

REGISTERED COMPANY NUMBER: 08249345 (England and Wales)
REGISTERED CHARITY NUMBER: 1150993

Report of the Trustees and
Financial Statements
for the Year Ended 30 June 2025
for
The Near East Foundation UK

The Near East Foundation UK

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for the Year Ended 30 June 2025

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The Near East Foundation UK (Registered number: 08249345)

Report of the Trustees
for the Year Ended 30 June 2025

OBJECTIVES AND ACTIVITIES

Reference and Administrative

Charity Name The Near East Foundation UK

Registered Charity Number 1150993

Company Number 8249345 (England and Wales)

Registered Office Office 134-136, More London Place, London SE1 2RE

Trustees

Anthony R. Williams Chairperson

Dr. Robert N. Palmer Brown

Dr. Anthony G. Williams

Catherine E. Hopen

Mona E Eraiba

Selase Torkornoo

Managing Director John Ashby

Auditors

Sumer AuditCo Limited

Lennox House

3 Pierrepont Street

Bath

BA1 1LB

Principal Bankers NatWest

Website <http://www.neareast.org/uk>

The Near East Foundation UK (Registered number: 08249345)

Report of the Trustees
for the Year Ended 30 June 2025

OBJECTIVES AND ACTIVITIES

Structure, Governance and Management

The Near East Foundation UK ("NEF UK") was incorporated under the Companies Act 2006 on 11th October 2012 (company number 8249345) and became a registered charity of England and Wales (charity number 1150993) on 27 February 2013.

NEF UK is a charitable company with no issued share capital being limited by guarantee. The governing instrument is NEF UK's Articles of Association, the Near East Foundation ("NEF") is its sole member and the Trustees are the Charity's directors. The directors form the board of directors and are an independent body. The board of directors together with the Managing Director ensure that the Charity delivers its goals and has overall responsibility for overseeing NEF UK's strategy, finances, compliance, performance and risk. The Managing Director reports to the directors.

NEF UK is domiciled at 3 More London, London, SE1 2RE.

NEF UK is a founding member of NEF Belgium and two of its Directors sit on the Board of NEF Belgium.

Recruitment and Appointment of Directors

Director vacancies are identified by NEF UK's member and/or its directors and discussed at the general assembly meeting in accordance with the Articles of Association. Candidates for a director's position are required to submit a Curriculum Vitae and undergo an interview with the board Chairperson. The Chairperson will then invite selected candidates to meet the Managing Director and representatives of the board. The procedure for appointing and removing directors is set out in the Articles of Association. New directors are given relevant governing documents upon induction that includes information on NEF UK programming as well as the Charity's administrative and financial information.

Given the growth of NEF UK, the need for new directors has been discussed and efforts to identify potential board candidates continue. The directors have also continued to prioritise diversity in board recruitment.

Risk Management

Directors are briefed on major risks faced by NEF UK as part of the annual risk briefing during the general assembly meeting. In addition, at each board meeting, directors generally receive:

- project dashboards that include programmatic and operational risks;
- overview of NEF UK's financial status;
- a risk register showing (a) occurred events/materialised risks and (b) new risks if identified;
- country-specific risk register if and when needed.

The following are key risks which NEF UK faces and related mitigation factors in place:

The Near East Foundation UK (Registered number: 08249345)

Report of the Trustees
for the Year Ended 30 June 2025

OBJECTIVES AND ACTIVITIES

Safeguarding: NEF UK and/or its affiliates fail to prevent harm.

NEF UK introduced new policies and procedures and has established practices to name a Safeguarding Focal Point within the Board. The focal point is the Chairperson of the Board. In his or her role as focal point the Chairperson makes an effort to deepen her or his knowledge of protection standards, coordinates with the designated compliance officer regular policy reviews and stays abreast of good practices and regulations. Safeguarding training for NEF UK staff and volunteers is compulsory and repeated annually. Frequency of training is communicated to all of NEF UK's funding agencies and entities. Background checks are in place for all staff and an ethics hotline is monitored 24/7 by a third-party provider: (<https://www.whistleblowersecurity.com>) In addition, NEF UK has established a local process for reporting and designated a local focal point for safeguarding in most of its local offices.

Fundraising: changes in the economic and/or political environment negatively impact NEF UK income and growth.

NEF UK continues to strengthen and diversify its income streams. NEF UK is putting in place rigorous processes for budgeting, monitoring of financial performance and capitalising on the NEF Family of Entities to reach Value for Money (VfM) on staff allocation through secondment processes and cross tasking. Risks associated with fundraising post-Brexit have placed further risk considerations in this category.

Development Impact Bond (DIB): the contractual instruments of the DIB are substantially delayed creating a financial strain on NEF UK cashflow.

NEF UK's CFO puts in place mitigation measures to contain costs and avoiding shortcomings on project implementations.

Compliance in volatile environments: failure by NEF UK, its partners and affiliates to comply with contractual requirements in volatile and high-risk environments where NEF works or to adequately respond to Donor's increased focus on compliance and accountable delivery.

NEF UK has put in place systems for periodic programmatic and operational audits. NEF UK regularly reviews its implementation and management practices and tries to ensure that those working with NEF abide by NEF's Code of Conduct, ethics standards and that all staff members are held accountable for their work.

Related Parties

None of the Directors receive remuneration or other benefits from their engagement with NEF UK. NEF UK Directors may be nominated to the NEF Belgium board but do not receive remuneration or benefits from such role.

NEF UK is a member of the Near East Foundation Family of Entities and as such works in partnership with all other NEF Entities both at the Headquarters and field levels sharing resources and knowledge. NEF UK is a founding member of NEF Belgium and as such has the right to appoint UK-based directors to that board.

NEF UK works in formal partnership with a growing number of Donors and Partners. Please refer to the Donors and Partnerships section 4 for further information.

The Near East Foundation UK (Registered number: 08249345)

Report of the Trustees
for the Year Ended 30 June 2025

OBJECTIVES AND ACTIVITIES

3. Purpose, Aims and Activities (projects)

Mission Statement

The object of the Charity is to build more sustainable, prosperous and inclusive communities in the Middle East and Africa through education, community organising and economic development.

Aims

NEF UK aims to promote (a) sustainable development for the benefit of the public by the preservation, conservation and the protection of the environment and the prudent use of resources; (b) the relief of poverty and the improvement of the conditions of life in socially and economically disadvantaged communities; (c) the promotion of sustainable means of achieving economic growth and regeneration.

Activities/Projects

During the 2024-2025 fiscal year, NEF UK implemented the following projects:

[ARMENIA]

"Waste-to-Warmth" pilot project in Armenia. The pilot established a social enterprise in a border community impacted by the Nagorno-Karabakh conflict which will produce and sell eco-briquettes to reduce residents' dependency on unsustainable harvesting of firewood, as well as create local jobs.

Co-financed by Aurora Humanitarian Initiative [\$50,028] and the Dadourian Foundation [\$15,000].

Start date: March 2023; End date: December 2024.

[IRAQ]

Innovate Mosul: Strengthening the Green and Digital SME Ecosystem. This project provided tailored business management training and networking support to 200 youth-led small and medium enterprises (SMEs) in the green and digital sectors to foster economic growth and job creation.

Financed through a grant of \$570,000 from United Nations Development Programme (UNDP) Iraq.

Start date: June 2025; End date: December 2025.

[JORDAN]

Refugee Impact Bond. The Refugee Impact Bond leveraged an up-front investment of \$9,825,000 for NEF UK to deliver a vocational, entrepreneurship, and resilience-building programme for refugees and members of the host communities in Jordan. This programme was supported by the Norwegian Agency for Development Cooperation (NORAD), the U.S. International Development Finance Corporation (DFC), the IKEA Foundation, Novo Nordisk Foundation and FERD AS. NEF UK received the initial working capital as loan disbursements 2022, 2023, and 2024 of £2,852,684, £4,928,254, and £908,450 respectively. Repayment obligations on the debt financing of £7,158,985 as of June 30, 2025, were guaranteed by Funders NORAD, IKEA Foundation & Novo Nordisk, without further obligation on NEF UK. As of June 2025, the Refugee Impact Bond had a restricted fund balance of £274,125. This represents revenue that was recognized in fiscal year ending June 30, 2022, according to UK GAAP, that will be expensed in future years. This will remain in the restricted fund balance until fully expended.

Start date: October 2021; End date: September 2025.

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Report of the Trustees
for the Year Ended 30 June 2025

OBJECTIVES AND ACTIVITIES

[MALI]

Program to Support Food Security and the Resilience of Populations to Social and Climate Crises in the Region of Mopti (PASARC II). The Ministry of Foreign Affairs of the Government of the Netherlands has funded a second phase of the PASARC I project. This 5-year, £9,000,000 follow-on project aims to improve the food security and resilience of rural populations in the Mopti region of Mali in the face of shocks related to climate change and social crises by strengthening the integrated management of natural resources by sustainably increasing the productivity and focus of value chains in the rural sector. As of June 2025, PASARC II has a restricted fund balance of £818,139. This represents revenue that was recognized in fiscal year ending June 30, 2024, according to UK GAAP, that will be expensed in future years. This will remain in the restricted fund balance until fully expended.

Start date: November 2018; End date: December 2025.

[SOUTH SUDAN & SUDAN]

Advancing Self-reliance among Displacement-affected Communities in Sudan and South Sudan. This multi-country, multi-year project grant in neighbouring states in both Sudan and South Sudan worked to improve self-reliance among displacement affected populations (refugees, internally displaced, returnees, host communities) using long-term development approaches in various settings (urban, rural, camp, non-camp).

Financed through a grant of \$1,270,583 from the United Nations Office for Project Services (UNOPS).

Start date: August 2022; End date: December 2024.

[SOUTH SUDAN]

Resilience and Recovery for Crisis-Impacted Communities in South Sudan. This project supported COVID, conflict, climate, and crisis-impacted people in South Sudan to reduce their risk of food insecurity, recover livelihoods and build resilience to future shocks and disruptions. Through the establishment of payam level associations, NEF supported communities to improve income, food security, agriculture production, coping strategies, WASH conditions, and access to finance.

Financed through a grant of \$650,000 from Vitol Foundation and \$250,000 from the Center for Disaster Philanthropy.

Start date: June 2023; End date: May 2025.

[SUDAN]

Integrated Reproductive Health and Gender-based Violence Services. The programme delivers emergency health and protection services across Sudan, including critical health infrastructure rehabilitation and maintenance, solarisation of health clinics, and procurement of key medical inputs to support frontline health service delivery. Additionally, NEF works to strengthen emergency preparedness, response, and all-hazards emergency risk management of service providers through capacity building.

Financed through a grant of \$2,717,609 from United Nations Population Fund (UNFPA).

Start Date: January 2023 - End Date: December 2025

Resilience for Peace & Stability, Food and Water Security Innovation Grant Program. The programme contributed to inclusive economic growth and built resilience in 13 non-timber forest product-producing communities through the provision of bundled financial and technical services. It supported 3,000 entrepreneurs (75% women) involved in non-timber forest products and other cash crops to increase organisation, economic empowerment and a favourable institutional environment.

Financed through a grant of \$300,000 from Stockholm University / Stockholm Resilience Centre / Global Resilience Partnership.

Start Date: July 2022 - End Date: December 2024

[SYRIA]

Syria Revolving Fund (RCF) to support Livelihoods Recovery in Syria. This project (a \$983,162 cost-share to an institutionally funded project awarded to NEF) aimed to ensure conflict-affected micro and small entrepreneurs in Syria have access to finance to start or scale their businesses and strengthen the local economy.

Start date: May 2022; End date: June 2025

The Near East Foundation UK (Registered number: 08249345)

Report of the Trustees
for the Year Ended 30 June 2025

OBJECTIVES AND ACTIVITIES

Monitoring and Evaluation

NEF UK is committed to the robust monitoring and evaluation of its activities in order to measure effectively their impact on the lives of those it supports. NEF UK designs monitoring and evaluation frameworks for all of its projects. It has dedicated staff at headquarters and local levels with responsibility for systematically overseeing and assessing project performance. Evaluation processes include monitoring of key indicators, which are reported (1) to donors through monthly, quarterly or annual reports and (2) to the Board of Directors through project dashboards and project briefs (generally distributed at board meetings).

NEF UK often works with external evaluators, which allows it to monitor performance and to scrutinise and improve its work. The NEF Family of Entities produces a consolidated Annual Report that is freely available to anyone and posted on the NEF website.

Finally, NEF UK believes that evaluation processes are crucial to enable organisational learning and effective design and delivery of projects. The NEF Family of Entities regularly reviews its impact goals and their alignment to NEF's mission. NEF has designed a global database to track and monitor data with the aim of generating efficient impact assessments across its programmes. As with all NEF Entities, NEF UK publishes project data to the International Aid Transparency Initiative (IATI) datastore where information is openly available under an open license.

4. Donors and Partnerships

NEF UK has received and receives funds from: United Nations Office for Project Services (UNOPS), United Nations Population Fund (UNFPA), United Nations Development Programme (UNDP), Global Resilience Partnership, Arab Gulf Programme for Development, Aurora Humanitarian Initiative Charitable Foundation, the DFC, IKEA Foundation, Novo Nordisk Foundation, NORAD, FERD AS, the Asfari Foundation, the European Commission, the Government of the Netherlands, UKAid Direct, City & Guilds Group, Trafigura Foundation, Rangoonwala Foundation, Big Lottery Fund, Comic Relief, Oak Foundation, Open Society Foundation, Vitol Foundation, Cowater Sogema and Cherie Blair Foundation.

NEF UK partners with local and community-based organisations in all countries where it implements projects. A detailed listing of all partners is available in the NEF consolidated annual report as well as in project-specific briefs and on the NEF website.

5. Fundraising

NEF UK was created to advance the shared values and mission of the Near East Foundation, continuing an over one hundred-year-old legacy of humanitarian and development work abroad. NEF UK is mobilising UK-based and other international constituencies to find innovative, impactful, and cost-effective solutions to critical development and humanitarian issues. NEF UK's capacity and relevance are reflected in an already strong track record of high-impact, multi-year projects with support from partners such as the DFC, IKEA Foundation, Novo Nordisk Foundation, NORAD, FERD AS, Cherie Blair Foundation for Women, European Union, Big Lottery Fund, City & Guilds Group, Vitol Foundation and Comic Relief. NEF UK has led and continues to lead multi-year projects in Armenia, Morocco, Jordan, Lebanon, Mali, the Occupied Palestinian Territories, Sudan and Syria.

A robust fundraising strategy allows NEF UK to (1) close gaps not covered by direct or indirect cost recovery for NEF UK's programme activities, (2) invest in new initiatives and opportunities (e.g., investing in strengthening NEF UK blended financing mechanisms and fund pilot projects in new and critical locations such as South Sudan, Libya and Syria among others), (3) cover unexpected costs that will help us better respond to uncertain government funding and shifting needs on the ground, and (4) elevate the organisation's mission and raise awareness of its work in the UK and abroad. The goals and activities outlined in NEF UK's strategic fundraising plan, which is led by a team of fundraising and business development professionals and is discussed with the NEF UK Board of Directors, serve to establish a strong foundation for financial, operational, and programmatic stability as well as continued growth.

The Near East Foundation UK (Registered number: 08249345)

Report of the Trustees
for the Year Ended 30 June 2025

OBJECTIVES AND ACTIVITIES

6. Future Plans

NEF UK will continue to grow its programmes in the next fiscal year.

To date NEF UK has secured funding from public and private sector investors and donors to fund a Development Impact Bond to support livelihoods opportunities for refugees and their vulnerable host communities in Jordan and Lebanon. In addition, NEF UK has submitted proposals and secured funding from: (a) Government of the Netherlands to further scale the PASARC programme in Mali; (b) International Organization for Migration (IOM) to deliver emergency WASH services in Sudan; (c) United Nations Population Fund (UNFPA) to strengthen community-driven approaches to prevent and respond to GBV while promoting women's and girls' empowerment in conflict- and displacement-affected settings in Sudan and (d) continues to raise funds for the next phase of the Development Impact Bond (DIB) targeting refugees and host communities in Jordan, and for contributions to the blended finance mechanism to support a Revolving Credit Facility in Syria.

NEF UK has moved forward with its plans to pursue public commercial tendering and is awaiting donors' responses on several submitted proposals for potential projects in Iraq and Lebanon.

Furthermore, and as referenced above, the NEF UK Board has committed to (a) increasing the number and diversity of its Trustees/Directors on the board and (b) reviewing NEF UK fundraising policies and processes. In addition, the Board has approved a draft succession plan that can guarantee business continuity in case of short- or long-term emergencies.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

08249345 (England and Wales)

Registered Charity number

1150993

Registered office

Office 134-136
3 More London Place
London
SE1 2RE

Trustees

A G Williams
R N P Brown
A R Williams
J Garrett (resigned 31.12.24)
E M Eraiba
Ms C E Hopen
S Torkonoo

The Near East Foundation UK (Registered number: 08249345)

Report of the Trustees
for the Year Ended 30 June 2025

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Sumer Auditco Limited
Statutory Auditor
Chartered Accountants
Lennox House
3 Pierrepont Street
Bath
Somerset
BA1 1LB

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Near East Foundation UK for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Near East Foundation UK (Registered number: 08249345)

Report of the Trustees
for the Year Ended 30 June 2025

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The Directors recognise that they are responsible for preparing the Directors' Report and the financial statements in accordance with all applicable law and United Kingdom Accounting Standards. The law applicable to charities in England and Wales requires the Directors to prepare financial statements for each financial year which give a true and fair representation of the state of affairs of the Charity they govern and of the incoming resources and application of those very resources for the period indicated. In preparing these statements, the Directors:

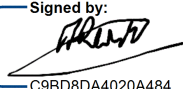
- (a) adopt suitable accounting policies and apply them consistently
- (b) observe the methods and principles of the Charity SORP
- (c) apply judgments and estimates that are prudent
- (d) state whether accounting standards have been followed and apply proper oversight on the financial and compliance functions of the Charity
- (e) prepare financial statements on the going concern basis unless it is not appropriate to presume that the Charity will continue its business.

The Directors are aware that they are responsible for (a) making sure that accounting records are kept in accordance to the law (b) that accurate disclosures on the financial position of the Charity are made at all time and when requested (c) that financial records provided to them enable them to ascertain to ensure that the financial statements comply with the Charity Act 1993, all applicable Charity Regulations and the provision of the Charity (d) safeguarding the assets and reputation of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities, including but not limited to financial mismanagement (e) the maintenance and integrity of the Charity and all financial information included on any of the Charity's related publications electronic or otherwise.

AUDITORS

The auditors, Sumer Auditco Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 21/05/2026 and signed on its behalf by:

Signed by: 
.....
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A R Williams - Trustee

Report of the Independent Auditors to the Members of The Near East Foundation UK

Opinion

We have audited the financial statements of The Near East Foundation UK (the 'charitable company') for the year ended 30 June 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of
The Near East Foundation UK

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Report of the Independent Auditors to the Members of
The Near East Foundation UK**

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Charities Act, Companies Act 2006, UK Financial Reporting Standards and UK taxation legislation.

We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance. We also utilised the work of group auditors on specific projects to further understand how the charitable company complies with these requirements.

We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Members of
The Near East Foundation UK

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:



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Simon Cunningham (Senior Statutory Auditor)
for and on behalf of Sumer Auditco Limited
Statutory Auditor
Chartered Accountants
Lennox House
3 Pierrepont Street
Bath
Somerset
BA1 1LB

Date: 22/05/2026
Date:

The Near East Foundation UK**Statement of Financial Activities**
for the Year Ended 30 June 2025

	Notes	Unrestricted fund £	Restricted funds £	2025 Total funds £	2024 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	431,812	228,372	660,184	563,212
Charitable activities					
Charitable Activity	4	-	4,336,234	4,336,234	2,962,630
Investment income	3	-	322,541	322,541	389,860
Total		<u>431,812</u>	<u>4,887,147</u>	<u>5,318,959</u>	<u>3,915,702</u>
EXPENDITURE ON					
Charitable activities					
Charitable Activity	5	151,916	4,678,005	4,829,921	4,629,710
Net foreign exchange gains/(losses)		<u>(221,804)</u>	<u>-</u>	<u>(221,804)</u>	<u>237,593</u>
Total		<u>(69,888)</u>	<u>4,678,005</u>	<u>4,608,117</u>	<u>4,867,303</u>
NET INCOME/(EXPENDITURE)					
Transfers between funds	16	501,700 <u>(446,337)</u>	209,142 <u>446,337</u>	710,842 <u>-</u>	(951,601) <u>-</u>
Net movement in funds		55,363	655,479	710,842	(951,601)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>121,638</u>	<u>1,131,575</u>	<u>1,253,213</u>	<u>2,204,814</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>177,001</u></u>	<u><u>1,787,054</u></u>	<u><u>1,964,055</u></u>	<u><u>1,253,213</u></u>

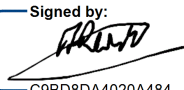
The notes form part of these financial statements

The Near East Foundation UK (Registered number: 08249345)**Balance Sheet**
30 June 2025

	Notes	Unrestricted fund £	Restricted funds £	2025 Total funds £	2024 Total funds £
FIXED ASSETS					
Tangible assets	11	12,930	-	12,930	25,285
CURRENT ASSETS					
Debtors	12	156,794	9,006,204	9,162,998	6,512,510
Investments	13	1,449	-	1,449	1,706
Cash at bank		<u>19,863</u>	<u>81,328</u>	<u>101,191</u>	<u>3,074,013</u>
		178,106	9,087,532	9,265,638	9,588,229
CREDITORS					
Amounts falling due within one year	14	(14,035)	(7,300,478)	(7,314,513)	(591,667)
NET CURRENT ASSETS		<u>164,071</u>	<u>1,787,054</u>	<u>1,951,125</u>	<u>8,996,562</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		177,001	1,787,054	1,964,055	9,021,847
CREDITORS					
Amounts falling due after more than one year	15	-	-	-	(7,768,634)
NET ASSETS		<u>177,001</u>	<u>1,787,054</u>	<u>1,964,055</u>	<u>1,253,213</u>
FUNDS	16				
Unrestricted funds				177,001	121,638
Restricted funds				<u>1,787,054</u>	<u>1,131,575</u>
TOTAL FUNDS				<u>1,964,055</u>	<u>1,253,213</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 21/05/2026
..... and were signed on its behalf by:

Signed by:

C9BD8DA4020A484.....
 A R Williams - Trustee

The notes form part of these financial statements

The Near East Foundation UK

Cash Flow Statement
for the Year Ended 30 June 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(3,295,363)</u>	<u>(1,664,199)</u>
Net cash used in operating activities		<u>(3,295,363)</u>	<u>(1,664,199)</u>
Cash flows from investing activities			
Purchase of current investments		-	(1,706)
Interest received		<u>322,541</u>	<u>389,860</u>
Net cash provided by investing activities		<u>322,541</u>	<u>388,154</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		(2,972,822)	(1,276,045)
Cash and cash equivalents at the beginning of the reporting period		<u>3,074,013</u>	<u>4,350,058</u>
Cash and cash equivalents at the end of the reporting period		<u><u>101,191</u></u>	<u><u>3,074,013</u></u>

The notes form part of these financial statements

The Near East Foundation UK**Notes to the Cash Flow Statement**
for the Year Ended 30 June 2025**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2025 £	2024 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	710,842	(951,601)
Adjustments for:		
Depreciation charges	12,355	23,478
Interest received	(322,541)	(389,860)
Increase in debtors	(2,650,488)	(665,937)
(Decrease)/increase in creditors	<u>(1,045,531)</u>	<u>319,721</u>
Net cash used in operations	<u><u>(3,295,363)</u></u>	<u><u>(1,664,199)</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.7.24 £	Cash flow £	At 30.6.25 £
Net cash			
Cash at bank and in hand	<u>3,074,013</u>	<u>(2,972,822)</u>	<u>101,191</u>
	<u>3,074,013</u>	<u>(2,972,822)</u>	<u>101,191</u>
Liquid resources			
Deposits included in cash	-	-	-
Current asset investments	<u>1,706</u>	<u>(257)</u>	<u>1,449</u>
	<u>1,706</u>	<u>(257)</u>	<u>1,449</u>
Total	<u><u>3,075,719</u></u>	<u><u>(2,973,079)</u></u>	<u><u>102,640</u></u>

The notes form part of these financial statements

The Near East Foundation UK

Notes to the Financial Statements **for the Year Ended 30 June 2025**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Staff costs include both NEF UK staff as well as costs of people not directly employed by NEF UK but working on NEF UK projects.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Motor vehicles - Straight Line over 5 years

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

The Near East Foundation UK**Notes to the Financial Statements - continued**
for the Year Ended 30 June 2025**2. DONATIONS AND LEGACIES**

	2025 £	2024 £
Contributions	<u>660,184</u>	<u>563,212</u>

3. INVESTMENT INCOME

	2025 £	2024 £
Deposit account interest	<u>322,541</u>	<u>389,860</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	2025 Charitable Activity £	2024 Total activities £
Grants	<u>4,336,234</u>	<u>2,962,630</u>

Grants received, included in the above, are as follows:

	2025 £	2024 £
EU Grants	-	29,227
PASARC	1,654,979	851,447
United Nations	539,364	547,624
Development Impact Bond Income	<u>2,141,891</u>	<u>1,534,332</u>
	<u>4,336,234</u>	<u>2,962,630</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Charitable Activity	4,754,779	75,142	4,829,921
Net foreign exchange gains/(losses)	<u>-</u>	<u>(221,804)</u>	<u>(221,804)</u>
	<u>4,754,779</u>	<u>(146,662)</u>	<u>4,608,117</u>

6. SUPPORT COSTS

	Management £	Finance £	Totals £
Charitable Activity	75,142	-	75,142
Net foreign exchange gains/(losses)	<u>-</u>	<u>(221,804)</u>	<u>(221,804)</u>
	<u>75,142</u>	<u>(221,804)</u>	<u>(146,662)</u>

The Near East Foundation UK**Notes to the Financial Statements - continued**
for the Year Ended 30 June 2025**7. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2025	2024
	£	£
Depreciation - owned assets	<u>12,355</u>	<u>23,478</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2025 nor for the year ended 30 June 2024.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 June 2025 nor for the year ended 30 June 2024.

9. STAFF COSTS

	2025	2024
	£	£
Wages and salaries	439,634	403,630
Wages - seconded staff	<u>816,482</u>	<u>999,587</u>
	<u>1,256,116</u>	<u>1,403,217</u>

The average monthly number of employees during the year was as follows:

	2025	2024
Direct employees	<u>5</u>	<u>5</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2025	2024
£60,001 - £70,000	1	1
£70,001 - £80,000	1	-
£80,001 - £90,000	-	1
£130,001 - £140,000	<u>-</u>	<u>1</u>
	<u>2</u>	<u>3</u>

The Near East Foundation UK**Notes to the Financial Statements - continued**
for the Year Ended 30 June 2025**10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	349	562,863	563,212
Charitable activities			
Charitable Activity	-	2,962,630	2,962,630
Investment income	<u>166,186</u>	<u>223,674</u>	<u>389,860</u>
Total	<u>166,535</u>	<u>3,749,167</u>	<u>3,915,702</u>
EXPENDITURE ON			
Charitable activities			
Charitable Activity	431,810	4,197,900	4,629,710
Net foreign exchange gains/(losses)	<u>104,716</u>	<u>132,877</u>	<u>237,593</u>
Total	<u>536,526</u>	<u>4,330,777</u>	<u>4,867,303</u>
NET INCOME/(EXPENDITURE)	(369,991)	(581,610)	(951,601)
Transfers between funds	<u>424,809</u>	<u>(424,809)</u>	<u>-</u>
Net movement in funds	54,818	(1,006,419)	(951,601)
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>66,820</u>	<u>2,137,994</u>	<u>2,204,814</u>
TOTAL FUNDS CARRIED FORWARD	<u>121,638</u>	<u>1,131,575</u>	<u>1,253,213</u>

11. TANGIBLE FIXED ASSETS

	Motor vehicles £
COST	
At 1 July 2024 and 30 June 2025	<u>153,066</u>
DEPRECIATION	
At 1 July 2024	127,781
Charge for year	<u>12,355</u>
At 30 June 2025	<u>140,136</u>
NET BOOK VALUE	
At 30 June 2025	<u>12,930</u>
At 30 June 2024	<u>25,285</u>

The Near East Foundation UK**Notes to the Financial Statements - continued**
for the Year Ended 30 June 2025**12. DEBTORS**

	2025 £	2024 £
Amounts falling due within one year:		
Other debtors	7,655,826	75,129
Prepayments and accrued income	<u>1,507,172</u>	<u>359,226</u>
	<u>9,162,998</u>	<u>434,355</u>
Amounts falling due after more than one year:		
Other debtors	<u>-</u>	<u>6,078,155</u>
Aggregate amounts	<u>9,162,998</u>	<u>6,512,510</u>

13. CURRENT ASSET INVESTMENTS

	2025 £	2024 £
Other	<u>1,449</u>	<u>1,706</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Trade creditors	141,493	569,166
Other creditors	7,159,664	10,601
Accruals and deferred income	<u>13,356</u>	<u>11,900</u>
	<u>7,314,513</u>	<u>591,667</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2025 £	2024 £
Other creditors	<u>-</u>	<u>7,768,634</u>

The Near East Foundation UK**Notes to the Financial Statements - continued**
for the Year Ended 30 June 2025**16. MOVEMENT IN FUNDS**

	At 1.7.24 £	Net movement in funds £	Transfers between funds £	At 30.6.25 £
Unrestricted funds				
General fund	121,638	501,700	(446,337)	177,001
Restricted funds				
PASARC II	394,100	430,374	-	824,474
DIB Jordan	274,403	226,003	-	500,406
Syria - Vitol NES Phase II	357,171	(40,594)	-	316,577
SY-NEF UK Revolving funds	67,742	-	-	67,742
AM -Waste to warmth	-	(14,281)	14,281	-
Sudan United Nations Office for Project Services (UNOPS)	-	(148,335)	148,335	-
Sudan Global Resilience Partnership	-	(34,277)	34,277	-
Sudan Lakes Program	32,784	(281,675)	248,891	-
SS United Nations Office for Project Services (UNOPS)	-	3,100	-	3,100
Sudanese Red Crescent Emergency Response Plan	5,375	-	-	5,375
Sudan United Nations Population Fund for HIV & Aids	-	69,380	-	69,380
UK - SFS Syria	-	(553)	553	-
	<u>1,131,575</u>	<u>209,142</u>	<u>446,337</u>	<u>1,787,054</u>
TOTAL FUNDS	<u>1,253,213</u>	<u>710,842</u>	<u>-</u>	<u>1,964,055</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	431,812	69,888	501,700
Restricted funds			
PASARC II	1,654,979	(1,224,605)	430,374
DIB Jordan	2,417,235	(2,191,232)	226,003
Syria - Vitol NES Phase II	-	(40,594)	(40,594)
AM -Waste to warmth	(1,809)	(12,472)	(14,281)
Sudan United Nations Office for Project Services (UNOPS)	309,306	(457,641)	(148,335)
Sudan Global Resilience Partnership	(19,675)	(14,602)	(34,277)
Sudan Lakes Program	230,181	(511,856)	(281,675)
SS United Nations Office for Project Services (UNOPS)	29,283	(26,183)	3,100
Sudan United Nations Population Fund for HIV & Aids	264,291	(194,911)	69,380
UK - SFS Syria	3,356	(3,909)	(553)
	<u>4,887,147</u>	<u>(4,678,005)</u>	<u>209,142</u>
TOTAL FUNDS	<u>5,318,959</u>	<u>(4,608,117)</u>	<u>710,842</u>

The Near East Foundation UK**Notes to the Financial Statements - continued**
for the Year Ended 30 June 2025**16. MOVEMENT IN FUNDS - continued****Comparatives for movement in funds**

	At 1.7.23 £	Net movement in funds £	Transfers between funds £	At 30.6.24 £
Unrestricted funds				
General fund	66,820	(369,991)	424,809	121,638
Restricted funds				
PASARC II	1,142,864	(585,019)	(163,745)	394,100
DIB Jordan	274,125	185,174	(184,896)	274,403
Jordan - WPF	56,113	(56,113)	-	-
Syria - Vitol NES Phase II	214,935	159,159	(16,923)	357,171
SY-NEF UK Revolving funds	79,210	(11,468)	-	67,742
SY-VITOL - NWS Earthquake recovery	44,083	(39,887)	(4,196)	-
AM -Waste to warmth	39,198	(39,099)	(99)	-
Sudan United Nations Office for Project Services (UNOPS)	148,718	(118,125)	(30,593)	-
WASH services in South Kordofan State	52,730	(52,730)	-	-
Sudan Global Resilience Partnership	86,018	(80,762)	(5,256)	-
Sudan Lakes Program	-	54,636	(21,852)	32,784
Sudan IOM DP	-	(12,882)	12,882	-
ML PNUD	-	8,015	(8,015)	-
ML PNUD II	-	2,116	(2,116)	-
Sudanese Red Crescent Emergency Response Plan	-	5,375	-	5,375
	<u>2,137,994</u>	<u>(581,610)</u>	<u>(424,809)</u>	<u>1,131,575</u>
TOTAL FUNDS	<u>2,204,814</u>	<u>(951,601)</u>	<u>-</u>	<u>1,253,213</u>

The Near East Foundation UK**Notes to the Financial Statements - continued**
for the Year Ended 30 June 2025**16. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	166,535	(536,526)	(369,991)
Restricted funds			
PASARC II	851,447	(1,436,466)	(585,019)
DIB Jordan	1,758,006	(1,572,832)	185,174
Jordan - WPF	-	(56,113)	(56,113)
Syria - Vitol NES Phase II	274,681	(115,522)	159,159
SY-NEF UK Revolving funds	-	(11,468)	(11,468)
SY-VITOL - NWS Earthquake recovery	-	(39,887)	(39,887)
AM -Waste to warmth	-	(39,099)	(39,099)
Sudan United Nations Office for Project Services (UNOPS)	349,549	(467,674)	(118,125)
WASH services in South Kordofan State	(52,730)	-	(52,730)
Sudan Global Resilience Partnership	44,427	(125,189)	(80,762)
Sudan Lakes Program	276,680	(222,044)	54,636
Sudan IOM DP	29,227	(42,109)	(12,882)
SS United Nations Office for Project Services (UNOPS)	23,940	(23,940)	-
ML PNUD	137,922	(129,907)	8,015
ML PNUD II	44,516	(42,400)	2,116
Sudanese Red Crescent Emergency Response Plan	11,502	(6,127)	5,375
	<u>3,749,167</u>	<u>(4,330,777)</u>	<u>(581,610)</u>
TOTAL FUNDS	<u>3,915,702</u>	<u>(4,867,303)</u>	<u>(951,601)</u>

The restricted fund represent grants and contributions received from the various bodies to deliver the projects as outlined in our Trustees' Report.

As part of the Trustees' ongoing consideration of reserves, a review has been undertaken during the year to assess the utilisation of unrestricted funds and allocation of overhead costs to specific projects. Transfers between the funds shown above include the necessary adjustments. The transfers represent centrally costed overheads that are directly linked to each specific projects.

17. CONTINGENT LIABILITIES

The organisation entered into a finance agreement in a previous accounting period. The Refugee Impact Bond leveraged an up-front investment of \$9,825,000 for NEF UK to deliver a vocational, entrepreneurship, and resilience-building programme for refugees and members of the host communities in Jordan. This program is supported by the Norwegian Agency for Development Cooperation (NORAD), the US International Development Finance Corporation (DFC), the IKEA Foundation, Novo Nordisk Foundation and FERD AS. NEF UK received the initial working capital as a loan disbursement of £4,928,254 in 2022 with a further £2,852,684 received in 2023. Repayment obligations on the debt financing of £7,780,938 are guaranteed by Funders NORAD, IKEA Foundation & Novo Nordisk, without further obligation on NEF UK.

Final calculation of bond obligations were reached post year end and the balance cleared by the funders in December 2025 in-line with the bond agreement.

The Near East Foundation UK

Notes to the Financial Statements - continued
for the Year Ended 30 June 2025

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 30 June 2025.