

NOTE 27**HEDGE ACCOUNTING - OPERATIONS**

The hedging reserve comprises the effective portion of the cumulative net change in fair value of cash flow hedges related to hedged transactions that have not yet taken place. Movements in the hedging reserve are described in the table below.

NOK 1 000	2013				2012			
	Interest rate swaps	Currency futures	Commodity swaps	Total	Interest rate swaps	Currency futures	Commodity swaps	Total
Opening balance	- 27 989	- 8 482	640	- 35 830	- 23 938	11 050	- 19 011	- 31 899
Gain/loss on cash flow hedges	54 115	- 10 546	- 4 679	38 890	11 394	59 593	- 56 202	13 315
Income/expense recognised in the income statement	- 25 922	- 7 855	593	- 33 185	- 16 379	- 83 635	80 390	- 19 624
Currency translation	- 162	- 3 673	- 743	- 4 579				
Deferred tax (note 14)	- 7 770	5 555	1 192	- 1 023	935	4 510	- 4 537	2 378
Effect of cash flow hedging in comprehensive income	20 423	- 12 847	- 2 894	4 683	- 4 051	- 19 532	19 651	- 3 931
Closing balance	- 7 728	- 25 002	- 2 997	- 35 726	- 27 989	- 8 482	640	- 35 830

Negative amounts represent a liability and a reduction in equity.

Gain/loss transferred from other income and expenses in the income statement of the period is included in the following items in the income statement:

NOK 1 000	2013	2012
Revenue		- 727
Commodity costs	9 060	8 486
Other operating expenses	- 1 179	375
Net finance result	25 304	11 490
Total	33 185	19 624

Negative amounts represent income.