial expenses	4	-218	-25,585
Provision to reserves for transfer purposes	5	-2,487,631	-2,483,227
Subsidies paid	6	-1,735,241	-1,391,721
Balance		9,861	9,654
Change in capital for the year		0	0

Balance sheet

(SEK thousand)	Note	31/12 2012	31/12 2011
ASSETS			
Long-term investments			
Other securities held as non-current assets	7	35,331,556	34,184,404
Total		35,331,556	34,184,404
Receivables			
Receivables from other government agencies		9	172
Total		9	172
Accruals and deferrals			
Other accrued revenue	8	1,892,838	1,017,281
Total		1,892,838	1,017,281
Cash and bank balances			
Balance in interest-bearing account at National Debt Office		53,278	28,579
Other balances at National Debt Office		10,910,737	10,469,823
Cash and bank balances		0	29
Total		10,964,014	10,498,431
Total assets		48,188,417	45,700,289
Capital and liabilities			
Reserves			
Nuclear Waste Fund	9	48,184,393	45,696,761
Total		48,184,393	45,696,761
Liabilities etc.			
Liabilities to other government agencies	10	1,506	381
Trade payables		48	9
Other liabilities		17	13
Total		1,571	403
Accruals and deferrals			
Accrued expenses	11	2,453	3,125
Total		2,453	3,125
Total capital and liabilities		48,188,417	45,700,289

Additional disclosures and notes

Amounts in thousands of kronor unless otherwise stated. Summation differences may occur due to rounding-off.

Additional disclosures

Accounting policies

The authority's accounts comply with generally accepted accounting principles and the annual accounts have been prepared in accordance with the Ordinance (2000:605) on Annual Accounts and Budgets as well as the Swedish National Financial Management Authority's guidelines (ESV 1998:7) on accounting for funds and provisions in government agencies.

Long-term investments are measured at amortized cost.

In the case of deposits in interest-bearing accounts, accrued interest is recognized as interest income in the Income Statement and as a cut-off item in the Balance Sheet.

In the case of fixed-income coupon investments, accrued interest is recognized as interest income in the Income Statement and as a cut-off item in the Balance Sheet.

Index-linked investments are accounted for annually as described below.

- In the case of index-linked zero coupon investments, accrued interest and accrued inflation compensation are recognized as interest income in the Income Statement and as revaluation of the carrying amount in the Balance Sheet.
- In the case of index-linked coupon investments, accrued interest including inflation compensation on the coupon rate is recognized as interest income in the Income Statement and as a cut-off item in the Balance Sheet. Accrued inflation compensation on invested capital is recognized as interest income in the Income Statement and as revaluation of the carrying amount in the Balance Sheet

Valuation principles

In view of the long time horizon in the investment strategy, all investments with a maturity longer than one year are recognized as non-current assets. Starting in 2009, they are measured at amortized cost. The securities held as non-current assets are regarded as a unit (portfolio) and measured collectively when tested for impairment pursuant to Chap. 5, Sec. 5 of the Ordinance on Annual Accounts and Budgets. The fair value (market value) is also given in Note 7. The fair value serves as a basis for the distribution among the fee-liable licensees shown in Note 9.

Remuneration to Board members and other Board assignments

(SEK thousand)	Remuneration	Remuneration
Susanne Lindh, Chairman	66	– ECO2 Centre for Vehicle Design
– Arlandabanan AB		Charlotte Grette
– Research Council on the Role of the Car in Society		– No other Board assignments
Daniel Barr, Vice Chairman	31	Lena Johansson
– Valot Sweden AB		– Swedish Institute for Quality's (SIQ) advisory board
Urban Hansson-Brusewitz	24	– Swedish Environmental Research Institute's (IVL) programme board for the Swedish Foundation for Strategic Environmental Research's programme "Environment and Trade in a World of Interdependence" (ENTWINED)
– Swedish National Financial Management Authority's Advisory Council		Christer Malmgren
Göran Finnveden	21	– No other Board assignments
– Environmental Advisory Council		
– Waste Management Committee		
Total fees		206

Notes

	2012	2011
Note 1		
Other operating expenses		
Director's fees etc.	-314	-254
Other operating expenses	-9,547	-9,399
Total operating expenses	-9,861	-9,654

Note 2		
Other funds obtained for financing of subsidies		
Fee acc. to Financing Act		
Forsmarks Kraftgrupp AB	516,173	235,945
OKG AB	248,763	139,868
Ringhals AB	585,045	207,915
Barsebäck Kraft AB	842,000	247,000
Chalmers University of Technology	14	14
Westinghouse Electric Sweden AB	3,490	3,490
Vattenfall AB, Ågesta	31,281	31,281
Ranstad Mineral AB	183	183
Studsvik Nuclear AB	893	893
Total acc. to Financing Act	2,227,842	866,589
Fee acc. to Studsvik Act	184,184	174,110
Total fee income	2,412,026	1,040,699

Fees are paid by the reactor owners in relation to the energy delivered. Fee per reactor owner and energy delivered is shown by Tables 4 and 5 in the presentation of results. Other fee-liable licensees pay a fixed fee determined by SSM.

Note 3		
Financial income		
<i>Interest income on investments etc.</i>		
Interest-bearing account for payments and disbursements	457	481
Sight deposit account	21,108	39,818
Fixed-income investments	928,618	1,155,618
Index-linked investments	131,931	422,080
Repo transactions	191,147	98,918
Total	1,273,261	1,716,915
Interest income on advance payments to reactor owners	936	0
Total interest income	1,274,197	1,716,915
Capital gains	546,728	1,152,572
Total financial income	1,820,925	2,869,487

	2012	2011
Note 4		
Financial expenses		
Interest expenses	-14	-13
National Debt office, account charges	-38	-39
SE-Banken, custody account charge	-142	-195
Total interest expenses	-194	-247
Capital losses	-24	-25,338
Total financial expenses	-218	-25,585
Note 5		
Provision to reserves for transfer purposes		
Other operating expenses	-9,861	-9,654
Other funds obtained for financing of subsidies	2,412,026	1,040,699
Financial income	1,820,925	2,907,635
Financial expenses	-218	-63,733
Subsidies paid	-1,735,241	-1,391,721
Total provision to reserves	2,487,631	2,483,227
Provision to Nuclear Waste Fund	-2,487,631	-2,483,227
Balance	0	0
Note 6		
Subsidies paid		
Reimbursement to reactor owners etc.		
Forsmarks Kraftgrupp AB	-474,370	-361,818
OKG AB	-339,710	-247,635
Ringhals AB	-490,479	-372,606
Barsebäck Kraft AB	-227,219	-181,311
Vattenfall AB	-1,886	0
Total acc. to Financing Act	-1,533,664	-1,163,370
Acc. to Studsvik Act	-117,254	-158,072
Total reimbursement to reactor owners etc.	-1,650,918	-1,321,441
Others subsidies paid		
<i>Support to NGOs</i>		
Swedish Environmental Movement's Nuclear Waste Secretariat	-924	-924
Swedish Renewable Energies Association	-150	-150
Swedish NGO Office for Nuclear Waste Review	-2,363	-1,925
Total	-3,437	-2,999
<i>Reimbursement to municipalities</i>		
Oskarshamn Municipality	-2,686	-2,666
Östhammar Municipality	-8,205	-4,274
Regional Council in Uppsala County	-1,125	-3,161
Regional Council in Kalmar County	-810	-800
Total	-12,826	-10,901

	2012	2011
<i>Reimbursement to other government agencies</i>		
Kalmar County Administrative Board	0	-700
Uppsala County Administrative Board	-960	-900
Uppsala University	-5,448	0
The Swedish Radiation Safety Authority	-59,170	-50,274
Swedish National Debt Office	-217	-1,240
Swedish National Council for Nuclear Waste	-5,093	-4,666
Total	-70,887	-57,779
<i>Reversal from municipalities</i>		
Regional Council in Uppsala County	799	961
Oskarshamn Municipality	885	0
Östhammar Municipality	726	0
Regional Council in Kalmar County	185	440
Total	2,595	1,401
<i>Repayments from other government agencies</i>		
Kalmar County Administrative Board	232	0
Total	232	0
Total other subsidies paid	-84,323	-70,279
Total subsidies paid	-1,735,241	-1,391,721

Note 7 Other securities held as non-current assets

Fixed-income investments	Coupon rate	Market rate	Nominal value	Amortized cost	Fair value ⁵
Treasury bonds					
SO1053	3.50	2.26	590,000	747,905	733,582
Total treasury bonds			590,000	747,905	733,582
Covered bonds					
CAIO1577	6.00	1.55	306,000	326,620	345,012
CAIO1578	6.00	1.68	2,833,000	3,041,024	3,269,792
CAIO1579	6.00	1.81	1,410,000	1,554,264	1,661,318
CAIO1580	3.00	1.94	180,000	188,136	189,412
CAIO1583	4.25	2.26	1,860,000	1,993,870	2,111,063
CAIO1586	4.50	2.49	666,000	697,028	780,306
LF Hypotek 507	4.50	1.91	310,000	329,838	344,081
LF Hypotek 508	4.00	1.61	470,000	471,356	504,710
LF Hypotek 511	2.50	2.09	150,000	151,503	153,119
NBO5520	3.25	1.44	2,200,000	2,182,530	2,295,436
NBO5521	3.25	2.26	3,015,000	2,954,079	3,218,422
NBO5527	4.50	1.62	230,000	240,718	252,016
NBO5528	3.00	1.80	710,000	735,495	746,338
SEB569	4.25	1.63	620,000	622,107	674,083

⁵ Market value excluding accrued interest

Fixed-income investments	Coupon rate	Market rate	Nominal value	Amortized cost	Fair value ⁶
SEB570	3.00	1.83	770,000	786,439	808,231
SEB571	3.00	2.01	60,000	62,662	63,039
SPIO180	5.70	2.28	4,090,000	4,541,843	5,027,469
SPIO182	3.75	1.40	500,000	502,056	525,325
SPIO183	3.75	1.49	980,000	985,818	1,038,134
SIPO184	3.75	1.63	780,000	796,676	835,076
SIPO185	3.75	1.77	1,155,000	1,164,198	1,246,915
SIPO186	3.75	1.93	440,000	471,318	477,646
Total covered bonds			23,735,000	24,799,579	26,566,940
Index-linked investments					
SO3001	0.00	0.43	215,000	274,285	274,423
SO3102	4.00	-0.01	1,260,000	1,942,173	2,129,803
SO3104	3.50	0.18	1,470,000	2,168,933	2,743,329
SO3105	3.50	-0.16	2,900,000	3,876,506	3,940,201
SO3107	0.50	-0.16	900,000	939,658	961,380
SO3108	0.25	0.01	580,000	582,516	599,250
Total index-linked investments			7,325,000	9,784,072	10,648,386
Total other securities held as non-current assets					
31/12 2012			31,650,000	35,331,556	37,948,909
<i>Total other securities held as non-current assets</i>					
31/12 2011			31,272,800	34,184,404	36,438,103

The value of the nominal holding is the amount that is obtained if the investment is held to maturity. Inflation compensation is added for index-linked investments.

	31/12 2012	31/12 2011
Note 8 Other accrued revenue		
Accrued fees from fee-liable licensees		
Forsmarks Kraftgrupp AB	140,029	64,666
OKG AB	76,207	36,635
Ringhals AB	176,413	26,061
Barsebäck Kraft AB	842,000	247,000
Acc. to Studsvik Act	53,487	38,719
Chalmers TH AB	14	14
Westinghouse Electric AB	3,490	3,490
Vattenfall AB, Ågesta	31,281	31,281
Ranstad Mineral AB	183	183
Studsvik Nuclear AB	893	893
Total accrued fees from fee-liable licensees	1,323,996	448,942

	31/12 2012	31/12 2011
The fees are paid by the fee-liable licensees quarterly in arrears, within one month of the end of the quarter. The accrued fees pertain to the fourth quarter of the year in question.		
Accrued interest income on investments		
Interest-bearing account	37	68
Fixed-income investments	544,901	543,802
Index-linked investments	23,904	24,469
Total accrued interest income on investments	568,842	568,339
Total accrued revenue	1,892,838	1,017,281

Note 9 Nuclear Waste Fund

Market value of Fund and distribution at year-end

Carrying amount of fund capital	48,184,393	45,696,761
Accrued interest 3 days up to trade date	14,807	15,188
Unrealized gains on long-term investments	2,617,353	2,253,700
Fair value (market value) at year-end	50,816,552	47,965,648

2012
Number of shares

Of which acc. to Financing Act*Forsmarks Kraftgrupp AB*

Value of Fund shares	48,951,676.74	14,710,959	14,131,441
Accrued fees		140,029	64,666

OKG AB

Value of Fund shares	36,322,880.60	10,915,753	10,589,856
Accrued fees		76,207	36,635

Ringhals AB

Value of Fund shares	53,325,979.76	16,025,524	15,414,157
Accrued fees		176,413	26,061

Barsebäck Kraft AB

Value of Fund shares	21,391,069.55	6,428,445	6,138,220
Accrued fees		842,000	247,000

Chalmers TH AB

Value of Fund shares	105.66	32	16
Accrued fees		14	14

Westinghouse Electric AB

Value of Fund shares	28,407.50	8,537	4,688
Accrued fees		3,490	3,490

Vattenfall AB, Ågesta

Value of Fund shares	268,159.97	80,587	47,804
Accrued fees		31,281	31,281

Ranstad Mineral AB

Value of Fund shares	4,612.68	1,386	1,145
Accrued fees		183	183

	2012	31/12 2012	31/12 2011
	Number of shares		
<i>Studsvik Nuclear AB</i>			
Value of Fund shares	7,301.20	2,194	1,210
Accrued fees		893	893
Total acc. to Financing Act	160,300,193.66	49,443,927	46,738,760
Of which acc. to Studsvik Act			
Value of Fund shares	4,225,596.24	1,269,876	1,162,945
Accrued fees		53,487	38,719
Total Acc. to Studsvik Act	4,225,596.24	1,323,363	1,201,664
Undistributed assets and liabilities			
at closing of accounts			
		49,262	25,224
Total	164,525,789.91	50,816,552	47,965,648

The value of Fund shares is based on the market value of the Fund's non-current assets, sight deposits and accrued interest income on such investments. Accrued fees will be invested in new shares when payments are remitted to the Fund.

The undistributed amount consists mainly of certain accrued revenue and costs for the fourth quarter of each year and the balance in the Fund's interest-bearing account for payments and disbursements. Share value at 31 December 2012 (SEK thousand): 300.52

Note 10 Liabilities to other government agencies

Government Offices / Swedish National Council for Nuclear Waste	1,500	364
Swedish National Audit Office	6	16
Total liabilities to other government agencies	1,506	381

Note 11 Accrued expenses

Swedish National Audit Office	150	150
County Administrative Board in Kalmar County	0	700
Kammarkollegiet	2,285	2,261
Swedish National Tax Board (social security contributions)	18	13
Total accrued expenses	2,453	3,125

Signatures

The Nuclear Waste Fund's 2012 annual accounts were adopted at a Board meeting on 14 February 2013.

We certify that the annual accounts give a true and fair view of the results of operations and of costs, revenue and the financial position of the authority.

Susanne Lindh
Chairman

Daniel Barr
Vice Chairman

Urban Hansson Brusewitz

Göran Finnveden

Charlotta Grette

Lena Johansson

Christer Malmgren

Audit Report for the Nuclear Waste Fund

Report on the annual report

The Swedish National Audit Office has audited the Nuclear Waste Fund's annual accounts for 2012, dated 14 February 2013.

Responsibilities of the agency management for the annual accounts

The agency management is responsible for preparing annual accounts that provide a true and fair view in accordance with the Ordinance (SFS 2000:605) on Annual Accounts and Budgets and in accordance with terms of reference, appropriations directions and other decisions for the authority. The agency management is also responsible for the internal control which they deem necessary to prepare annual accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

The responsibility of the Swedish National Audit Office is to express an opinion on the annual accounts on the basis of its audit. The Swedish National Audit Office has conducted the audit in accordance with International Standards of Supreme Audit Institutions for financial audit. This standard requires that the Swedish National Audit Office comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the annual accounts are free from material misstatement.

An audit includes collecting, by various measures, evidence regarding amounts and other information in the annual accounts and regarding whether the management, in its administration, complies with applicable regulations and special decisions. The auditor chooses what measures are to be performed by assessing the risk of material misstatement in the annual accounts, whether due to fraud or error. In this risk assessment, the auditor takes into account those aspects of internal control that are relevant to how the authority prepares the annual accounts to provide a true and fair view. The purpose is to design audit procedures that are appropriate with regard to the circumstances, but not to express an opinion on the effectiveness of the authority's internal control. An audit also includes evaluating the appropriateness of the accounting policies that have been applied and the reasonableness of the accounting estimates made by the agency management in the annual accounts, as well as evaluating the overall presentation of the annual accounts.

In the opinion of the Swedish National Audit Office, the audit evidence that has been collected is sufficient and relevant as a basis for its opinion.

Opinion

In the opinion of the Swedish National Audit Office, the annual accounts provide, in all essential respects, a true and fair view of the Nuclear Waste Fund's financial position at 31 December 2012 and of its financial performance and financing for the year in accordance with the Ordinance (SFS 2000:605) on Annual Accounts and Budgets and in accordance with terms of reference, appropriations directions and other decisions for the authority.

The auditor in charge, Anne Bryne, made the decision in this matter. Anna Märta Krabb was the rapporteur.

