

Annual Report 2025



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 Hvambdal
- Paul Thomas
- Vidar Haukland
- Arnhild Leer-Helgesen
- Celeste de la Huerta (Employee Elected Board Member)

Deputy Member:

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



Board member Paul Thomas stepped down from the Board in June 2025 due to a change in capacity to fulfil the responsibilities associated with the role. Deputy member Klara Abelone Svalheim served in the role for the remainder of the year.

Board Insurance:

A liability insurance policy has been secured for the Board members and the Secretary General to protect them against potential personal liability arising from their roles in the organisation. The policy provides coverage worldwide, except for the USA and Canada.

Board Elections:

The Board is composed of seven members and two deputy members, elected as follows:

- Six members and one deputy member are elected by the Council, with at least one board member representing one of SF's partner countries in the Global South.
- One member and one deputy member are elected by SF employees.
- The Chair is appointed by the Council, while the Deputy Chair is elected by the Board.

A nominations committee is responsible for preparing the elections.

Programme Activities

As the second year of the five-year strategic period, 2025 built on the foundation laid in 2024, delivering solid and effective programme results across all countries. Despite a year marked by political unrest, instability, and a challenging security environment, programme activities progressed as planned.

Capacity building for selected partner organisations remained a priority in 2025. These efforts strengthened good governance and addressed key areas such as climate-smart agriculture, localisation, and anti-corruption work. The MERL (Monitoring, Evaluation, Research, and Learning) staff across all country offices held a one-week workshop aimed at standardising and digitalising data collection.

In addition, SF's staff and partners in East and West Africa were introduced to the family/household development approach—a successful model previously implemented in Asia that empowers families and fosters community resilience. The approach was well received, and pilot activities began in most countries. However, due to security concerns, the orientation could not be conducted in South Sudan.

2025 was also a notable year for the sector due to the funding interruptions and overall instability caused by the USAID budget cuts. Even though Strømme Foundation was not directly affected by the USAID cuts, the competition about other grants got much higher, which is evident in the reduction of gap funding received in 2025.

By the end of 2025, SF's programmes continued to show strong progress toward achieving the strategy. Implementation remained resilient despite ongoing political unrest, insecurity, and financial

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.

Key figures for SF's percentage share of total costs for 2025 are as follows:

Key figures	2025	2024
Administration	3.9 %	4.6 %
Fundraising	9.4 %	8.0 %
Purpose	86.7 %	87.4 %

In addition, the Norwegian Control Committee for Fundraising has introduced a benchmark for the proportion of private funds used for the organisation's purpose. In 2025, 73.3% of income from private donors was allocated to programme activities, compared to 81.9% in 2024.

Cash flow: Due to public grants received in advance, the balance of cash and cash equivalents increased by NOK 24.8 million despite the deficit for the year.

Working Environment and Staff

SF's overarching goal for its organisational and HR policy is to build *One Organisation*—a unified structure and culture across organisational levels, regions, and countries while respecting and valuing the diversity of our countries. Staff collaborate and learn across the Head Office and Country Offices, guided by our shared values and purpose.

In SF's Global Strategy 2030, it is stated that the organisation shall "maintain and improve a positive working environment and a values- and trust-based leadership, where employees feel recognised, respected and cared for." SF is committed to promoting equality and inclusion and to increasing diversity across the organisation.

A healthy working environment forms the basis for a strong professional community. As an employer, SF has set ambitious goals for the working environment and has clear expectations that both managers and employees actively contribute to a positive workplace culture.

As a follow-up to the employee survey in 2024, a new survey was conducted at the head office in October 2025. The results of this survey showed that there were great progress and improvement in most areas. The results have been presented and discussed with all employees at the office in Kristiansand. The results have also been presented to AMU, which has stated that they are satisfied with the work done in 2025 related to improvements in the working environment.

Sickness absence at the head office was 5.79% in 2025, compared to 5.49 in 2024, 5.2% in 2023 and 5.63% in 2022. The Kristiansand office has an agreement for the occupational health service with Medco.

No serious work accidents resulting in material damage or personal injury were reported at the Kristiansand office in 2025.

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.

Environment

Strømme Foundation's operations have a limited direct impact on climate, nature and the environment. The most significant environmental impact is related to travel associated with the follow-up of development programmes in partner countries. The organisation works systematically to reduce its environmental footprint where possible, including through conscious travel choices and increased use of digital meetings. Through its Eco-Lighthouse (Miljøfyrtårn) certification, Strømme Foundation maintains a clear and structured focus on reducing its climate and environmental impact and on ensuring continuous improvement in its environmental efforts.

Risk assessment

The Board continuously monitors SF's operational risk landscape through quarterly reporting. In 2025, our five most important priorities related to risk assessments have been these risk areas: corruption/fraud, donors/grants, health and safety, political and socio-economic situation and PSEAH. These factors contribute to a negative reputation, abuse of power, insecurity, high security risks for employees, civil unrest and increased uncertainty in many of the countries where SF operates.

SF has established robust systems and internal controls to prevent and mitigate fraud and corruption and maintains a transparent and proactive dialogue with donors when concerns arise. The ongoing digitalization of reporting through new tools has significantly strengthened the organization's ability to monitor and manage the program portfolio. In 2025, we have focused on training and increased use of our digital systems related to risk assessments.

The security situation remained particularly challenging in Burkina Faso, Mali, Niger and South Sudan throughout 2025. South Sudan remains the most dangerous country in the world for aid workers, with more reported deaths than in conflict zones such as Syria and Afghanistan. Contributing factors include violent crime, armed conflict, inter-communal tensions and road accidents. Political instability and insecurity are also ongoing concerns across the Sahel region.

SF has implemented several preventive and responsive measures to improve staff safety and ensure program continuity. These include stricter travel planning and increased information sharing with other NGOs. We have also increased our engagement and focus on training all staff in 2025. The West Africa country offices closely monitor the security situation in all three countries and have comprehensive security protocols and plans in place.

For employees from Norway to be able to travel into these most dangerous areas, we have several preventive security measures. We have a high focus on travel safety, and we have set a requirement that employees must have participated in a HEAT course before even moving into our risk areas/countries. In 2025, several employees from SF's office in Kristiansand participated in this course. HR has also increased its focus on pre- and post-interviews of employees who travel in these risk areas, and during such trips there is daily and close follow-up directly with the travellers.

Most of SF's costs are incurred in currencies linked to the US dollar or the Euro, while most of the income is received in Norwegian kroner. As such, exchange rate fluctuations have a significant impact on what SF can deliver to its implementing partners in the Global South. However, the terms of SF's partnership agreements specify that obligations are limited to the budget approved in Norwegian

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

challenges of climate change and poverty—remains an important driver of SF's programmatic priorities.

In response to an increasingly competitive funding environment, SF has initiated a strategic process to strengthen its organisational identity and brand. The objective is to develop a more coherent platform for mobilising resources—including funding, public engagement, and knowledge sharing. By clarifying its role, strengthening its narrative, and building stronger partnerships, SF aims to position itself more effectively in a changing development landscape and ensure that the organisation remains resilient and capable of delivering impact in a time of tightening resources for international development.

After the balance sheet date, increased geopolitical tensions and changes in the international donor landscape have contributed to heightened uncertainty for global development cooperation and increased operational risk in certain programme countries. Furthermore, a persistently weak Norwegian krone poses financial challenges for Strømme Foundation. The Board assesses that these conditions do not affect the organisation's ability to continue as a going concern.

The Board believes that SF's programmes and international operations are well positioned to continue delivering impact. The organisation remains prepared to adapt to global and national developments, as well as evolving institutional and private donor landscapes.

Use of the Annual Result

To cover SF's net deficit of NOK 17.7 million in 2025, NOK 16.1 million is allocated from purpose capital designated for programme activities, and NOK 1.6 million from other purpose capital.

Kristiansand 18. juni 2026



Kristin Tofte Andresen
Styreleder



Arild Hestås
Styremedlem



Anne Torild Omland
Styremedlem

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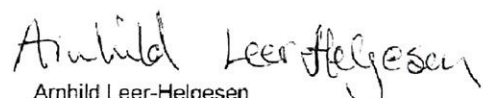
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Generalsekretær

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Celeste de la Huerta
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Arnhild Leer-Helgesen
Styremedlem

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

ASSETS	Note	2025	2024
Long-term assets			
Fixed assets			
Property		208 134	249 764
Office furniture and equipment		211 045	219 721
Total fixed assets	9	419 179	469 485
Financial assets			
Investments in other companies	7	306 666	210 000
Loan to Stromme Foundation Kenya	7	-	3 354 645
Overfinanced pension schemes	10	1 487 919	1 428 376
Total financial assets		1 794 585	4 993 021
Total long-term assets		2 213 764	5 462 506
Inventory		14 506	21 601
Receivables			
Trade Debtors		1 140 437	684 551
Other short-term receivables	11	16 338 963	25 108 606
Total receivables		17 479 400	25 793 157
Investments in current financial assets	12	76 845 762	71 470 442
Bank and cash	13	184 725 459	165 281 202
Total current assets		279 065 126	262 566 402
TOTAL ASSETS		281 278 890	268 028 907

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


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Erik Lunde
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Arnild Leer-Helgesen
Styremedlem

STRØMME FOUNDATION CASHFLOW
(The indirect method)

	Note	2025	2024
The year's activity result	8	-17 653 366	-4 324 638
Ordinary depreciation and write offs	9	50 306	58 453
Difference between pension cost and payments	10	-59 543	1 034 295
Posts in the activity account without liquidity effect		-9 237	1 092 748
Change in loans to subsidiary	7	3 354 645	-3 354 645
Change in investments in subsidiaries and other companies		-96 666	37 319 847
Change in long-term debt		-1 086 310	1 322 953
Investments, disposals and financing		2 171 669	35 288 155
Change in inventory		7 095	8 676
Change in receivables/other current assets		8 313 758	290 028
Change in creditors/other short-term debt		-1 624 230	140 447
Change in deferred programme income		33 613 888	27 929 300
Other changes		40 310 511	28 368 451
Total changes in liquidity during the year		24 819 577	60 424 717
Opening balance of cash and current financial assets 1.1.		236 751 644	176 326 927
Closing balance of cash and current financial assets 31.12		261 571 220	236 751 644
Specification:			
Investment in current financial assets	12	76 845 762	71 470 442
Bank and cash	13	184 725 459	165 281 202
Closing balance of cash and current financial assets 31.12		261 571 220	236 751 643

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 liaising 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.

Shares in subsidiaries and other companies

Shares in subsidiaries and other companies are recorded at historic cost.

Short-term investments

Short-term investments (shares- and bonds units considered to be current assets) are valued at the lowest of procurement cost and actual value in the balance sheet. Received interest and dividend from the companies are entered as other financial income.

Pensions

Defined deposit pension

Currently SF has a defined deposit pension scheme. The payments to the pension fund company are calculated as a fixed percentage of the members' salaries. The deposits are accounted for as personnel cost. The Foundation has no obligations beyond the annual payments.

Defined benefit pension

SF has a defined benefit pension scheme that at the end of 2025 encompasses 0 employees and 16 pensioners. Pension costs and obligations are calculated according to the principle of linear earning, based on estimated factors for the discount rate; future regulation of salary, pensions and contributions from social security, future earnings on the pension means as well as the actuarial conditions concerning death rate, voluntary resignations, etc. The pension means are valued according to actual value and are deducted from the net pension obligation. Changes in the pension plans and estimate deviations to the extent they exceed 10 % of the greater of the gross pension obligations and the pension means are allocated over the expected remaining contribution period.

Gratuity obligations at regional offices

At the country offices SF as well as the employees make regular deposits into public social security funds. These funds are not on the SF balance sheet. In addition to that contributions are set aside for a final payment to employees when they leave, according to the local legislation. The obligations are valued at year end rates.

Cash flow

The cash flow is calculated using the indirect method. Cash and cash equivalents consist of cash, bank deposits and other short term liquid investments which can immediately be converted to cash without material exchange risk.

NOTES FOR 2025

Note 1 - Institutional grants

Public sector grants - Norway	Purpose	2025	2024
Norwegian Agency for Dvlpm. Coop. (NORAD)	Development Programmes	134 402 397	65 066 065
Norwegian Agency for Dvlpm. Coop./Atlas Alliance	Inclusion of disabled, Africa	1 112 772	8 102 264
Norwegian Agency for Dvlpm. Coop. (NORAD)	Information support, Norway	884 787	384 139
Norwegian Ministry of Foreign Affairs (MFA)	Development programme in Uganda	-	1 600 000
Norwegian Ministry of Foreign Affairs (MFA)	Food security programme, South Sudan	7 555 960	-
Norwegian Agency for Exchange Cooperation (Norec)	Exchange programme Act Now	3 744 628	3 833 146
Innovation Norway/Engineers without borders	Emissions reduction from Waste, Uganda	128 000	37 668
Kristiansand municipality	Rajshahi - Administration	132 000	114 329
Total		147 960 544	79 137 611

The grants from NORAD and MFA requires a self contribution of minimum 10 %, and includes 7 % administration support.

Public sector grants - Foreign	Purpose	2025	2024
United Kingdom Aid	Education for girls, South Sudan	7 349 728	7 376 428
Global Affairs Canada (GAC)	Speed School Programme, Burkina Faso	-	2 857 392
Unicef	Speed School Programme, Mali	-	-206 274
Total		7 349 728	10 027 546

Grants from other organisations	Purpose	2025	2024
Education for All Foundation, Qatar	Rising programme, Uganda	6 875 729	8 560 000
Operation Dayswork, Norway	Master of ones own life, Uganda	-214 215	5 336 570
Mission Alliance, Norway	Saving-/credit groups and youth empowerment, Uganda	30 000	970 000
The Norwegian Geotechnical Institute	Green Jobs, Mali	-	849 000
She=Precious, Norway	Protection from trafficking, Nepal	580 000	-
A better Life Foundation, Norway	Community Dvlpm., South Sudan	38 000	-
Hei Verden, Norway	Inclusive Education, Bangladesh	-	-26 000
Total		7 309 514	15 689 570

Note 2 - Private donations

Donor Category	2025	2024
Individual donations	7 753 499	5 935 819
Fixed-term donations (Friend at Heart, Bridge Builder, Job Creator etc.)	38 407 092	40 499 982
Events, schools and artists	6 302 256	2 937 857
Testamentary donations	506 587	19 257 662
Total	52 969 434	68 631 320

Note 3 - Financial income / cost

Category	2025	2024
Other interest income	6 089 493	3 911 484
Other financial income	6 421 141	11 674 287
Other financial cost	-9 966 962	-130 538
Total	2 543 672	15 455 233

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.

The share capital in Opplev Hald AS is in 2025 written off as the company was petitioned insolvent.

In connection with the liquidation of Strømme Micro Finance AS in 2024, SF took over a partly written off loan to Stromme Foundation Kenya. At the end of 2025 Stromme Foundation Kenya was insolvent, and the rest of NOK 4,0 mill loan is now fully written down.

Note 8 - Changes in purpose capital (PC)

Category	31/12/24	Change in 2025	31/12/25
Founding Capital	3 326 092	-	3 326 092
PC for specific projects	8 264 581	-4 544 145	3 720 436
PC for programme activities	29 707 542	-11 537 646	18 169 896
Other purpose capital	152 672 917	-1 571 576	151 101 341
Total Purpose Capital	193 971 132	-17 653 366	176 317 766

Note 9 - Fixed assets

	Property	Furniture and equipment	Total
Cost price 01/01	374 654	351 838	726 492
Acquisitions	-	-	-
Disposals	-	-	-
Cost price 31/12	374 654	351 838	726 492
Accumulated depreciation 31/12	166 520	140 793	307 313
Book value 31/12	208 134	211 045	419 179
The year's ordinary depreciation	41 630	8 676	50 306

Depreciation rates	10 %	20 %
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Note 10 - Pension obligations

Total cost related to the defined deposit-based pension scheme was NOK 1.8 mill in 2025 (1.4 mill in 2024). SF has signed an agreement for AFP-plan through the Common National scheme of AFP's.

Actuarial calculations have been applied for calculating the obligations and costs in connection with the defined benefit pension plans. At the end of 2025 there were 0 employees and 16 pensioners in the defined benefit scheme. The following assumptions have been used for the calculations:

	2025	2024
Discounting rate	3,90 %	3,90 %
Expected dividend	5,60 %	4,80 %
Salary adjustments / year	4,00 %	4,00 %
Yearly G-regulation / inflation	3,75 %	3,75 %

Secured system	Secured system
2025	2024

Gross pension obligations at 31/12 calculated at	15 032 152	14 980 908
- Value of pension funds at 31/12 calculated at	-14 357 337	-14 825 521
+ Deferred obligation in case of (loss) / profit	-1 978 866	-1 407 252
= Calculated net pension obligations as of 31/12	-1 304 051	-1 251 865
+ Social Insurance contributions	-183 871	-176 513
= Net pension obligation as of 31/12	-1 487 922	-1 428 378
The year's pension accrual	-	20 380
+ interest cost	564 638	459 654
+ administration cost	172 118	167 235
- Return on capital	-688 035	-685 931
= Net pension cost	48 721	-38 662
+ Social Insurance contributions	6 870	-5 451
+ Actuarial loss (gain)	107 584	1 825 553
= Total pension cost	163 175	1 781 440

Actual yield on the pension funds was 5.25 % in 2025 (5.2 % in 2024).

Note 11 - Other short term receivables and deferred programme income

Other short-term receivables	2025	2024
Prepaid programme transfers	8 118 632	12 162 892
Prepaid supplier invoices etc.	3 141 470	3 053 760
Outstanding public grants, Norway	-	1 585 000
Outstanding public grants, Foreign	-	5 674 000
Outstanding grants from other organisations	3 652 297	455 960
Other receivables in Norway and abroad	1 426 564	2 176 994
Total	16 338 963	25 108 606
Deferred programme income	2025	2024
Unspent public sector grants, Norway	73 656 546	35 474 241
Unspent public sector grants, Foreign	1 051 776	-
Unspent grants from other organisations	2 186 556	-
Unspent corporate sector grants	7 373 037	10 865 324
Unspent funds with partners in Bangladesh	7 274 232	11 558 693
Total	91 542 146	57 898 258

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

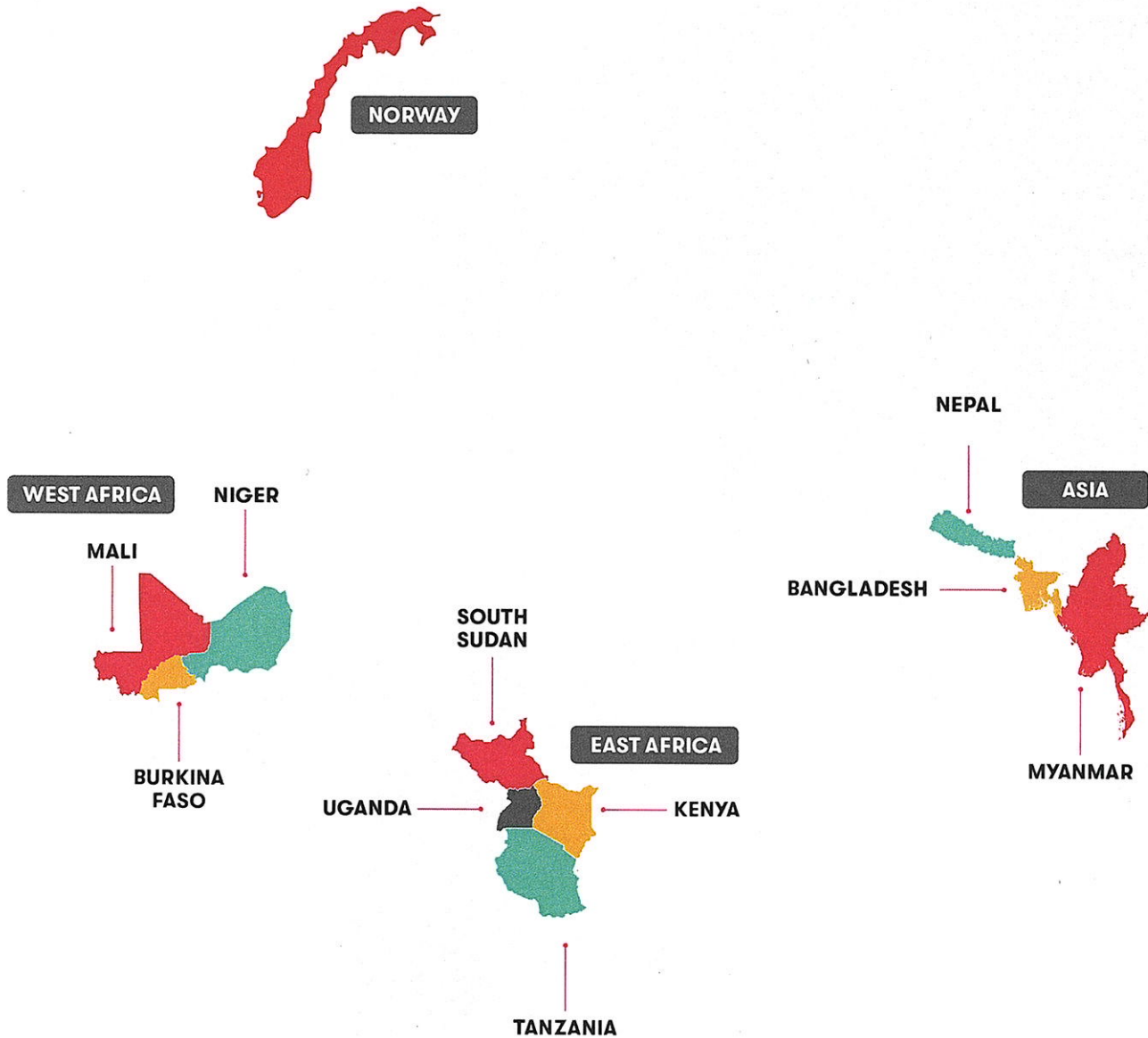
The continued evolution of global geopolitical dynamics in 2025—including the ongoing war in Ukraine, tensions in the Horn of Africa, and rising instability in the Sahel — continues to influence development cooperation and economic conditions worldwide. These circumstances increase operational risks 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.

Our Programme Countries



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