Stichting AFEW International

Report on the Financial Statements for 2025

The financial statements for the year ended 31 December 2025 have been prepared from the accounting records of Stichting AFEW International and in accordance with the Guidelines for Annual Reporting in the Netherlands, including RJ 650 Fundraising Organisations and other applicable provisions of the Dutch Accounting Standards.

Stichting AFEW International has been designated as a Public Benefit Organisation (Algemeen Nut Beogende Instelling, ANBI) in the Netherlands. This status may provide Dutch tax benefits to the Foundation and its donors, subject to the applicable statutory conditions.

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ANBI status confirms that AFEW International is a charitable organisation that serves the public interests. AFEW International is recognized as a charity, therefore all donations are tax deductible and they are fully exempt from gift tax and inheritance tax.

Stichting AFEW International
Amsterdam, the Netherlands

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The financial statements have been prepared in accordance with the Guidelines for Annual Reporting in the Netherlands, including RJ 650 Fundraising Organisations and other applicable provisions of the Dutch Accounting Standards.

Governance and Review Context – Financial Statements 2025

The financial statements of Stichting AFEW International for the year ended 31 December 2025 have been prepared under the responsibility of the Management Board, consisting of Yuliya van Polanen as Executive Director and sole managing director. The accountant assisted the Management Board in preparing the financial statements in the context of a compilation engagement performed in accordance with Dutch Standard 4410 (NV COS 4410).

The Management Board is responsible for the preparation and presentation of the financial statements and for the completeness and accuracy of the underlying financial information provided to the accountant.

In November 2025, the serving members of the Supervisory Board resigned. Consequently, the Foundation did not have an operational Supervisory Board available to perform the review, signature and adoption functions assigned to it under Article 18 of the Articles of Association.

Accordingly, as at the date of these financial statements, they had not been formally reviewed or adopted by the Supervisory Board. The signatures of the Supervisory Board members are absent for the same reason.

The absence of an operational Supervisory Board did not alter the responsibility of the Management Board for preparing the financial statements or the nature and scope of the accountant’s compilation engagement.

A compilation engagement is neither an audit nor a review engagement and therefore does not provide assurance regarding the financial statements.

Amsterdam, 20 August 2026

Management Board

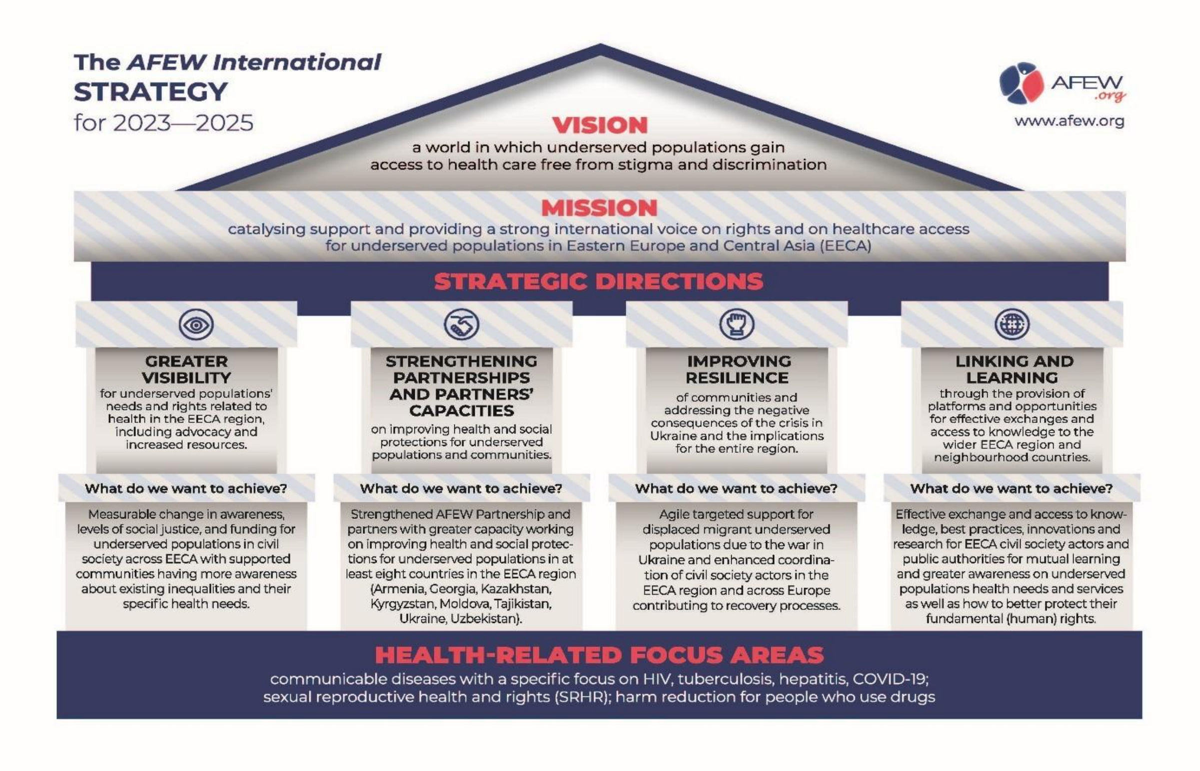
Yuliya van Polanen
Executive Director

Management Board's report

The Management Board of Stichting AFEW International, consisting of Yuliya van Polanen as Executive Director and sole managing director, presents the financial statements for the year ended 31 December 2025.

The Management Board is responsible for managing and representing the Foundation, implementing its strategy, safeguarding the continuity of its activities, managing organisational risks and preparing and presenting the financial statements.

The year 2025 was characterised by continued geopolitical uncertainty in Eastern Europe and Central Asia, restrictions affecting civil society, changes in donor priorities and significant internal organisational and governance challenges. Against this background, AFEW International focused on the responsible implementation of its contractual commitments, the continuity of essential functions and the preservation of its regional partnerships.



Mission and Strategic Direction

AFEW International works to improve access to health, justice and meaningful social participation for people in Eastern Europe and Central Asia who experience stigma, discrimination or other structural barriers.

Priority is given to communities disproportionately affected by HIV, tuberculosis, viral hepatitis and related health and social inequalities, including people whose access to essential services and participation in civic life is restricted.

AFEW International's work is based on the principles of human rights, social justice, meaningful community participation and equal access to health and social services. Its strategic role includes:

- strengthening the organisational and technical capacity of civil society and community-led organisations;
- facilitating access to international expertise, networks and funding;
- supporting regional cooperation and knowledge exchange;

- providing technical assistance and, where applicable, sub-granting;
- connecting local organisations and communities with international institutions, donors and policymakers; and
- supporting advocacy led by affected communities.

The AFEW Partnership

During 2025, AFEW International continued to work within the wider AFEW Partnership, consisting of AFEW Kazakhstan, AFEW Kyrgyzstan (Den Sooluk Nuru), AFEW International in the Netherlands and AFEW Ukraine.

The Partnership provides access to shared regional expertise, international networks, knowledge exchange and joint advocacy opportunities. The participating organisations coordinate on matters of common strategic and programmatic interest while remaining independent legal entities responsible for their own governance, financial management, contractual obligations and programme implementation.

In countries where no AFEW-affiliated organisation is established, AFEW International works with local civil society and community-led organisations. This network enables activities to be adapted to local circumstances while maintaining a broader regional perspective.

Programme Approach

AFEW International's programmes are founded on the principle that every person should have access to appropriate prevention, treatment, care and support, regardless of health status, social position, identity or personal circumstances. The organisation advances this objective by:

- engaging constructively with civil society, governments, donors and international institutions;
- strengthening the organisational and technical capacity of local partners;
- supporting community-led responses and networks;
- promoting cooperation between healthcare providers, civil society organisations and affected communities;
- facilitating regional learning and the exchange of knowledge and effective practices; and
- integrating sustainability and local ownership into programme design and implementation.

Since 2024, AFEW International has incorporated Asset-Based Community Development (ABCD) into selected programmes in Eastern Europe and Central Asia. This approach builds on the existing strengths, knowledge, relationships and resources of communities, enabling them to identify priorities and take an active role in shaping and sustaining their own development. Initial implementation experience in several countries in the region indicates that the ABCD approach can strengthen community ownership, participation and the effective use of locally available resources. AFEW International continues to integrate and adapt this approach where it is relevant to the programme context and the needs of local partners and communities.

Where health and social systems remain fragmented, AFEW International supports approaches that strengthen coordination among service providers, civil society organisations and affected communities, thereby reducing gaps in care for people with complex or overlapping needs. Long-term sustainability, local ownership and the responsible transfer of knowledge and capacity remain integral to the organisation's programme approach.

Operating Environment in 2025

The operating environment in Eastern Europe and Central Asia remained challenging throughout 2025. The continuing consequences of the war in Ukraine, political and regulatory instability, restrictions affecting civil society, and changing national and international priorities continued to influence local partners, programme implementation and the communities served by AFEW International.

In Georgia, the adoption of the Foreign Agents Registration Act in April 2025, together with other legislative developments affecting foreign-funded activities, created additional regulatory, compliance and operational uncertainty for civil society organisations and their international partners. These developments required closer monitoring of the legal environment and careful consideration of their implications for partnerships, funding arrangements and programme implementation.

Funding for HIV and related public-health, human-rights and social-inclusion programmes remained under pressure. Several donors continued to place greater emphasis on direct funding to local organisations, local ownership and community-led implementation. While these developments create important opportunities for local civil society, they also require international intermediary organisations to demonstrate a clear, relevant and complementary role.

In response to these developments, AFEW International continued to strengthen its position as a capacity-strengthening, partnership and intermediary organisation. Its role is to connect local knowledge and community priorities with international expertise, institutions and funding mechanisms; facilitate regional cooperation and learning; and provide technical and organisational support where it adds clear value. In performing this role, AFEW International seeks to strengthen local ownership and avoid unnecessary duplication of functions that can be performed effectively by local organisations.

Organisational Developments and Management Continuity

AFEW International operated with a small organisational structure and a significant concentration of executive, programme, financial and institutional responsibilities. This made the organisation dependent on the continued availability of a limited number of key employees.

During 2025, the Executive Director experienced an extended period of health-related absence and commenced a phased return to work later in the year. In addition, one employee in a key programme function became unavailable due to illness from July, followed by two additional employees in programme and operational functions from October.

The concurrence of these absences substantially reduced the organisation's available management and programme capacity during the second half of 2025 and increased the continuity risk affecting active projects and essential organisational functions.

To address this risk, the Executive Director adopted a written management resolution in October 2025. Under this resolution, replacement project leads were designated and programme, operational and administrative responsibilities were reassigned among the available personnel, taking account of their capacity and expertise and the requirements of the relevant funding agreements.

The continuity measures included:

- designating replacement leads for active projects;
- reallocating project-management and coordination responsibilities;
- maintaining essential financial and administrative processes;
- prioritising contractual deadlines and donor obligations;
- maintaining communication with implementing partners, donors and other stakeholders;
- documenting revised responsibilities and reporting lines; and
- reprioritising activities where necessary to align commitments with available capacity.

These measures supported the continuation of active projects and essential organisational processes under designated leadership despite the temporary reduction in staff capacity.

The experience of 2025 highlighted a material key-person dependency within the organisation. It also demonstrated the need for stronger delegation, documented replacement arrangements, clearer allocation of responsibilities and systematic transfer of institutional knowledge.

Human Resources, Integrity and Organisational Resilience

Ethical conduct and responsible employment practices remain core principles of AFEW International. The organisation's internal standards address professional conduct, privacy, conflicts of interest, the appropriate use of organisational resources and conduct that may expose the organisation to legal, financial or reputational risk.

Employees are expected to apply these standards in their dealings with colleagues, partners, communities, donors and other stakeholders.

Employee health information is treated as confidential. Accordingly, this report describes sickness absence only to the extent necessary to explain its material organisational and operational impact. Individual medical circumstances are not disclosed.

The level of concurrent sickness absence during the second half of 2025 highlighted the relationship between employee well-being, internal control and organisational continuity. Sustainable workloads, realistic prioritisation, management backup and timely reassignment of responsibilities are therefore important elements of both human-resources management and organisational risk management.

The Management Board identified the following priorities for strengthening organisational resilience:
- reducing the concentration of critical responsibilities;
- maintaining clear and current job descriptions, mandates and reporting lines;
- documenting essential financial, contractual and operational processes;
- establishing workable replacement and handover arrangements;
- monitoring workload and available staff capacity;
- aligning project commitments with realistically available resources; and
- protecting employee health, well-being and sustainable employability.

Governance Structure

Under the Articles of Association, Stichting AFEW International has a two-tier governance structure consisting of a Management Board and a Supervisory Board.

The Management Board is responsible for managing and representing the Foundation. Throughout 2025, the Management Board consisted of Yuliya van Polanen, Executive Director and sole managing director, who was independently authorised to represent the Foundation.

The statutory responsibilities of the Supervisory Board include supervising the policies of the Management Board and the general affairs of the Foundation, advising the Management Board and exercising the approval and decision-making powers assigned to it under the Articles of Association.

At the beginning of 2025, the Supervisory Board consisted of:

- Masoud Dara, Chair;
- Timur Abdullaev, Vice-Chair;
- Robert Delhaas, Treasurer; and
- Viviane Bremer, Supervisory Board member.

Antons Mozalevskis and Anke van Dam participated as observers. Observers were not statutory members of the Supervisory Board and did not hold formal voting rights.

In November 2025, the serving members of the Supervisory Board resigned. Consequently, the Foundation no longer had an operational Supervisory Board from that point in time. This created a governance vacancy and affected the performance of the supervisory and approval functions assigned to the Supervisory Board under the Articles of Association.

The Management Board remained in office and continued to be responsible for the management and representation of the Foundation. The statutory supervisory function and certain reserved approval powers, however, could not be exercised while the Supervisory Board remained vacant.

The consequences of the vacancy for the review, signature and formal adoption of the 2025 financial statements are explained separately in the Governance and Review Context accompanying the financial statements.

Governance and Accountability

AFEW International seeks to operate in accordance with its Articles of Association, applicable Dutch legal and financial-reporting requirements, contractual and donor obligations, and the principles of transparency, integrity, accountability and appropriate segregation of responsibilities.

The Management Board is responsible for:

- the management and representation of the Foundation;
- the preparation and presentation of the financial statements;
- the completeness and accuracy of the underlying financial information;
- maintaining appropriate books, records and supporting documentation;
- monitoring liquidity and financial commitments;
- compliance with donor agreements and contractual obligations; and
- identifying and managing risks affecting the organisation's continuity.

Financial Management and Control

Financial management during 2025 focused on the responsible use of restricted and unrestricted resources, compliance with donor requirements, monitoring project expenditure and liquidity, maintaining supporting documentation and preparing reliable financial information.

The Management Board applied a prudent approach under which commitments were aligned with secured funding and the organisation's operational capacity. The timing and availability of project funding, the limited availability of unrestricted income and the concentration of responsibilities remained important areas of attention.

Where required under individual funding agreements, specific projects and related expenditure were subject to separate project audits or expenditure-verification procedures. These procedures were limited to the projects concerned and do not constitute an audit or review of the financial statements of Stichting AFEW International as a whole.

Sustainability and Funding

AFEW International's sustainability depends on its ability to secure funding that is consistent with its mission, expertise and regional role. The organisation remains exposed to changes in donor policies, gaps between project cycles, restrictions on the use of project funding and the limited availability of unrestricted resources.

AFEW International's status as a Framework Partner of the European Commission for the period 2024–2027, together with its participation in relevant international donor and coordination networks, supports its visibility and access to partnership and funding opportunities. These positions do not guarantee future funding and therefore do not eliminate the need for prudent financial and operational planning.

The organisation's strategic response includes:

- diversifying funding sources where realistically achievable;
- strengthening partnerships with local and international organisations;
- participating selectively in funding opportunities aligned with its mission, expertise and organisational capacity;
- developing its role in capacity strengthening, partnership facilitation and responsible sub-granting;
- exploring the strategic feasibility of applying AFEW International's expertise in neighbouring countries and regions, including the Baltics and Western Balkans;
- maintaining expenditure discipline; and
- ensuring that new commitments are proportionate to confirmed resources and available staff capacity.

During 2025, AFEW International explored, at a preliminary level, whether its accumulated expertise could support a broader geographic and organisational positioning, potentially including selected countries in the Baltics and Western Balkans. This exploration formed part of the organisation's longer-term strategic review and did not represent a formal decision to expand its geographic scope or change its name, mission or legal identity.

Any future geographic expansion or organisational repositioning would be subject to a documented assessment of need, mission alignment, added value, partnership potential, financial viability and organisational capacity. It would also require the appropriate governance approvals and, where necessary, amendments to the organisation's Articles of Association before implementation.

Principal Risks and Uncertainties

The Management Board identified the following principal risks and uncertainties:

- dependency on a limited number of institutional donors;
- changes in donor policies, priorities and funding mechanisms;
- delays or gaps between project funding cycles;
- limited unrestricted funding and pressure on organisational overhead;
- political instability, armed conflict and security risks in the EECA region;
- legal and regulatory restrictions affecting civil society organisations and partners;

- operational and reputational risks affecting local implementation;
- dependence on a small number of key employees;
- concentration of executive, financial and institutional knowledge;
- limited management backup during periods of absence;
- the Supervisory Board vacancy arising in November 2025; and
- the resulting limitations in statutory supervision and reserved approval processes.

The Management Board seeks to manage these risks through careful project selection, regular financial monitoring, proportionate commitments, cooperation with established partners, strengthened documentation and the development of more resilient internal working arrangements.

Outlook

AFEW International entered 2026 with the need to address both strategic and organisational challenges. The organisation's priorities include:

- fulfilling existing contractual and donor obligations;
- safeguarding the responsible completion of active projects;
- restoring an appropriate supervisory governance structure;
- addressing the governance arrangements required under the Articles of Association;
- strengthening internal controls and continuity arrangements;
- reducing dependency on individual key functions;
- documenting and transferring institutional knowledge;
- assessing future funding opportunities realistically;
- reviewing the organisation's strategic position beyond 2025; and
- determining a sustainable operating model consistent with available capacity and resources.

The Management Board will continue to assess the organisation's financial position, operational capacity and ability to continue its activities. New commitments will be considered cautiously and with due regard to the interests of the communities served, employees, partners, donors and other stakeholders.

Amsterdam, 20 August 2026

Management Board

Yuliya van Polanen
Executive Director

Balance sheet as of 31 December 2025

(After proposal appropriation of result)

ASSETS

		31-12-2025		31-12-2024	
		€	€	€	€
Fixed assets					
Tangible fixed assets	1		1.562		2.344
Current assets					
Receivables					
Other accounts receivable		849,611		825.267	
Accruals and prepaid expenses	2	5.795		5.795	
			855.406		833.406
Cash and cash equivalents	3		133.058		628.643
Total assets			990.026		1.462.049

EQUITY AND LIABILITIES

		31-12-2025		31-12-2024	
		€	€	€	€
Reserves	4		189.678		296.821
Current liabilities					
Trade payables	5	1.852		9.316	
Payables relating to taxes and social security contributions	6	20.038		7.435	
Current other payables, liabilities and accrued expenses	7	778.458		1.148.477	
					1.165.228
Total equity and liabilities			990.026		1.462.049

Statement of Income & expenditure for the year 2025

	Actual 2025	Forecast 2025	Actual 2024
	€	€	€
Income			
Income from fundraising			
Income from joint activities		99.000	
Subsidies from governments	366.621	545.000	297.756
Other income	4.017	118.000	11.285
Total Income	370.638	762.000	309.040
Expenditures			
Spent on objectives			
Capacity Strengthening	308.953	432.050	314.220
Greater Visibility	47.531	117.350	85.350
Improving resilience	57.037	47.250	34.360
Linking & Learning	9.506	51.050	32.439
Costs of raising income	14.259	54.850	39.900
Management and administration	38.025	59.450	44.158
Total expenditures	475.312	762.000	550.424
Operating result	**-104.674**	**-**	**-241.384**
Financial expenditures			
Financial expenditures	-1.174	-	-1.040
Exchange rate differences	24	-	-3.652
Result	-105 823	-	-246.078
Allocaton of Year-end result			
Allocation restructuring reserve	-105.823	-	-246.078

Notes to the Financial Statements 2025

Organization Information
Registered address and registration number.
The registered and actual address of Stichting AFEW International is Van Diemenstraat 48, 1013 NH, Amsterdam, the Netherlands. Stichting AFEW International is registered with the Chamber of Commerce under number 34148682.

General Notes

Activities of the Foundation
Stichting AFEW International works to strengthen civil society and improve access to health, human rights and social inclusion for underserved populations in Eastern Europe and Central Asia (EECA).

The Foundation focuses on strengthening the organisational and technical capacity of civil society and community-led organisations, facilitating regional cooperation, supporting community-driven approaches and connecting local organisations with international expertise, networks and funding opportunities.

Geographical Area of Activities
Stichting AFEW International operates from its office in Amsterdam, the Netherlands, and implements programme activities in selected countries across Eastern Europe and Central Asia (EECA).

For the purposes of these financial statements, the EECA region comprises Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan. This geographical description defines the organisation's broader regional scope and does not imply that AFEW International implemented programme activities in every listed country during the reporting year.

Going Concern (RJ 650)
The financial statements have been prepared on a going-concern basis.

In assessing the appropriateness of this basis, the Management Board considered the Foundation's financial position as at 31 December 2025, developments up to the date of preparation of these financial statements, available cash and reserves, contracted project income, expected funding receipts, existing financial and contractual commitments, forecast operating expenditure and organisational capacity.

During 2025, Stichting AFEW International continued to operate in a challenging and evolving environment characterised by changing donor priorities, an increased emphasis on direct funding to local civil society organisations, geopolitical and regulatory developments in the EECA region, and constraints affecting organisational and staff capacity.

The Foundation remains dependent on institutional and project-based funding. The timing of funding decisions and receipts may result in fluctuations in liquidity. In addition, a significant proportion of the Foundation's available resources is restricted to specific projects and cannot be used to finance general organisational expenditure.

Organisational capacity began to decline during the first half of 2025 because of reduced availability within key management and finance functions. No interim Executive Director or replacement finance specialist was appointed during that period. The situation was compounded during the second half of the year by the concurrent absence of several additional employees, further reducing the Foundation's management, financial and programme capacity.

In October 2025, the Executive Director adopted a written management resolution under which replacement project leads were designated, responsibilities were reassigned and activities were reprioritised according to available capacity and contractual requirements. These measures were intended to maintain essential operations, fulfil existing donor obligations and support continuity of project implementation.

In November 2025, the serving members of the Supervisory Board resigned. The Management Board remained responsible for the management and representation of the Foundation. However, until the supervisory body is reconstituted, the statutory

supervisory function and any powers specifically reserved to the Supervisory Board cannot be exercised.
The Management Board continues to monitor liquidity, funding developments, contractual commitments, staff capacity and project implementation. Operational expenditure and activities are adjusted where necessary to reflect confirmed funding and realistic organisational capacity. New commitments are entered into only where they are supported by sufficient financial resources and implementation capacity.

Based on the financial information and forecasts available at the date of preparation, the Management Board expects the Foundation to be able to meet its obligations as they fall due and to continue its activities through at least 31 December 2026. During August 2026, the Management Board is completing a comprehensive assessment of the Foundation's financial and operational position. This assessment is based on the actual financial results for the first half of 2026, an updated cash-flow forecast, confirmed and reasonably expected project income, existing contractual obligations, anticipated expenditure, available reserves and organisational capacity. The outcome of this assessment is expected to determine the realistic period for which the Foundation can continue its activities and to provide the basis for decisions concerning its operating budget, staffing and programme commitments for the remainder of 2026 and beyond.

Continuation beyond 31 December 2026 depends principally on securing sufficient additional funding, maintaining adequate organisational capacity, managing gaps between project cycles and resolving the existing governance vacancy. As at the date of preparation of these financial statements, no formal decision has been taken to liquidate the Foundation or terminate its activities. However, these circumstances indicate the existence of a material uncertainty that may cast significant doubt on the Foundation's ability to continue as a going concern beyond 31 December 2026.

Notwithstanding this material uncertainty, taking into account the Foundation's available resources, contracted and anticipated income, ongoing fundraising activities and ability to adjust expenditure and activities to available resources, the Management Board considers the use of the going-concern basis appropriate.

Reserves and Organisational Continuity

In previous years, the Foundation established reserves to support operational continuity and provide strategic flexibility.
The continuity reserve serves as a buffer against temporary shortfalls in unrestricted income, delays between project-funding cycles and unforeseen organisational expenditure. The restructuring reserve is a designated reserve established to support the Foundation's strategic and organisational transition in response to changes in the donor landscape and the geopolitical environment in which it operates.

During 2024, part of the restructuring reserve was used to support organisational restructuring, capacity development and the transition towards a more partnership-oriented operating model.
Movements in the continuity reserve, restructuring reserve and other reserves during 2025 are disclosed in the relevant note to the balance sheet. The classification of an amount as a reserve does not necessarily mean that the same amount is available in unrestricted cash. The availability of funds may be affected by donor restrictions, contractual commitments and the timing of project receipts and expenditure.

The Management Board monitors the level and composition of the Foundation's reserves in conjunction with its liquidity position, funding outlook, contractual obligations and operational risks.

General Accounting Policies

Basis of Preparation

The financial statements have been prepared in accordance with the Guidelines for Annual Reporting in the Netherlands, including RJ 650 Fundraising Organisations and other applicable provisions of the Dutch Accounting Standards, as published by the Dutch Accounting Standards Board (Raad voor de Jaarverslaggeving).
The financial statements are presented in euros, which is the functional and presentation currency of the Foundation.
Unless otherwise stated, assets and liabilities are measured at historical cost. Income and expenditure are recognised in the period to which they relate.

Comparative Figures
The comparative figures relate to the financial year ended 31 December 2024. Where necessary, comparative figures have been reclassified to ensure consistency with the presentation used for 2025. Any material reclassification is disclosed in the relevant note.

Consistency of Accounting Policies
The accounting policies applied in the valuation of assets and liabilities and the determination of the result are consistent with those applied in the previous financial year, unless otherwise stated in the relevant note.

Use of Estimates
The preparation of financial statements requires the Management Board to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenditure.
Estimates and assumptions are based on the information available and circumstances existing at the reporting date. Actual outcomes may differ from these estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised and, where applicable, in future periods affected by the revision.

Foreign Currency Translation

Transactions and Balances

Transactions denominated in foreign currencies are translated into euros at the exchange rate applicable on the transaction date.

Monetary assets and liabilities denominated in foreign currencies are translated into euros at the closing exchange rate on the balance-sheet date. Exchange-rate differences arising from settlement or year-end translation are recognised in the statement of income and expenditure in the period in which they arise.
Non-monetary assets and liabilities measured at historical cost in a foreign currency are translated using the exchange rate applicable on the original transaction date.

Donor Reporting

Where required under a funding agreement, reports to donors may be prepared using a contractually prescribed exchange rate or reporting methodology. Such donor-reporting requirements do not replace the exchange-rate principles applied in these financial statements.
Any differences arising between the exchange rates used for statutory accounting purposes and those prescribed for donor reporting are accounted for in accordance with the applicable accounting policies and the terms of the relevant funding agreement.

Accounting Policies for the Balance Sheet

Tangible Fixed Assets
Tangible fixed assets are measured at acquisition cost, less accumulated depreciation and any accumulated impairment losses.
Depreciation is calculated using the straight-line method over the estimated useful life of each asset and commences when the asset is available for use. The applicable useful lives and depreciation periods are disclosed in the note relating to tangible fixed assets.

The estimated useful life of an asset is based on its expected economic use by the Foundation and is not determined solely by the duration of the project from which the asset was financed.

Expenditure on assets that does not meet the recognition criteria for tangible fixed assets, including items that are individually immaterial, is recognised directly as expenditure in the period in which it is incurred.

At each balance-sheet date, the Foundation assesses whether there are indications that a tangible fixed asset may be impaired. Where such indications exist, the recoverable amount is estimated and an impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost, less any impairment allowance. For short-term receivables, amortised cost is normally equal to nominal value.

An impairment allowance is recognised where there is objective evidence that a receivable may not be fully recoverable. The allowance is deducted from the carrying amount of the receivable.

Project-related receivables are recognised where eligible expenditure has been incurred, the Foundation has an enforceable or sufficiently substantiated entitlement to reimbursement and receipt of the amount is probable.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, bank balances and deposits with an original maturity of no more than twelve months.

Cash and cash equivalents are measured at nominal value. Bank overdrafts are presented under current liabilities.

Where cash balances are subject to donor restrictions or are otherwise not freely available to the Foundation, this is disclosed in the relevant note.

Reserves and Funds

Reserves and funds form part of the Foundation's equity.

The continuity reserve comprises accumulated results designated to support the continuity of the Foundation and absorb temporary financial shortfalls.

The restructuring reserve is a designated reserve intended to support the Foundation's strategic and organisational transition.

Other designated reserves or funds are recognised where resources have been restricted for a specific purpose by the donor or designated for a specific purpose by the competent governing body.

Expenditure charged to a designated reserve or fund is recognised through the appropriation of the result and not by netting the expenditure directly against the reserve, unless the applicable reporting standards require otherwise.

Current Liabilities

Current liabilities are initially recognised at fair value and subsequently measured at amortised cost. For short-term liabilities, amortised cost is normally equal to nominal value.

Liabilities relating to project funds received in advance are recognised where the related performance conditions have not yet been satisfied or the corresponding eligible project expenditure has not yet been incurred.

Accounting Policies for the Determination of the Result

General

The result for the financial year is determined as the difference between the income attributable to the reporting period and the related expenditure and other charges.

Income and expenditure are recognised on an accrual basis in the period to which they relate. Losses and obligations originating before the end of the financial year are recognised where they are known before the financial statements are prepared and the recognition criteria have been met.

Income from Grants and Subsidies

Grant and subsidy income is recognised to the extent that the applicable conditions have been satisfied, the related eligible activities have been performed or expenditure has been incurred, and receipt of the income is probable.

Amounts received before the applicable performance conditions have been satisfied or before the related eligible expenditure has been incurred are recognised as project funds received in advance under current liabilities.

Where eligible expenditure has been incurred before the corresponding grant instalment has been received, and receipt is probable, the amount is recognised as a project-related receivable.

Grant income relating to the acquisition of tangible fixed assets is accounted for consistently with the applicable grant conditions and the accounting treatment of the related asset. The selected treatment is applied consistently and disclosed where material.

Donations and Other Income
Donations and other income are recognised when the Foundation becomes entitled to the income, receipt is probable and the amount can be measured reliably.

Donations received for a specific purpose are recognised and presented in accordance with the restrictions imposed by the donor and the applicable provisions of RJ 650.

Allocation of Expenditure
Expenditure is recognised in the period in which the related goods or services are received.
Expenditure is allocated to the Foundation's objectives, fundraising activities and management and administration based on the nature and purpose of the expenditure. Shared costs are allocated using a consistent and reasonable allocation basis that reflects the use of resources.

The allocation principles are applied consistently from year to year and are explained in the relevant notes where material.

Employee Benefits
Wages, salaries, social-security contributions, holiday allowances and other short-term employee benefits are recognised as personnel expenditure in the period in which the related services are provided.

Liabilities for employee benefits due at the balance-sheet date are recognised under current liabilities.
Income received or receivable under sickness-absence insurance arrangements is recognised separately when the Foundation has an enforceable entitlement to reimbursement, receipt is probable and the amount can be measured reliably. Such reimbursements are not offset against personnel expenditure unless net presentation is required or permitted by the applicable accounting standards.

Pension Costs
Stichting AFEW International applies the liability approach to its pension arrangements.
Pension contributions payable for the reporting period are recognised as personnel expenditure. Contributions paid in advance are recognised as prepayments where they will result in a reduction of future payments. Contributions due but unpaid at the balance-sheet date are recognised as current liabilities.
A provision is recognised only where, at the balance-sheet date, the Foundation has an additional obligation in relation to the pension arrangement that is not covered by the regular contributions payable.

Depreciation
Depreciation is recognised on a straight-line basis over the estimated useful lives of the tangible fixed assets, commencing when the assets are available for use.

Changes in estimated useful lives or residual values are accounted for prospectively as changes in accounting estimates.

Financial Income and Expenditure
Interest income and interest expenditure are recognised on a time-proportion basis using the effective-interest method, taking account of the outstanding principal and the applicable interest rate.

Exchange-rate differences are recognised in the statement of income and expenditure in the period in which they arise.

Notes to the balance sheet as of 31 December 2025

Fixed assets

1 Tangible fixed assets

Balance as of 1 January 2025

Other tangi ble assets

	€
Book value as of 1 January 2025	2,344.29
New Laptops	
Movements	
Depreciation	-781.83
Balance movements	-781.83

Balance as of 31 December 2025

Book value as of 31 December 2025	1,562.46

Property, plant and equipment: Economic life

Other tangi-ble assets	
Depreciation rate	33,00

Current assets

Receivables

	31-12-2025	31-12-2024
	€	€
1 Other amounts receivable		
Donors receivables	747.393	749.393
Subsidy commitments	98.612	70.635
Receivable incidental donors		
Other receivables	3.607	5.240
	849.611	825.267
2 Accruals and prepaid expenses		
Other accruals	5.795	5.795
Accrued expenses		
	5.795	5.795
3 Cash and cash equivalents		
Deposit Account	46.959	553.384
Current Accounts	86.099	75.259
Petty Cash		
	133.058	628.643

Equity and liabilities

4 Reserves

	2025	2024
	€	€
Reserves		
Balance as of 1 January	296.821	542.900
Restatement due to prior period errors	-1.320-	-
Balance (restated) as of 1 January		
Result for the year	-105.823	-246.079
Balance as of 31 December	189.678	296.821

	31-12-2025	31-12-2024
	€	€
Reserve Continuity reserve	189.678	296.821
AFEW Restructuring reserve		
Total	189.678	296.821

Statement of the destination of the result

The result for the financial year 2025, being a loss of €105.823, is fully allocated to and deducted from the restructuring reserve.

This allocation reflects a deliberate decision by the Board of Directors to utilise designated reserves to support the organisation's strategic transition and ensure continued operational sustainability in a changing external environment.

Stichting AFEW International maintains reserves in accordance with applicable ANBI guidelines and prudent financial management principles.

The continuity reserve is intended to safeguard the organisation's ability to continue its operations in the event of unforeseen financial shortfalls. The Board of Directors has established a long-term target level equivalent to approximately nine months of operational costs, including:

- salaries of non-project (core) staff
- office rental and related operational expenses

The continuity reserve serves to:

- ensure operational continuity during funding interruptions
- support the sustainability of long-term programmes
- provide limited pre-financing of activities
- enable exploratory initiatives and development in new countries

The restructuring reserve is designated to support the organisation's strategic development and adaptation to the evolving external environment.

This includes:

- strengthening the organisation's positioning and visibility at regional and international levels
- participation in key conferences, platforms, and policy dialogues
- investment in organisational capacity, including recruitment of specialised expertise (e.g. programme development, monitoring and evaluation, communications)

- introduction of innovative approaches and methodologies to improve programme quality and impact

In 2023, the Board of Directors decided to restructure its reserves framework by splitting the original continuity reserve into two separate components:

- a continuity reserve, maintained at a prudent level to ensure operational stability
- a restructuring reserve, created to support strategic transformation of the organisation

This decision was taken in response to significant changes in the geopolitical and funding environment in the EECA region, requiring a more adaptive and forward-looking organisational model.

During 2024, the restructuring reserve was utilised in line with its purpose, including covering the operating deficit for the year.

As a result of the above movements, the total reserves of Stichting AFEW International amounted to €189.678 as of 31 December 2025.

Current liabilities

	31-12-2025	31-12-2024
	€	€
5 Trade payables		
Creditors	1.852	9.316
6 Payables relating to taxes and social security contributions		
Wage tax	15.214	7.435
7 Current other payables, liabilities and accrued expenses		
Reporting obligations	778.458	1.137.277
Audit costs	-	
Holiday allowance	4.824	11.120
Other accruals	-	-
Other payables	-	-
	800.348	1.165.228

Contingent assets and liabilities

Textual disclosure

The financial consequences of the contingent arrangements

The annual amount of rent due to third parties for the rental of real estate depends on the number of employees working in the office. Number of employees at the end of 2025: 5. Rent expense for 2025 is €11.250. The lease agreement is valid until 31.10.2026, subject to a notice period of four months.

Other notes

Average number of employees

During 2025, the average number of employees of Stichting AFEW International, calculated on a full-time-equivalent basis, was 5.0 FTE. All employees were employed in the Netherlands; no employees were employed outside the Netherlands.

Organisational Capacity

During 2025, the overlapping absence of several employees, including within key management and programme functions, reduced the organisation's available operational capacity.

In response, the Management Board adopted a written resolution in October 2025 under which project leadership and other responsibilities were temporarily reassigned within the team. Activities were reprioritised according to available capacity, contractual requirements and existing donor commitments.

These measures were implemented to maintain essential operations and support continuity of project implementation during a challenging period. The Management Board continued to monitor staff capacity and adjusted responsibilities and activities where necessary.

Amsterdam,
Stichting AFEW International

Y.S. Van Polanen
Executive Director