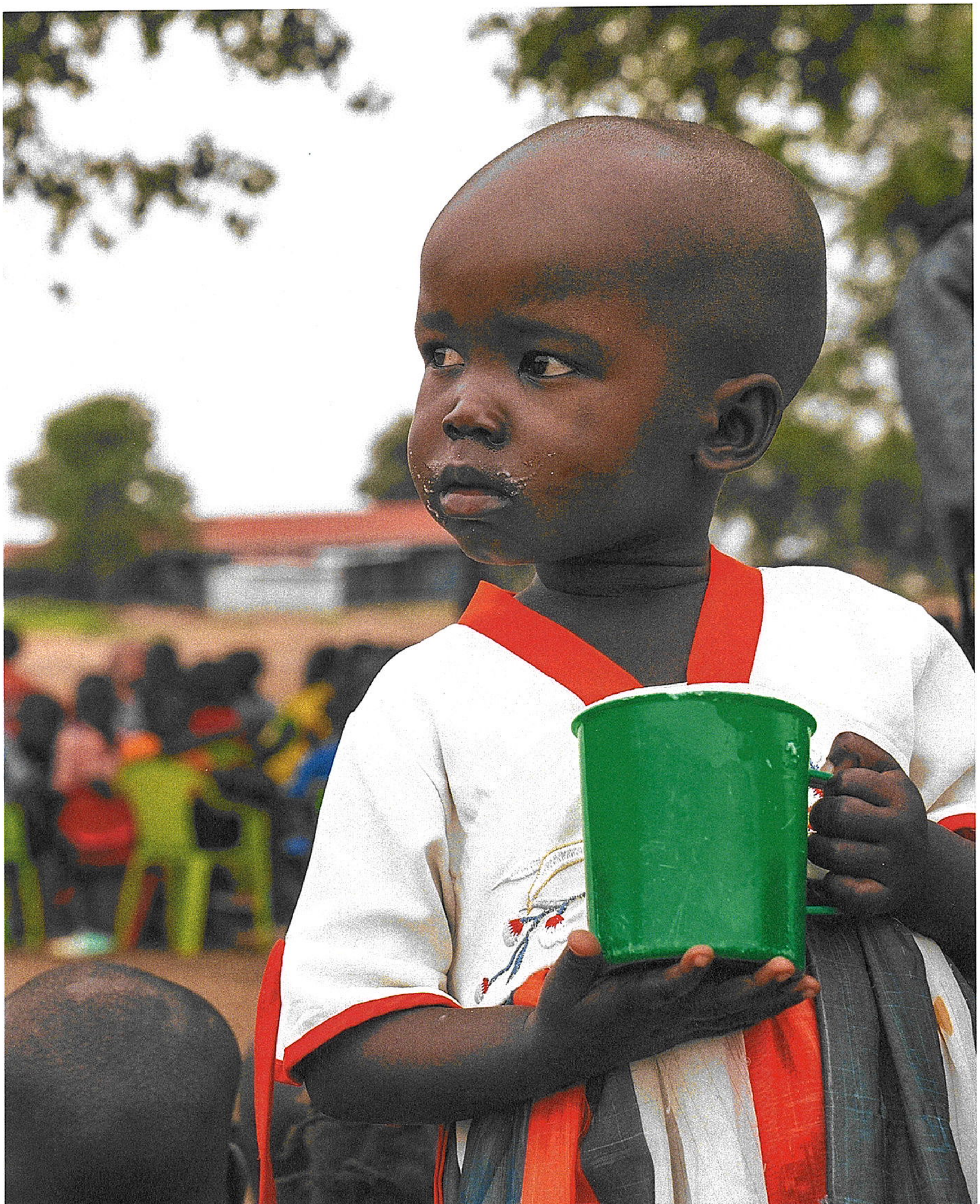
Annual Report 2025

StrømmeFoundation
FIGHTING POVERTY



Message from the Board of Directors – Annual Report 2025

Strømme Foundation (SF) is a rights-based development organisation founded in 1976 in Kristiansand by Chaplain Olav Kristian Strømme. Guided by the vision of a world without poverty, SF aligns its work with the UN Sustainable Development Goal 1—to end poverty in all its forms everywhere—and contribute to its achievement by 2030. Our mission is rooted in a strong commitment to human dignity, justice and solidarity.

Rooted in Christian values, SF understands this commitment as a call to uphold the dignity of every human being, stand in solidarity with the oppressed and marginalised, and actively combat injustice. These values inspire people from diverse social, cultural, and religious backgrounds to join our work. SF fights poverty irrespective of religion, ethnicity, or political affiliation, and promotes inclusive development through equal partnerships with local communities in an effective way.

Today, SF is a professional development organisation with a framework agreement with Norad, investing over NOK 200 million annually in poverty alleviation programmes. As a rights-based NGO, we empower individuals and communities with the tools, knowledge, and opportunities they need to lift themselves out of poverty with dignity and respect. SF operates in some of the world's most marginalised societies, irrespective of ethnicity, religion, nationality and political affiliation.

As of 2025, SF's head office remains in Kristiansand, Norway, with eight country offices in Mali (Bamako), Burkina Faso (Ouagadougou), Niger (Niamey), South Sudan (Juba), Uganda (Kampala), Tanzania (Dar es Salaam), Nepal (Kathmandu) and Bangladesh (Dhaka). We also have field offices in Moyo (Northern Uganda) and Singida (Tanzania), and our Kenya programme is managed through the Tanzania office.

Board Activities in 2025

The Board held **four meetings** in 2025, addressing a total of 37 **agenda items**.

Board Members in 2025:

- Kristin Tofte Andresen (Chair)
- Arild Hestås (Deputy Chair)
- Adelheid Firing Hvambsal
- Paul Thomas
- Vidar Haukland
- Arnhild Leer-Helgesen
- Celeste de la Huerta (Employee Elected Board Member)

Deputy Member:

- Klara Abelone Svalheim
- Tore Martin Herland (Deputy for the Employee Elected Board Member)

volatility in several contexts. Country and partner teams adapted through strengthened planning, enhanced financial controls, and an increased focus on inclusion, education, and livelihoods.

Key financial figures

	MNOK		
	2025	**2024**	**Change**
Public sector Norway	148.0	79.1	68.8
Public grants from abroad	7.3	10.0	-2.7
Grants from other organisations	7.3	15.7	-8.4
Private donors	53.0	68.6	-15.7
Corporate sector	26.0	21.9	4.1
Other	2.8	15.7	-12.9
Total Revenue:	**244.4**	**211.0**	**33.4**
Cost for purpose activities	**-229.9**	**-208.2**	**-21.7**
Annual results	-17.7	-4.3	-13.4

Public sector Grants: Income from Norwegian public sector grants increased significantly in 2025. The low level in 2024 was mainly due to microfinance funds totalling NOK 33.4 million that had been recognised as income in earlier years and therefore could not be recognised again. This effect did not apply in 2025, which therefore reflects a normal year with income according to long-term agreements.

Public sector Grants, Foreign: The reduction in income from foreign public sector grants is primarily due to the completion of several projects at the end of 2024.

Grants from Other Organisations: Income from other organisations decreased as a result of the completion of a major project and challenges in securing new funding during 2025.

Private Donors: Revenue from private donors declined in 2025, mainly driven by reduced legacy income and a drop in fixed regular donors.

Cost for Purpose Activities: Costs related to programme activities increased by NOK 19.0 million compared with 2024. The increase reflects higher programme implementation and related expenses, aligned with the higher revenues in 2025.

Annual Result: The annual result for 2025 shows a deficit of NOK 17.7 million, compared to a deficit of NOK 4.3 million in 2024. The difference is primarily attributable to microfinance-related transactions recorded. In addition, we had a devaluation of foreign currency balances.

The head office in Kristiansand has its own welfare committee with a clear mandate and budget to coordinate social and welfare activities throughout the year. In 2025, there have been several good events outside of work that many employees have participated in.

As of December 31, 2025, SF has 45 permanent employees in Norway and 88 employees at our country offices.

	2022	2023	2024	2025
Positions at the Head Office	34	35	37	45
Full-Time Equivalents HO	31.52	32.52	32.05	36.11
Permanent positions at Country Offices	109	113	98	88
Full-Time Equivalents CO	109.55	111.49	98.42	87.89
Total SF	**143**	**148**	**135**	**133**
Total Full-Time Equivalents CO	141.07	144.01	130.47	124.00

SF promotes gender equality and equal opportunity at every level of the organisation, from entry-level positions to senior leadership. As of the end of 2025, the leadership team, including department directors in Kristiansand and country directors, consisted of 8 women and 7 men.

	2022		2023		2024		2025	
	Women	Men	Women	Men	Women	Men	Women	Men
Head Office	17	17	21	14	21	16	30	15
Head Office Percentage	50 %	50 %	60 %	40 %	57 %	43 %	67 %	33 %
Country Office	36	73	33	80	29	69	24	64
Country Office Percentage	33 %	67 %	29 %	71 %	30 %	70 %	27 %	73 %
Overall	53	90	54	94	60	85	54	79
Overall Percentage	37 %	63 %	36 %	64 %	44 %	56 %	41 %	59 %

Since 2018, SF has been certified as an *equal opportunity employer* under the Equal Work Scheme. The organisation has established robust routines and practices to actively promote equality, inclusion and diversity across the workplace. In 2025 we were recertified for 3 new years, with great success. More detailed reporting on SF's work related to equality, inclusion and diversity (ARP) is available on our website.

kroner. To manage this risk, SF enters forward exchange contracts to secure parts of the exchange rate between the Norwegian kroner and the US dollar or Euro.

SF has no external loans, and therefore an increase in interest rates would not have a material financial impact on the organisation.

Global Context and Strategic Direction

SF's vision is a world without poverty. Our work is aligned with the UN Sustainable Development Goal No. 1: to eradicate poverty in all its forms everywhere and to end extreme poverty by 2030.

SF remains committed to empowering marginalised groups and supporting pathways out of poverty through education, job creation and inclusive economic opportunities.

More than halfway through the decade for achieving the Sustainable Development Goals, progress remains deeply uneven. The COVID-19 pandemic, armed conflicts, climate shocks and global economic instability have slowed or reversed development gains in many parts of the world. Current projections suggest that nearly 600 million people may still be living in extreme poverty by 2030 unless efforts to accelerate poverty reduction are strengthened.

At the same time, the global aid landscape is undergoing significant changes. Several traditional donor countries—including the United Kingdom, the Netherlands, Germany, Sweden, Finland and Denmark—have reduced their aid budgets or shifted priorities. In 2025, the new U.S. administration announced major reductions in foreign assistance, despite the United States historically accounting for nearly 30 percent of global development aid. These changes are expected to affect funding availability for poverty alleviation and long-term development programmes.

Norway continues to maintain high levels of official development assistance, but parts of the aid budget have been redirected to address major international crises and challenges, including the war in Ukraine and the humanitarian situation in Gaza. While these reallocations respond to urgent global needs, they also contribute to increasing competition for development funding directed towards the world's poorest countries.

In several of SF's programme countries, political instability and deteriorating security conditions continue to create challenging operating environments. Civil society organisations face increasing regulatory pressure and restrictions in some contexts. At the same time, emerging geopolitical actors—including China, Russia and several Middle Eastern countries—are expanding their presence and influence in development cooperation, often linked to strategic or economic interests.

Education and job creation remain central to SF's approach to poverty reduction. The organisation continues to prioritise marginalised communities, strengthen local partnerships and develop decentralised operations that enhance local ownership and long-term impact. As the boundaries between humanitarian response and development cooperation increasingly overlap, SF is adapting its programmes to operate effectively in complex and fragile contexts.

Following important organisational reforms implemented during 2024, SF continued in 2025 to strengthen its decentralised structure and the leadership role of its country offices. The organisation is also expanding strategic partnerships, including increased engagement with private-sector actors at national and international levels. Growing global demand for green jobs—driven by the dual

STRØMME FOUNDATION - ACTIVITY ACCOUNT

	Note	2025	2024
Funds acquired			
Public sector grants - Norway	1	147 960 544	79 137 611
Public sector grants - Foreign	1	7 349 728	10 027 546
Grants from other organisations	1	7 309 514	15 689 570
Private donations	2	52 969 434	68 631 320
Corporate sector		25 981 354	21 853 850
Financial income	3	2 543 672	15 455 233
Other income		261 453	211 180
Total funds acquired		**244 375 698**	**211 006 309**
Funds spent			
Cost of fund acquisition			
Fundraising cost	4	-21 053 395	-16 340 253
Other acquisition cost	4	-3 938 408	-2 706 658
Total cost of fund acquisition		**-24 991 803**	**-19 046 911**
Programme cost			
Support to development partners/programmes	5	-162 567 459	-136 196 588
Programme follow-up at country offices		-41 709 133	-48 623 649
Programme follow-up from Norway		-18 524 932	-15 058 507
Information activities in Norway		-7 059 786	-8 369 430
Total programme cost	4	**-229 861 309**	**-208 248 174**
Administration cost	4	**-10 413 966**	**-10 903 039**
Total funds spent	4, 6	**-265 267 078**	**-238 198 124**
VAT compensation		3 238 014	3 456 997
Result from dissolution of microfinance		-	19 410 181
The year's activity result	8	**-17 653 366**	**-4 324 638**
Additions/reductions in purpose capital			
Change in purpose capital for programme activities		-16 081 791	-3 579 914
Change in purpose capital for microfinance		-	-37 329 847
Transferred to / (from) other purpose capital		-1 571 576	36 585 124
Total additions/reductions in purpose capital	8	**-17 653 366**	**-4 324 637**

STRØMME FOUNDATION BALANCE SHEET AS OF 31.12.25

PURPOSE CAPITAL AND LIABILITY	Note	2025	2024
Purpose capital (PC)			
Founding capital		3 326 092	3 326 092
Acquired purpose capital			
PC with restrictions (SF programmes)	8	21 890 333	37 972 123
Other purpose capital	8	151 101 341	152 672 917
Total acquired purpose capital		**172 991 674**	**190 645 040**
Total purpose capital	8	**176 317 766**	**193 971 132**
Liability			
Long-term debt			
Staff gratuities at country offices		4 544 564	5 480 874
Legacy obligations		-	150 000
Total long-term debt		**4 544 564**	**5 630 874**
Short-term debt			
Creditors		2 510 625	4 096 556
Public duties and taxes		3 120 874	3 284 491
Owed to employees		3 095 568	2 675 596
Deferred programme income	11	91 542 146	57 928 258
Other account payable		147 346	442 000
Total current liability		**100 416 560**	**68 426 901**
Total liability		**104 961 124**	**74 057 775**
TOTAL PURPOSE CAPITAL AND LIABILITY		**281 278 890**	**268 028 907**

Kristiansand 18. juni 2026

Kristin Tofte Andresen
Styreleder

Haukeland, Vidar
Digitally signed by Haukeland, Vidar
Date: 2026-06-24 20:44:30+02:00

Arild Hestås
Styremedlem

Vidar Haukeland
Styremedlem

Anne Tornhild Omland
Styremedlem

Céleste de la Huerta
Styremedlem

Hvambsal, Adelheid Firing
Digitally signed by Hvambsal, Adelheid Firing
Date: 2026-06-26 17:44:37+02:00

Arnhild Leer-Helgesen
Styremedlem

Adelheid Firing Hvambsal
Styremedlem

Erik Lunde
Generalsekretær

ACCOUNTING PRINCIPLES APPLIED

The financial statements of the Strømme Foundation (SF) are prepared in accordance with the Norwegian Accounting Act and the "Accounting Standard for Not-for-Profit organisations", produced by The Norwegian Accounting Standards Board. This means that, in place of a traditional profit and loss account, there is an activity account which is meant to give the reader a better understanding of how Strømme Foundation has used the resources at its disposal. SF is not liable for direct taxation.

Allocation of costs

The purpose of Strømme Foundation is to lift people out of poverty by:

Managing raised funds and public grants in a way that ensures that recipients gain real influence over their own situations through participation in the developmental process, to strengthen human dignity, and to stimulate the ability of recipients to help themselves.

Active information work in Norway about development programmes and about North-South perspectives in general.

Providing aid and assistance through local partner organisations, and other regional organisations in co-operation with local authorities.

Country offices

SF has eight country offices - in Mali, Burkina Faso, Niger, Uganda, South Sudan, Tanzania, Bangladesh and Nepal.

The costs of these offices are classified in their entirety as purpose costs.

Support for development programmes from Kristiansand

Costs of the "International Department" are allocated to activity and thereby purpose costs. The department's function is to co-ordinate, support, evaluate and monitor all programme work, as well as liasing with public and institutional funding bodies.

Other support functions in Kristiansand

These consist of the 'Secretary General', the Administration-, Finance- and ICT- department. The basis of allocation starts with salaries, which are allocated according to an estimate of the amount of time spent on different activities. Costs that cannot be reasonably and consistently allocated to activity, are classified as administration costs. Thus, support costs relating to the Board of SF, general memberships, consultancy, and about 50 % of staff costs in the stated departments are classified as administration costs. Note 4 below shows in summary how the allocation has been made.

Fundraising and information activities

All expenditure directly connected to personnel employed as fundraisers, and to solely fundraising activity, is classified 100 % as fundraising cost. This includes all direct marketing costs and other costs associated with our main fundraising products "Friend at Heart", "Bridge-builder", "Poverty-fighter" and "Job Creator". Efforts to raise funds from other organisations are also included here.

All expenditure on personnel and activity whose prime purpose is connected to information and public education is allocated to purpose activity. This might concern development programmes that SF is involved in or North-South perspectives in general.

Transactions in foreign currency

The conversion of the country office accounts from local currency to Norwegian kroner follows the prevailing exchange rates that are monthly updated in the common financial system.

SF enters into forward exchange contracts in foreign currency to reduce the currency exposure connected to money transfers abroad. The currency hedging is classified as securing of cash flow according to the NRS 18 "Financial assets and obligations". Gain and loss related to forward exchange contracts are recorded directly under financial posts relative to the market rate at the settlement date.

Foreign currency income is in general recorded at the spot rate on the day of receipt.

Income

Income is entered in the accounts according to the gross method. Costs are entered as they accrue, and income when it is realised. Bequests or donations are recorded as income when there is indisputable confirmation of receipt. Gifts and grants are registered at face value and sales net after deduction of VAT.

SF follows special guidelines concerning earmarked funds, which ensures that these funds cannot be used for activities other than those for which they were donated without specific approval. Unused earmarked funds are shown as purpose capital with restrictions on the balance sheet. Grants that are not spent by the end of the year are not shown as income, but as short-term debt in the accounts.

Classification and valuation of balance sheet items

Current assets and short-term liabilities contain items due for payment within one year after acquisition. Other items are classified as fixed / financial assets or long-term liabilities.

Current assets are valued at the lowest of procurement cost and actual value. Other accounts receivable are included on the balance sheet at face value. Items in foreign currency are valued at year-end exchange rates. Short-term liabilities are recorded at the nominal amount at the time of accrual.

Fixed / financial assets are valued at procurement cost, but are depreciated to actual value if the fall in value is not expected to be temporary. Long-term debt is entered at the nominal amount at the time of establishment.

Fixed assets

The fixed assets are entered in the balance sheet and depreciated over their life span if the life span is more than 3 years and the cost is higher than NOK 50 000. Maintenance of fixed assets is charged to operating costs, while renovation or upgrading is added to the cost value and is depreciated along with the asset.

At the country offices all fixed assets are charged to result at the time of procurement.

All leasing contracts are classified as operational and accounted for as costs.

In 2025 'Other financial income' consists of realised yield from investments in current financial assets and net exchange gain on currency hedging (see Note 16). Net exchange loss from transfers to and foreign currency cash holdings at country offices are included under 'Other financial cost'.

Note 4 - Cost allocation

Department	Total	Administration	Fundraising	Other acquisition	Purpose cost
General Secretariat, Administration, Finance & ICT in Norway	22 834 670	9 097 428	2 097 633	2 097 633	9 541 976
Communication/Marketing in Norway	26 330 748	1 316 537	17 773 255	658 269	6 582 687
Programme/International dept in Norway	11 825 068	-	1 182 507	1 182 507	9 460 055
Development programmes local partners etc.	162 567 459	-	-	-	162 567 459
Programme follow-up at country offices	41 709 133	-	-	-	41 709 133
Total	**265 267 078**	**10 413 966**	**21 053 395**	**3 938 408**	**229 861 309**

Key indicators

	2025	2024	2023	2022	2021
Percentage spent on purpose	86,7 %	87,4 %	88,1 %	87,6 %	89,8 %
Percentage spent on administration	3,9 %	4,6 %	3,3 %	3,4 %	3,4 %
Fundraising percentage (to purpose)	73,3 %	81,9 %	75,4 %	70,6 %	80,0 %

Percentage spent on purpose = Total purpose cost / Total funds spent

Percentage spent on administration = Administration cost / Total funds spent

Fundraising percentage = Private donations and Corporate sector income minus Fundraising cost / Total private donations and Corporate sector income

The criteria for membership in the Norwegian Control Committee for Fundraising is that a minimum of 65 % of the funds raised is used on the organisation's purpose over time.

Note 5 - Support to development programmes/partners

Country/Region	2025	2024
Nepal	15 228 933	15 128 332
Bangladesh	19 892 360	5 207 205
Sri Lanka	-	227 429
Myanmar	3 244 237	948 758
Asia	**38 365 530**	**21 511 724**
Uganda	23 006 112	25 906 900
Tanzania	15 684 317	11 308 412
South Sudan	23 096 277	11 723 519
Kenya	5 088 431	3 772 488
Zambia	2 240 000	-
East Africa	**66 875 136**	**52 711 320**
Mali	17 775 400	20 899 645
Niger	16 541 098	18 583 062
Burkina Faso	13 122 242	17 228 090
West Africa	**47 438 740**	**56 710 796**
Act Now - exchange programme	3 744 628	3 833 146
Digitalisation	793 715	1 065 965
Global initiatives	1 280 498	363 638
Other global programmes	1 829 211	-
Global	**7 648 053**	**5 262 748**
Total	**160 327 459**	**136 196 588**

Note 6 - Operational costs presentation

The 'Accounting Standard for Not-for-Profit organisations require the disclosure of the expenditures by type in addition to the activity accounts. Notes 6, 14 and 15 contain such a breakdown.

Category	2025	2024	Note
Transfers to programme partners/projects	148 494 035	122 744 861	
Project costs and capacity building programme partners	8 099 674	9 828 078	
Salary and personnel costs, Norway	36 908 315	30 742 429	10, 14
Salary and personnel costs at country offices/external programmes	28 300 218	33 016 715	14
Travel costs, Norway	3 522 304	3 171 167	
Travel costs inclusive of vehicles at country offices/external programmes	5 227 603	5 207 213	
Office, ICT, consultancy and other operating costs, Norway	15 643 428	13 909 568	
Office, ICT and other operating costs at country offices/external programmes	11 413 448	12 463 435	
Fundraising campaigns, Norway	7 658 052	7 114 657	
Total operational cost	**265 267 078**	**238 198 124**	

Note 7 - Investments in other companies

Other companies	Number	Owner share	Book value in SF	Result 2025	Equity 31/12/25
Hald International School AS	200	33	306 666	451 809	-159 792
Opplev Hald AS	33	33	-		
Total investments in other companies			**306 666**	**451 809**	**-159 792**

With a significant deficit in 2024 due to reduced income from fewer students, increased costs and necessary adjustments of accruals from previous years, the financial statements of Hald International School still show a negative equity at the end of 2025, even after achieving a positive result. The Board has decided to close down the school after the current school year 2025-2026, and it has budgeted with a positive result in 2026 which is expected to restore the equity.

Note 12 - Investments in current financial assets

Category	Cost Price 01/01/25	Book value 01/01/25	Additions 2025	Disposals 2025	Change in writeoffs	Book value 31/12/25	Market value 31/12/25
Market-based equity funds	32 288 898	32 167 359	30 000 000	-15 121 575	121 539	47 167 322	50 815 942
Primary Capital certificates	1 584 727	1 584 727	-	-510 914	-	1 073 813	3 318 617
Real estate portfolio	7 300 000	6 472 504	-	-	444 613	6 917 117	6 917 117
Market-based bonds	25 781 083	25 715 966	581 839	-10 022 014	-	16 340 908	17 432 999
Market-based interest funds	5 464 769	5 464 769	5 346 601	-5 464 769	-	5 346 601	5 346 601
Total	**72 419 477**	**71 405 325**	**35 928 440**	**-31 119 272**	**566 152**	**76 845 762**	**83 831 276**

Note 13 - Liquidity and restricted funds

Category	2025	2024
Free funds	55 747 400	59 971 158
Programme-/Grant accounts with restrictions	76 096 269	39 152 387
Security for currency trading frame	15 733 939	15 619 842
Employees' tax deducted account	1 204 159	1 175 215
Other restricted funds	35 943 692	49 362 599
Total	**184 725 459**	**165 281 202**

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Note 14 - Salaries and personnel expenses / other allowances

Category	2025	2024
Salaries	27 647 095	22 145 394
Social security	4 383 064	3 702 509
Pension costs	3 142 069	3 336 468
Other personnel costs	1 736 086	1 558 058
Sum salaries and personnel costs in Norway	36 908 315	30 742 429
Salaries and other personnel costs at Country Offices	28 300 218	33 016 715
Total	**65 208 533**	**63 759 144**

In Norway, 36.1 man-labour years were performed in 2025, compared to 31.05 in 2024. In the country offices 87.9 man-labour years were performed, compared to 98.4 in 2024.

In 2025 the total salary of the Secretary General (SG) was NOK 1 029 195, other allowances NOK 27 275 and pension contributions NOK 112 257. The SG has no bonus scheme.

The Executive Board and Advisory Board members have received no remuneration other than actual travelling costs.

With the exception of salaries and travel claims, there are no financial transactions with employees or connected persons in SF Norway. Outstanding loans to employees in the country offices totalled NOK 1 698 at the year end, compared to NOK 0 at the end of 2024.

Note 15 - Audit fees

Category	2025	2024
Statutory Audit Fees - Norway	424 496	265 817
Other certification fees - Norway	422 000	551 000
Technical support - Norway	1 000	-
Audit fees at country offices	573 365	771 489

The fees are stated exclusive of VAT. Total fees in 2025 to the group auditor in Kristiansand were NOK 947 496.

Note 16 - Currency Hedging

Currency contracts materialised in 2025 gave a net gain of NOK 0.2 mill. This is recognised under financial items.

At the end of the financial year, SF had forward currency contracts with a face value of USD 8.6 mill and EURO 4.2 which terminate in 2025 and 2026. The handling of these contracts is shown in the accounting principles. The real value of the contracts was NOK -6.7 mill at the end of the year, which is not accounted for.

Note 17 - Events after balance date

The continued evolution of global geopolitical dynamics in 2025—including the ongoing war in Ukraine, tensions in the Horn of Africa, and rising instability in the Sahel — continues to influence development cooperation and economic conditions worldwide. These circumstances increase operational risks in several of SF's programme countries and may impact future funding prospects from both public and private donors.

A major development in early 2025 is the implementation of further adjustments in U.S. foreign aid programs, including USAID and other bilateral funding streams. These changes are reshaping donor priorities globally, potentially affecting international non-governmental organisations such as SF through increased competition for limited funding and shifts in focus away from certain low- and middle-income countries.

Although Norway's fiscal performance remains strong, bolstered by oil and gas revenues, the Norwegian krone is still weak against major currencies. This creates ongoing financial challenges for SF, as a significant portion of both private and institutional income is in NOK, while programmatic and operational costs are largely incurred in stronger currencies.
At the time of approving the financial statements, the Board has assessed that these developments do not compromise the organisation's ability to continue operations in 2025.