

**CLEAN  
AIR  
FUND**

**20  
25**

**Annual report  
and accounts**

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# LETTER FROM OUR CEO AND CHAIR



**JANE BURSTON**  
CEO



**KATHERINE GARRETT-COX CBE**  
Chair of the Board of Trustees

2025 was a challenging year for global cooperation on many fronts. Yet even in the face of profound geopolitical uncertainty, we saw bold efforts to tackle toxic air at every level.

Reducing air pollution delivers fast, tangible benefits. It protects people's health, strengthens economies and helps mitigate climate change. Actions that deliver cleaner air are supported by people from all walks of life and across the political spectrum. This is why — despite political headwinds — global cooperation on clean air is accelerating.

At an international level, countries endorsed the World Health Organization's (WHO) **roadmap** to halve deaths from air pollution by 2040. In November, under South Africa's G20 presidency, world leaders adopted a **landmark declaration** on air quality. On the sidelines of COP30 in Brazil, nine countries made a **first-of-its-kind announcement** to tackle the major sources of black carbon. These milestones underlined that clean air can be a common cause that cuts across political differences.

Last year also saw real progress at a national level. In Ghana, new legislation laid the foundations for coordinated air quality management across the country. In India, state-wide clean air programmes are scaling clean transport and emissions monitoring for more than 270 million people. In the UK, the government brought forward targets to significantly reduce the most harmful kind of air pollution by a decade.

Cities are taking bold action as part of **Breathe Cities**. London reached **legal NO<sub>2</sub>**

**limits for the first time ever** in 2024, nearly 200 years earlier than predicted. In Bogotá, air pollution has fallen by almost a quarter since 2018, earning the city the **Earthshot Prize** for its pioneering interventions. Nairobi and Accra rolled out new sensor networks, allowing policymakers and communities to identify toxic air hotspots and take tailored action. The result: cleaner neighbourhoods, healthier children and fewer workdays lost to the effects of toxic air.

2026 brings major opportunities to accelerate impact. We are scaling our efforts in Indonesia and across Southeast Asia, working with partners to deliver bold, practical reforms. We will support countries to make the first national commitments under the EU's **revised Ambient Air Quality Directive** (AAQD), foster greater alignment between city and national action, and continue growing international ambition to cut super pollutants like black carbon.

In a year where progress often felt precarious, our partners, donors, and staff helped to make air quality a political, economic and public health priority — paving the way to deliver clean air everywhere, for everyone.

# TRUSTEES' & STRATEGIC REPORT

Clean Air Fund is a global philanthropic organisation working with governments, funders, businesses and campaigners to create a future where everyone breathes clean air.

# OUR YEAR AT A GLANCE

**\$34.0m**

committed to new

projects

**262**

total air quality

projects

**9** countries announced plans for major black carbon reductions at COP30

**14** cities delivering action through Breathe Cities

**The 10**  $\mu\text{g}/\text{m}^3$  PM2.5 target brought forward by 10 years in the UK

**270** million people set to benefit from a clean air action plan across the Indo-Gangetic Plain and Himalayan Foothills

**2,500+** urban areas included in a new tool mapping emissions from major industrial polluters

**3** million lives projected to be saved by new commitments made at the WHO Global Conference on Air Pollution and Health



Harry Mhlanga checks and cleans the inlets of the ambient air quality monitoring station managed by South African Weather Services. Gulshan Khan / Climate Visuals

# WHY CLEAN AIR?

Air pollution is everywhere. Invisible particles penetrate cells and organs in our bodies: our lungs, heart, blood and brain. Dirty air is a leading cause of heart attacks, strokes and many other diseases.

In addition to harming our health, air pollution is linked to climate change. Some health-harming pollutants, like black carbon and tropospheric ozone, have a very high global warming potential. The sources of air pollutants and greenhouse gas emissions are often the same — burning fossil fuels for energy, transport, industry or agriculture.

Air pollution is **the largest environmental threat to human health** worldwide.

**8.1 million premature deaths** annually are attributed to air pollution: more than tobacco.

**99% of people breathe air that exceeds World Health Organization** (WHO) guidelines.

The annual health costs of air pollution are **\$6 trillion** – equivalent to 5% of global GDP.

**IT DOESN'T HAVE TO BE THIS WAY.**

## OUR MISSION

We're working toward a world where everyone breathes clean air.

We accelerate action on clean air through:



### DATA

Putting compelling evidence in the right hands



### DEMAND

Growing public awareness and political will



### DRIVE

Influencing and supporting decision-makers to commit to and implement ambitious clean air measures.

Cleaner air will create a healthier, fairer, more prosperous future for everyone. Clean Air Fund aims to accelerate the movement for clean air by:



**Funding and partnering**  
with organisations  
across the globe  
that promote data,  
build public  
demand for clean  
air and drive action



**Influencing and  
supporting decision-  
makers** to act on clean  
air, bringing together  
funders, researchers,  
policy makers,  
businesses, and  
campaigners to build  
and strengthen the air  
quality cause



**Working with  
communities**  
disproportionately  
affected by air pollution

# OUR STRATEGY

Our ambitious Clean Air for All strategy (2023-2026) sets out how we will catalyse progress on air pollution. Our strategic results framework enables us to systematically measure progress and draw out lessons and insights from our portfolios.

## DURING THIS PERIOD, WE AIM TO:

galvanise global leaders to agree on **significant action on air pollution**

drive significant progress on **reducing air pollution in at least 8 countries and 55 cities**, through ambitious laws and policies and impactful air quality management plans

encourage at least **75 multinational companies to commit** to ambitious plans to reduce their air pollution footprints across their value chains

catalyse a total of **\$250 million** in funds for air quality programming

# AREAS OF WORK

We significantly increased the scale of our grant making and charitable projects, committing funding to 190 new projects, worth \$34 million in multi-year value during 2025. We managed a total of 262 projects, an increase of 88 from the previous year (174 in 2024).

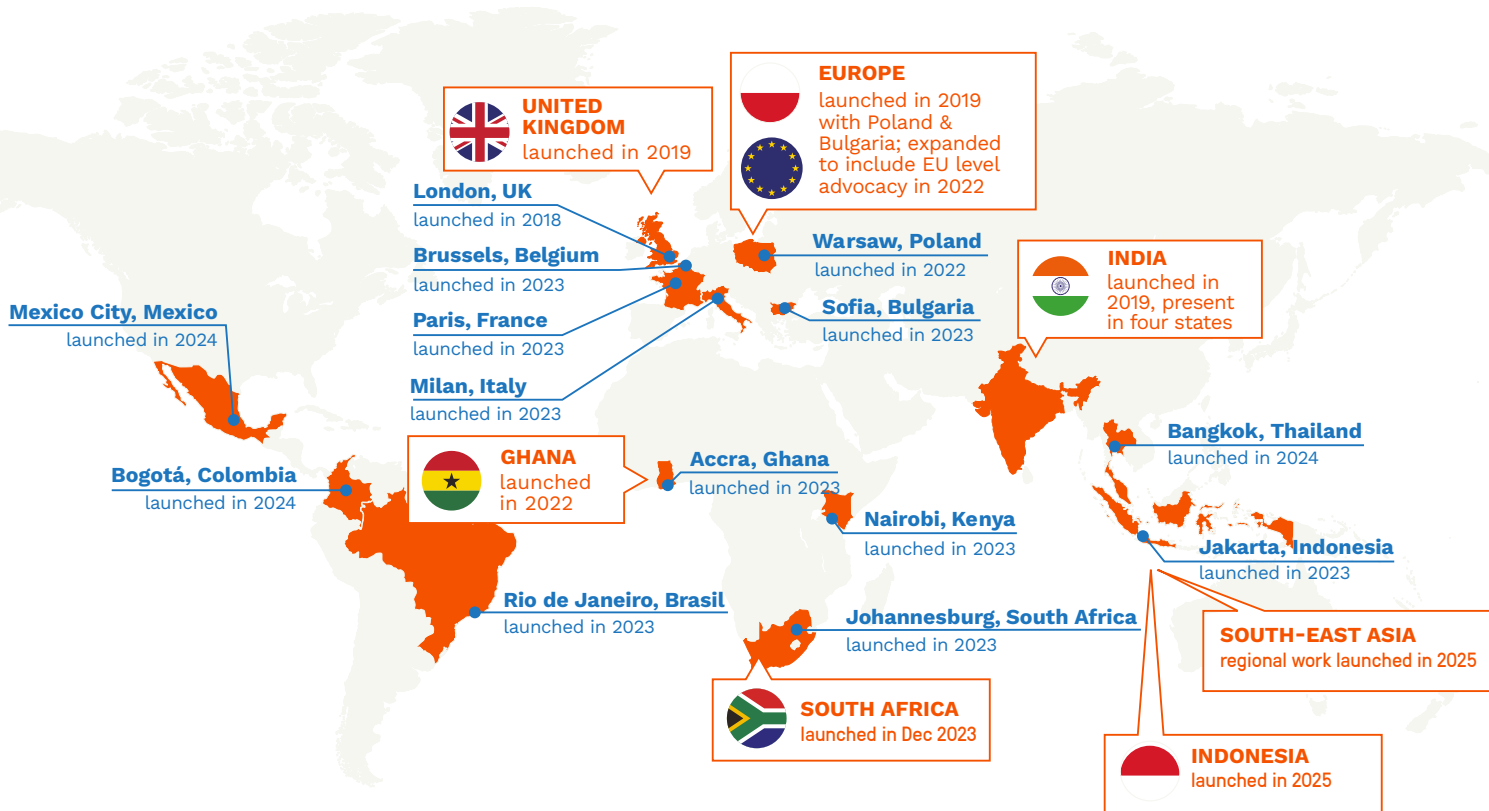
## PROJECTS EXPENDITURE BY DEPARTMENT AND PORTFOLIO (\$ MILLION)



### OUR AREAS OF WORK ARE:

- **Global action:** Advocacy, Air Quality Data, Health, Private Sector Engagement and Super Pollutants
- **National and regional action:** Europe (including the UK, EU and Poland), Ghana, India, Indonesia, and South Africa
- **City-level action:** Breathe Cities initiative with Bloomberg Philanthropies and C40 Cities in 14 cities, and the Clean Air Accelerator programme
- **Cross-cutting:** Field Building, and Learning and Insights

# WHERE WE WORK



# KEY ACHIEVEMENTS

Here are the key achievements from 2025.

## **THE G20 ENDORSES A HISTORIC DECLARATION ON AIR QUALITY.**

G20 Environment and Climate Ministers adopted a landmark declaration which put air quality on the G20 agenda as a standalone priority for the first time. This represents growing recognition among the world's largest economies that cleaner air is essential for health, prosperity and climate ambition.

## **WHO, UNGA AND MEMBER STATES RECOGNISE CLEAN AIR AS A GLOBAL PUBLIC HEALTH PRIORITY.**

At the 78th World Health Assembly, member states approved a target to halve air pollution deaths by 2040. The voluntary target provides a unifying global framework for national action and international cooperation. Early roadmap commitments from 24 countries offer a clear path to save millions of lives and reduce burdens on health systems.

In September, the UN General Assembly formally recognised air pollution as a major driver of noncommunicable diseases. This creates a mandate for governments to integrate pollution reduction into health systems and disease prevention.

## **INDIA ACCELERATES REGIONAL CLEAN AIR ACTION WITH LANDMARK WORLD BANK SUPPORT.**

In December, the World Bank approved major financing for Uttar Pradesh and Haryana, set to benefit 270 million people. Uttar Pradesh's \$300 million Clean Air Management Programme will expand clean cooking to 3.9 million households, deploy 15,000 electric three-wheelers and 500 electric buses, and incentivise the replacement of 13,500 heavy-duty vehicles. Haryana's \$300 million programme will strengthen emissions monitoring and scale clean transport.

## **GHANA'S LEGISLATION SETS A NEW ERA FOR CLEAN AIR GOVERNANCE.**

Ghana updated its environmental legislation through the new Environmental Protection Act and a strengthened Environmental Protection Authority. This marked the most significant reform in decades. A cornerstone of this shift was the government's Air Quality Management Regulation in September 2025, which created a national legal basis for comprehensive air quality monitoring for the first time. It requires every district to develop its own

Air Quality Management Plan, centralising data from all monitoring sources to provide real-time insights that enable national and municipal authorities to target interventions where pollution burdens are greatest.

## **UK BRINGS FORWARD ITS PM2.5 TARGET BY 10 YEARS.**

The UK government brought forward its commitment to meet the WHO particulate matter (PM2.5) pollution guideline level of 10 µg/m<sup>3</sup> to 2030. This new target aligns the UK with the ambition set under the EU's Ambient Air Quality Directive. The government also committed to consult on domestic biomass combustion — a major PM2.5 source — and progressed legislation giving local authorities stronger environmental decision-making powers.

## **14 BREATHE CITIES DRIVE CLEAN AIR ACTION.**

Cities are making fast progress on clean air action. Highlights this year include: London reaching legal NO<sub>2</sub> limits for the first time in 2024; Accra's adoption of air quality action plans across 13 districts; Nairobi's new sensor network and City County Air Quality Action Plan; Brussels confirming the next phase of the Low Emission Zone for 2026; Sofia winning the Bloomberg Philanthropies Local Leaders Climate Award and Bogotá winning the Earthshot Prize for Clean Air.

## **NINE COUNTRIES ANNOUNCE PLANS FOR MAJOR BLACK CARBON REDUCTIONS AT COP30.**

Ministers and senior officials from Canada, Chile, Colombia, Costa Rica, Dominican Republic, Madagascar, Nigeria, Sri Lanka and Uganda made a first-of-its-kind announcement to tackle major sources of black carbon emissions during COP30 in Belém, Brazil. The announcement elevates black carbon as a critical climate and health challenge on the global stage. Actions range from integrating black carbon into climate strategies to targeted interventions in the electricity, transportation, and oil and gas sectors.

# OUR STRUCTURE, GOVERNANCE AND MANAGEMENT

## OVERVIEW

Clean Air Fund is a charitable company limited by guarantee (registered company number 11766712), constituted in 2019 and governed by its Memorandum and Articles of Association. Clean Air Fund is a charity registered in England and Wales (registration number 1183697) under the Charities Act 2011. The Charity had three subsidiary organisations in the year ended 31 December 2025:

- Clean AF Services India, an Indian private limited company, (U74999DL2022FTC405832) registered on 13 October 2022
- CAF – Trading Limited, a UK registered company (13318649), incorporated on 7 April 2021 and dissolved on 5 August 2025
- Clean AF Foundation India, an Indian s8 registered company (U85100DL2021NPL391210), registered on 14 December 2021

## PUBLIC BENEFIT

As a charity, Clean Air Fund is a Public Benefit Entity. The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit including (PB2 Public Benefit: Running a Charity).

As a grant making organisation, we work through the organisations we fund, which include NGOs and research organisations. Our beneficiaries are people living in the countries and cities in which our partners are working to clean the air. Ultimately, the beneficiaries are much wider, as our aim is to improve air quality globally for the benefit of every individual in the geographies where we work. We coordinate a collective strategy to reduce air pollution, provide grant funding to a multi-national portfolio of clean air programmes, fund research and knowledge-building activities, and provide a means of knowledge sharing and networking between stakeholders.

## THE BOARD OF TRUSTEES

The Board of Trustees is the governing body of the organisation and has legal, financial and managerial responsibility for the Charity. Clean Air Fund currently has five Trustees, of which one is a funder Trustee and four are independent Trustees. The Chair is one of the independent Trustees. All Trustees are also Members.

Trustees serve a four-year term from their date of appointment. Trustees are eligible to serve up to three full terms. Trustee appointment is confirmed at a meeting of the Board. There were no changes to Board membership during 2025.

New Trustees are appointed following a selection process based on our needs, including considerations around diversity, and gaps in expertise of existing Board members. Potential new Trustees meet with the CEO and Chair of Trustees to assess their fit with the organisation. New Trustees receive an induction briefing from the Company Secretary and relevant members of the Senior Leadership Team, and are provided with documents covering their legal and regulatory responsibilities and relevant information about Clean Air Fund.

The Board updated its Board skills matrix during 2025 and met quarterly with Board meetings focused on strategy, impact, organisational policy, financial health, risk, people and culture.

**KATHERINE GARRETT – COX CBE (CHAIR)**

Re-appointed for a second term — 09 December 2022

**GUNJAN SHAH**

Appointed 02 November 2022

**STYLIANOS KYRIAKAKIS**

Appointed 08 August 2023

**MILENA NIKOLOVA**

Appointed 01 March 2024

**SELLAH BOGONKO**

Appointed 02 December 2024

In addition, we have individuals from our donors who attend and input into Board discussions, but do not have any voting rights. These are:

**ANNA HAKOBYAN**

Observer since 10 October 2023

**PRIYA SHANKER**

Observer since 10 October 2023

### THIRD PARTY INDEMNITY PROVISION FOR TRUSTEES

Qualifying third party indemnity provision was in place for the benefit of all trustees of the Charity.

### SENIOR LEADERSHIP TEAM

The Senior Leadership Team of the Clean Air Fund comprises seven current members. Current members at the date the Annual Report and Financial Statements were approved:

Chief Executive Officer

**JANE BURSTON OBE**

Chief Operating Officer

**VENETIA BELL\***

Executive Director of Strategic Partnerships & Communications

**SEAN MAGUIRE**

Executive Director of Programmes

**SHIRISH SINHA**

Executive Director, Breathe Cities

**CECILIA VACA JONES**

Appointed April 2026

Executive Director, Europe

**MARIA-KRISTYNA DUVAL**

Appointed January 2026

Chief Impact Officer

**SIETSKE VAN DER PLOEG**

Served during reporting period:

Executive Director, Breathe Cities

**JAIME PUMAREJO**

Served until June 2025

HR Director

**JACQUIE MCLELLAND**

Served until December 2025

Project Director, Breathe Cities

**MIKE SAXTON**

Served until February 2026

The Senior Leadership Team is responsible for setting Clean Air Fund's strategy and driving its implementation. The Senior Leadership Team's responsibilities cover people and culture, strategy and impact, organisational processes and planning, risk and reputation.

\*Venetia Bell is registered at Companies House under her legal name, Venetia Cooper (p. 55).

## **DECISION MAKING**

The Trustees, together with the CEO and Senior Leadership Team, make up the key management of the charity and are responsible for directing, controlling and running the charity on a day-to-day basis.

The Trustees have delegated certain decision-making responsibilities to the CEO and two sub-committees: the Finance, Audit and Risk Committee, and the Grant and Charitable Activities Committee. Significant decisions of sub-committees are reported and monitored at each subsequent Board meeting.

Clean Air Fund's Board has strategic and operational oversight of all Clean Air Fund activities, and decision making on strategy and major grants.

The Board has delegated grant making authority for smaller grants to both the Grant and Charitable Activities Committee and to the CEO.

## **FINANCE, AUDIT AND RISK COMMITTEE**

The Finance, Audit and Risk Committee is a sub-committee of the Board. The Committee's membership includes designated Trustees and independent advisors with relevant technical expertise.

The Committee meets at least twice per year to consider budgeting and financial planning, financial reporting, risk management and audit, assurance, systems and controls.

The Committee meets prior to the Board meetings and a report from each meeting is taken to the Board.

## **GRANT AND CHARITABLE ACTIVITIES COMMITTEE**

The Grant and Charitable Activities Committee is a sub-committee of the Board. The Committee's membership includes designated Trustees, independent advisors with relevant technical or geographic expertise, and donors that have contributed at least \$500,000 per year to the pooled fund.

The Grant and Charitable Activities Committee meets at least three times per year to consider and approve portfolio strategies and approve potential grant awards, up to a value of \$6m.

# RISKS

The Trustees, in conjunction with the Senior Leadership Team, are responsible for the management of the risks faced by Clean Air Fund. This is documented in Clean Air Fund's risk management policy which sets out our risk management principles, and roles and responsibilities. The risk management policy includes a five-part risk management process (identification, assessment, evaluation, treatment, reporting) and risk categories and sub-categories, including strategic, governance, financial, people, compliance, legal and operational risks. There were no serious incidents or other matters reported to the Charity Commission in 2025.

Key risks are documented within an organisational risk register, which documents the most relevant risks arising from across the organisation held in Directorate and Portfolio risk registers. The risk evaluation process grades the risks according to their importance by assessing the likelihood and level of impact of each risk both before and after any mitigating actions. The organisational key risk register is updated and reviewed by the Senior Leadership Team, and is also reviewed by the Finance, Audit and Risk Committee every six months and by the Board once a year. Emerging risks were considered alongside organisation key risks by the Finance, Audit and Risk Committee and the Board at the end of 2025. Where necessary, Clean Air Fund also creates and maintains risk or incident response plans for specific incidents, reporting to the Finance, Audit and Risk Committee and / or the Board if necessary.

Clean Air Fund's risk appetite is determined by the Board. Significant work was undertaken in 2024 to formalise the Risk Appetite Statement and this was approved by the Board in 2025. While Clean Air Fund has low appetite for many categories of risk, it is prepared to take some programming and grant making related risks; for instance, supporting innovative programmes whose outcome is uncertain.

The highest-rated risks identified by the Trustees in 2025 were similar to 2024. This is to be expected as many of the higher-rated risks are external to Clean Air Fund and are harder to mitigate. However, there was a change of emphasis and a crystallisation of US-related political risks.

- **Global political shifts and anti-climate action agenda:** The anti-climate action agenda built further momentum and risks significantly undermining multilateral climate cooperation. This risk is mitigated in part by understanding the local operating context when working on policy goals and tailoring Clean Air Fund's approach appropriately.
- **Development finance disruption:** Cuts to international development budgets and shifting city-level priorities may reduce available funding and political will for air quality initiatives.
- **Jurisdictional compliance:** As we expand and deepen our work in jurisdictions around the world, there are more compliance requirements. This risk is mitigated by having senior staff with international management expertise, hiring high-quality local advisors, and having a strong set of organisational policies and processes.
- **Cyber information security threats:** With Clean Air Fund's size and visibility, we face significant exposure to cyber risks, including data breaches, phishing, malware, and insider threats. Vulnerabilities in systems, infrastructure, or user behaviour could lead to unauthorised access or disruption of operations, despite existing controls. This risk is mitigated by investments made in people and systems.
- **Financial sustainability risks:** Clean Air Fund is looking to renew significant core funding for the 2027-2030 strategic period. This risk is mitigated by our fundraising strategy and track record.

The Trustees are satisfied that plans, systems, controls and policies are in place to mitigate and manage exposure to such major risks identified by the Senior Leadership Team and the Trustees.



# FINANCIAL REVIEW

## SUMMARY OF FINANCIAL POSITION

2025 was the third year of our 2023-2026 strategic period. Clean Air Fund continued to grow through the year, with total expenditure increasing 23% year-on-year.

Income continued to grow, with a year-on-year increase of \$22m to a total of \$64m, breaking through the \$60m mark for the first

time in Clean Air Fund's history. Funding for Breathe Cities and Black Carbon programmes, alongside ongoing support from key donors, continued from 2024, and new funding was received from the IKEA Foundation for our new Ambient Air Quality Directive in Europe programme, enhancing the total income level in 2025.

The following table summarises Clean Air Fund's financial results over the past five years, along with a breakdown of our sources of income, areas of expenditure and overall financial results for 2025.

#### SUMMARY OF HISTORIC INCOME AND EXPENDITURE

|                                          | 2021        | 2022         | 2023        | 2024        | 2025        |
|------------------------------------------|-------------|--------------|-------------|-------------|-------------|
| <b>USD \$m</b>                           |             |              |             |             |             |
| Total Income                             | 17.8        | 15.1         | 33.9        | 42.1        | 64.3        |
| Total Expenditure                        | 11.8        | 18.6         | 26.6        | 36.1        | 44.5        |
| Total Grant and Charitable Project Spend | 7.8         | 13.3         | 19.9        | 24.9        | 30.8        |
| <b>Net Movement in Funds</b>             | <b>6.0</b>  | <b>(3.5)</b> | <b>7.3</b>  | <b>6.0</b>  | <b>19.8</b> |
| <b>Fund balance</b>                      | <b>14.9</b> | <b>11.4</b>  | <b>18.7</b> | <b>24.7</b> | <b>44.6</b> |
| Restricted                               | 0.9         | 0.9          | 8.0         | 13.4        | 37.9        |
| Unrestricted: General                    | 14.0        | 3.3          | 9.5         | 11.3        | 6.7         |
| Unrestricted: Designated                 | -           | 7.2          | 1.2         | -           | -           |

#### SUMMARY OF HISTORIC INCOME AND EXPENDITURE

|                                       | 2021 | 2022 | 2023 | 2024 | 2025 |
|---------------------------------------|------|------|------|------|------|
| Average number of employees           | 22.9 | 26.9 | 48.3 | 77.2 | 93.2 |
| Total Funds awarded to Partners (\$m) | 13.0 | 14.8 | 24.6 | 22.9 | 26.3 |
| Grant disbursements (\$m)             | 6.7  | 10.1 | 12.8 | 17.5 | 22.5 |

# 2025 FINANCIAL STATEMENTS REVIEW

## INCOME: \$64.3M

Total income in 2025 was \$64.3m, an increase of \$22.2m from 2024 (+53%). The majority of this income is from large scale grants from philanthropic funders, with contributions from 10 funders totalling \$62.9m (+\$22.3m; +55%), with \$17.8m being unrestricted and \$45.1m being restricted.

Restricted funding continued to form a substantial proportion of our income, representing 71% of total income (2024: 53%). This is driven by the receipt of project funds for Breathe Cities, Black Carbon and our newly established programme supporting the implementation of the EU Ambient Air Quality Directive (AAQD), as well as funding restricted for use in particular geographies and a handful of smaller project-restricted funds. Unrestricted income continued at a consistent level with 2024 (2025: \$18.8m, 2024: \$19.7m), from core funding supporting our overall mission.

In 2025, Clean Air Fund generated \$1.2m of interest income (2024: \$1.5m) from interest-bearing short-term deposit accounts and low-risk money market funds. \$0.16m was recognised in respect of gifts in kind (2024: \$0.10m); these relate to pro-bono services received supporting the development of our strategic plan.

Income is recognised in accordance with Clean Air Fund's accounting policy (when there is entitlement to funds, receipt is probable, and the amount is measurable), which means there is significant variation in annualised income depending upon our funders' profile of payments and mid-grant review processes across different financial periods.

## EXPENDITURE: \$44.5M (+24%)

Total expenditure for 2025 was \$44.5m, an increase of \$8.4m (+23%) from 2024. Expenditure on charitable activities forms the majority of spending at \$44.1m (99% of 2025 spending), an increase of \$8.5m (+24%) from 2024.

The most significant area of Clean Air Fund's charitable activities expenditure is from grants to our partner organisations. This amounted to \$26.3m of expenditure in 2025, an increase of \$5.8m from 2024 (+29%). Expenditure on activities undertaken directly (through charitable service contracts with non-charitable organisations) increased

marginally to \$4.5m (+\$0.16m, +4%). Combined, this represents increased spending on grants and charitable projects to \$30.8m (2024: \$24.9m, +24%).

Overall direct costs represent \$39.1m, an increase of \$7.5m on 2024. Direct costs for both years represent 88% of total expenditure, demonstrating that the growth in expenditure has been driven primarily by increased programme activity rather than administrative overhead. This consistently high proportion reflects a continued focus on directing resources towards mission-critical work and maintaining strong cost discipline as the organisation scales its impact.

Support and governance costs increased by \$0.9m to \$5.4m (2024: \$4.5m, +23%), which is largely from increased costs for support staff (+\$1.4m, 65%) as Clean Air Fund continued to grow and overall staff numbers increased. The average headcount for 2025 increased to 93.2 (2024: 77.2).

## FINANCIAL RESULTS

Clean Air Fund ended the year with a surplus of \$19.8m (2024: 6.0m). Unrestricted funds recorded a \$4.6m deficit (2024: \$0.6m surplus), whilst restricted funds had a surplus of \$24.4m (2024: \$5.5m), due to grant income for our AAQD in Europe programme being received in full, on commencement of the programme, this funding will continue to be spent down in forthcoming financial years. Overall financial results are in line with expectations and our financial plans for the four-year strategic period ending in 2026.

## BALANCE SHEET

Clean Air Fund's balance sheet strengthened significantly during 2025, with total net assets increasing to \$44.5m (+19.8m, +80%).

As of 31 December 2025, current assets held totalled \$65.2m (2024: \$40.6m), of which \$64.3m comprised cash and cash equivalents (2024: \$39.6m), being an increase of \$24.8m (63%). The strong cash balances are due to the receipt of donor funds in advance of programme delivery, particularly for restricted projects, consistent with prior years. The year-on-year increase is predominantly from the receipt of funds from IKEA Foundation for the AAQD programme, for which the funding was received at the end of 2025. These funds allow us to make multi-year grant commitments to our grantees where the corresponding grant expenditure is disbursed in staged tranches over the lifetime of the grant.

These cash balances helped Clean Air Fund to generate over \$1.2m of interest income in 2025, despite interest base rates decreasing through 2025.

Total liabilities amounted to \$20.6m (2024: \$15.9m), an increase of \$4.7m (+30%). The two key drivers of change were:

- Grants payable: the total level of grant commitments at 31 December 2025 was \$18.4m (2024: \$14.6m), a year-on-year increase of \$3.8m (+27%) driven by the increase in value and number of grants committed, with 130 new grants funded in the year.
- Accruals: \$1.1m increase in accrued expenditure at 31 December 2025 (2024: \$0.7m, +157%), largely driven by an increase in charitable service contracts, due to increased activities in the year.

The closing position was total funds of \$44.5m (2024: \$24.7m), of which \$6.7m relates to unrestricted funds and \$37.9m restricted (2024: \$11.3m unrestricted and \$13.4m restricted).

## RESERVES POLICY

The Trustees aim to maintain free reserves in unrestricted funds at a level which equates to between four to six months of unrestricted operational costs. The Trustees consider that this level will provide sufficient funds to respond to and manage ongoing grants and ensure coverage of support and governance costs.

At 31 December 2025, reserves totalled \$44.5m, formed of \$37.9m of restricted reserves and \$6.7m of unrestricted reserves. Of the unrestricted reserves, we consider our core reserves to be \$4.0m, being approximately six months of unrestricted operating costs, and therefore within policy.

There were no designated reserves brought forward and no designations made in the year. The Trustees may, at their discretion, ring-fence further unrestricted funds for future essential spend or for a specific purpose.

## GOING CONCERN STATEMENT

Clean Air Fund is in a good financial position, delivering both increased grant giving and increased income through strong relationships with our donors, including additional restricted funding for major programmes: Breathe Cities, Black Carbon and the newly established AAQD programme. Clean Air Fund has a healthy financial outlook, from which to build on going into 2026 and the start of a new strategic period.

Taking into account the robust financial position of the organisation, healthy reserves, cash-flow projections and our contracted grant income, the Trustees and Senior Leadership Team believe that Clean Air Fund has adequate financial resources to continue to operate and implement our plans. Accordingly, the financial statements have been prepared on the going concern basis.

# ADDITIONAL POLICIES

## INVESTMENT POLICY

Clean Air Fund does not have an endowment and, therefore, investment is not a major part of the Fund's activities. Our funds are held to support future grant expenditure. The aim of the investment policy is to minimise risk and protect capital security and therefore, such assets are held as cash, invested to obtain a yield where possible. Driven by the high interest rate environment during 2025, we held the majority of our cash in short-term, low-risk, money market and liquidity funds over the year, which resulted in earning \$1.24m of income from the interest and dividends on the funds held in these accounts.

## SAFEGUARDING AND CHILD PROTECTION

Clean Air Fund is committed to best practice with regard to safeguarding and child protection. Clean Air Fund is committed to:

- promoting good practice and work in a way that prevents harm, abuse and coercion occurring;
- ensuring that any allegations of abuse or suspicions are investigated promptly and robustly. Where the allegation is proven, it will be dealt with appropriately;
- taking any action within our powers to stop abuse occurring and ensure the person who has experienced the abuse receives appropriate support; and
- being transparent and open by reporting any cases of abuse to the appropriate authorities.

## SUSTAINABILITY AND CARBON REPORTING

In 2025, Clean Air Fund became a signatory to the International Philanthropy Commitment on Climate Change, reinforcing our approach to aligning our funding, operations and influence with a sustainable future. As we grow and evolve as an organisation, we remain committed to ensuring that sustainability is embedded across our operating model. Key elements of the sustainability approach are:

- prioritising rail travel over air where possible

- defaulting to vegetarian meals for Clean Air Fund events
- considering Environmental Sustainability as a key criterion in our procurement process
- offering an employee benefit package that prioritises sustainable benefits, such as a cycle to work scheme and the default pension fund being an ESG scheme in the UK

Clean Air Fund continues to voluntarily disclose carbon emissions from international travel. In 2025, total emissions from international travel were 291,940 kg, representing a reduction of 14.5% compared to 341,403 kg in 2024. This reduction reflects continued emphasis on selecting the most appropriate method of travel, while recognising that international travel is a necessary part of Clean Air Fund's work and all trips are taken with the ultimate purpose of delivering our mission.

## FUNDRAISING

Clean Air Fund does not undertake any public fundraising activities that meet the Charities (Protection and Social Investment) Act 2016.

## REMUNERATION

None of the Trustees are remunerated for their services to the charity.

The remuneration of the CEO and key management is reviewed annually and is based on a combination of philanthropic and not-for-profit market rates. The CEO's remuneration is reviewed and agreed annually by the Chair of the Board, on behalf of the Trustees.

Staff salaries are based upon pay scales that are set with reference to philanthropic and not-for-profit market rates.

# STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors for the purposes for company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and regulations and United Kingdom generally accepted accounting practice (United Kingdom accounting standards), including FRS 102 (The Financial Reporting Standard) applicable in the UK and Republic of Ireland.

Company law requires the Trustees to prepare financial statements for each financial year. 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 year.

In preparing these 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

So far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditor is unaware. The Trustees have taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The Trustees' Annual Report, including the Strategic Report, was approved and authorised for issue by the Board of Trustees on 9th July 2026 and signed on its behalf by



**KATHERINE GARRETT-COX CBE,**  
CHAIR OF TRUSTEES

# INDEPENDENT AUDITOR'S REPORT

## OPINION

We have audited the financial statements of Clean Air Fund ('the charitable company') and its subsidiaries ('the group') for the year ended 31 December 2025 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 December 2025 and of the group's 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 trustee's 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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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.

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 our audit:

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

## MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- the parent company has not kept adequate accounting records; or
- the parent company 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.

## RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement set out on page 21, 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.

## AUDITOR'S 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 an auditor's report 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations, are set out below.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be necessary to the charitable group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable group for fraud.

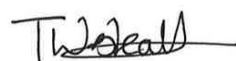
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant income, going concern and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, detailed review of budgets and forecasts, reviewing accounting estimates for biases, designing and performing audit procedures for grant income, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

## 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 auditor's 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.



**TARA WESTCOTT**  
Senior Statutory Auditor

**For and on behalf of**  
**Crowe U.K. LLP**  
**Statutory Auditor**  
**Cheltenham**  
**Date:** 09 July 2026

# **FINANCIAL STATEMENTS**

# CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

INCORPORATING INCOME AND EXPENDITURE ACCOUNT FOR YEAR ENDED 31 DECEMBER 2025

|                                                        | NOTES | UNRESTRICTED<br>FUNDS | RESTRICTED<br>FUNDS | TOTAL<br>FUNDS  | TOTAL<br>FUNDS  |
|--------------------------------------------------------|-------|-----------------------|---------------------|-----------------|-----------------|
|                                                        |       | 2025<br>\$'000        | 2025<br>\$'000      | 2025<br>\$'000  | 2024<br>\$'000  |
| <b>INCOME FROM:</b>                                    |       |                       |                     |                 |                 |
| Donations                                              | 2     | 17,804                | 45,080              | <b>62,884</b>   | 40,545          |
| Investments                                            | 3     | 809                   | 426                 | <b>1,235</b>    | 1,455           |
| Other income                                           | 4     | 157                   | -                   | <b>157</b>      | 100             |
| <b>TOTAL</b>                                           |       | <b>18,770</b>         | <b>45,506</b>       | <b>64,276</b>   | <b>42,100</b>   |
| <b>EXPENDITURE ON:</b>                                 |       |                       |                     |                 |                 |
| Raising funds                                          | 5     | (399)                 | -                   | <b>(399)</b>    | (540)           |
| Charitable activities                                  | 5     | (22,961)              | (21,098)            | <b>(44,059)</b> | (35,516)        |
| <b>TOTAL</b>                                           |       | <b>(23,360)</b>       | <b>(21,098)</b>     | <b>(44,458)</b> | <b>(36,057)</b> |
| Net income before net gains<br>& losses on investments |       | (4,590)               | 24,408              | <b>19,818</b>   | 6,043           |
| Net income before transfers                            |       | (4,590)               | 24,408              | <b>19,818</b>   | 6,043           |
| Transfers                                              |       | -                     | -                   | -               | -               |
| Net income/(expenditure)<br>and net movement in funds  | 14    | (4,590)               | 24,408              | <b>19,818</b>   | 6,043           |
| <b>RECONCILIATION OF FUNDS:</b>                        |       |                       |                     |                 |                 |
| Fund brought forward at 1<br>January                   |       | 11,276                | 13,446              | <b>24,722</b>   | 18,679          |
| Fund carried forward at 31<br>December                 |       | 6,686                 | 37,854              | <b>44,540</b>   | 24,722          |

# BALANCE SHEET

AS AT 31 DECEMBER 2025

|                                                 | NOTES | THE GROUP       |                 | THE CHARITY     |                 |
|-------------------------------------------------|-------|-----------------|-----------------|-----------------|-----------------|
|                                                 |       | 2025<br>\$'000  | 2024<br>\$'000  | 2025<br>\$'000  | 2024<br>\$'000  |
| <b>FIXED ASSETS:</b>                            |       |                 |                 |                 |                 |
| Investments                                     | 10    | -               | -               | 192             | 192             |
|                                                 |       | -               | -               | <b>192</b>      | <b>192</b>      |
| <b>CURRENT ASSETS:</b>                          |       |                 |                 |                 |                 |
| Debtors                                         | 11    | 817             | 1,020           | 538             | 933             |
| Cash at Cash equivalents                        |       | 64,341          | 39,591          | 64,025          | 39,563          |
|                                                 |       | <b>65,158</b>   | <b>40,611</b>   | <b>64,563</b>   | <b>40,496</b>   |
| <b>LIABILITIES FALLING DUE WITHIN ONE YEAR:</b> |       |                 |                 |                 |                 |
| Grants payable                                  | 13    | (18,223)        | (13,540)        | (18,223)        | (13,540)        |
| Creditors                                       | 12    | (2,207)         | (1,335)         | (2,059)         | (1,566)         |
|                                                 |       | <b>(20,430)</b> | <b>(14,875)</b> | <b>(20,282)</b> | <b>(15,106)</b> |
| <b>NET CURRENT ASSETS</b>                       |       | <b>44,728</b>   | <b>25,736</b>   | <b>44,281</b>   | <b>25,390</b>   |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>    |       | <b>44,728</b>   | <b>25,736</b>   | <b>44,473</b>   | <b>25,582</b>   |
| <b>LIABILITIES FALLING DUE AFTER ONE YEAR:</b>  |       |                 |                 |                 |                 |
| Grants payable                                  | 13    | <b>(188)</b>    | (1,014)         | (188)           | (1,014)         |
| <b>TOTAL NET ASSETS</b>                         |       | <b>44,540</b>   | <b>24,722</b>   | <b>44,285</b>   | <b>24,568</b>   |
| <b>FUNDS:</b>                                   |       |                 |                 |                 |                 |
| <b>UNRESTRICTED FUNDS:</b>                      |       |                 |                 |                 |                 |
| General funds                                   |       | 6,686           | 11,276          | 6,250           | 11,122          |
| Designated funds                                |       | -               | -               | -               | -               |
| <b>RESTRICTED FUNDS</b>                         |       | 37,854          | 13,446          | 38,035          | 13,446          |
| <b>TOTAL FUNDS</b>                              | 18    | <b>44,540</b>   | <b>24,722</b>   | <b>44,285</b>   | <b>24,568</b>   |

All of the charity's activities derived from continuing operations during the above financial period. All recognised gains and losses are included in the above statement of financial activities.

These accounts have been prepared in accordance with the Companies Act 2006. (Company number 11766712). Results of the charity are disclosed in note 18.

Notes 1–18 form part of these financial statements. The financial statements were approved by the members of the Board of Trustees on 8th July 2026 and signed on their behalf by:

*Katherine L. Gavel-Gx*

# CONSOLIDATED STATEMENT OF CASH FLOWS

AS AT 31 DECEMBER 2025

|                                                               | 2025<br>\$'000 | 2024<br>\$'000 |
|---------------------------------------------------------------|----------------|----------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                   |                |                |
| Net movement in funds                                         | 19,818         | 6,043          |
| Dividend and interest from investments                        | (1,235)        | (1,455)        |
| Increase/(decrease) in debtors                                | 203            | (206)          |
| (Increase)/decrease in creditors due in less than one year    | 5,555          | (85)           |
| (Increase)/decrease in creditors due in greater than one year | (826)          | 590            |
| Net cash provided by operating activities                     | 23,515         | 4,887          |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                   |                |                |
| Dividends and interest from investments                       | 1,235          | 1,455          |
| Disposal/(Purchase) of fixed assets                           | -              | 4              |
| Net cash provided by investing activities                     | 1,235          | 1,459          |
| <b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE PERIOD</b>      | <b>24,750</b>  | <b>6,346</b>   |
| <b>CASH AND CASH EQUIVALENTS AT 1 JANUARY</b>                 | <b>39,591</b>  | <b>33,245</b>  |
| <b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>               | <b>64,341</b>  | <b>39,591</b>  |
| <b>REPRESENTED BY</b>                                         |                |                |
| Cash and cash equivalents                                     | 64,341         | 39,591         |

# NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 DECEMBER 2025

## 1. BASIS OF PREPARATION

### A. BASIS OF ACCOUNTING

The Charity is a charitable company limited by guarantee (registered number 11766712), which is incorporated and domiciled in the UK and is a public benefit entity. The Charity is registered in England and Wales (registered number 1183697). The Charity was incorporated on 15 January 2019 and the year end date was changed from 31 January to 31 December. The Charity started trading on 1 May 2019. These financial statements cover the period from 1 January 2025 to 31 December 2025.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The financial statements have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011, and UK Generally Accepted Practice as it applies from 1 January 2019.

The charity constitutes a public benefit entity as defined by FRS 102.

### B. FUNCTIONAL AND PRESENTATIONAL CURRENCY

The financial statements are presented in US dollars and are rounded to the nearest dollar. US dollars is the currency of the primary economic environment in which the entity operates reflecting the currency of both the majority of income and grants awarded.

All amounts have been rounded to the nearest thousand, unless other indicated.

### C. BASIS OF CONSOLIDATION

The consolidated financial statements include the results of Clean Air Fund and its subsidiary Clean Air Fund Services Private Limited (registered address: Unit 202 Crescent Building Lado Sarai, Mehrauli, New

Delhi 110030).

Details of Clean Air Fund's subsidiary is listed in note 9. A separate Statement of Financial Activities and Balance Sheet has been presented for Clean Air Fund. No separate cash flow statement has been prepared for Clean Air Fund as permitted by the exemption in paragraph 1.12 of FRS 102.

### D. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Preparation of the accounts requires the Board of Trustees and management to make significant judgements and estimates. The items in the accounts where these judgements and estimates have been made include:

- Timing of entitlement of income as described in the income policy.
- Timing of entitlement of grant expenditure as described in the expenditure policy.

### E. ASSESSMENT OF GOING CONCERN

Clean Air Fund's Board of Trustees have assessed whether the use of going concern basis is appropriate and have considered feasible events or conditions that might cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. Specifically, the Trustees have considered Clean Air Fund's current financial position, our cash-flow projections and scenario planning forecasts and future funding streams.

Clean Air Fund's finances remained strong through 2025, marking the third year of the charity's strategic and funding period, from 2023 to 2026. New funding was secured from the IKEA Foundation for the Ambient Air Quality Directive in Europe programme, and support continued from existing donors into 2026, ensuring a secure income base and a healthy financial outlook.

## F. INCOME

Income is recognised once the Charity has entitlement to the income, it is probable that the income will be received, and the amount can be measured reliably.

Donations received by the Charity, which are made up of grants, include those from donors that provide core funding, or are of a general nature. In the event that a grant is subject to conditions, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity, and it is probable that those conditions will be fulfilled, including those committed over multiple years.

Other income received by the charity is Gift-in-kind (GIK). GIK is a type of charitable giving in which contributions take the form of tangible goods or services or time given instead of money. Clean Air Fund's reported GIK were donated services, and they were valued at fair market value on receipt of the service.

Grants received with a restricted purpose are allocated on receipt directly into the correct fund and are not transferred between funds.

Income received in advance of the start of the grant agreement and with time-related conditions attached to the grants are deferred until the commencement date as agreed with the donor.

## G. EXPENDITURE

All expenditure is accounted for on an accrual basis and is recognised as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party. It is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Grants are made to institutions and are recognised where the beneficiary has been formally notified in writing of the award. This notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. In the case of an unconditional grant offer, this is accrued once the recipient has been notified in writing of the grant award. Grant awards that are subject to the recipient fulfilling conditions are accrued when any remaining unfulfilled conditions attached to that grant are outside of the control of the Charity.

The provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award; there are no unfulfilled performance conditions under the control of the Charity that would permit the Charity to avoid making the future payment(s); settlement is probable, and the effect of discounting is material. The majority of Clean Air Fund's grants are accounted for on an annual basis due to an annual performance review within our grant agreements. The grantees' performance is seen as being outside the control of the Charity.

In accordance with the Charities SORP (FRS 102), the charity is required to disclose material grants made to institutions or individuals.

To maintain clarity and focus in the financial statements, only individual grants with a value of \$100,000 or more are disclosed in detail in Note 6. This threshold has been applied to ensure that disclosures remain meaningful and proportionate, without obscuring the overall financial picture with excessive detail.

The total value of all grants awarded, including those below the disclosure threshold, is fully reflected in the aggregate figures presented in the Statement of Financial Activities and related notes.

Costs of raising funds include staff time incurred seeking new donations and additional funding for the Charity.

## H. ALLOCATION OF SUPPORT COSTS

Support costs comprise general management, financial management, operations management, information systems and premises costs. Governance costs are those incurred in connection with the management of the Charity's assets, organisational administration and compliance with constitutional and statutory requirements. Support costs are allocated based on the total direct costs for each activity.

## I. DEBTORS

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

## **J. CASH AT BANK**

Cash at bank represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

## **K. CREDITORS**

Creditors are recognised when there is an obligation at the balance sheet date as a result of a past event; it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

## **L. FUNDS STRUCTURE**

General funds are unrestricted funds that are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity, and that have not been designated for other purposes. Designated funds are unrestricted funds earmarked for a particular purpose by the trustees. Designation does not legally restrict the trustees' discretion to apply the fund. Restricted funds are funds that are to be used in accordance with specific restrictions imposed by donors.

All income and expenditure of Clean Air Fund has been included in the Consolidated Statement of Financial Activities.

## **M. PENSION COSTS**

Contributions payable to defined contribution pension schemes and/or personal pension plans are accounted for in the year in which they are payable. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

The charity operates a salary sacrifice arrangement in respect of employee pension contributions. Under this arrangement, employees make pension contributions directly from their gross salary. From 1 January 2025, amounts sacrificed by the employee are recorded as employee contributions, and accordingly, staff costs are based on pre-sacrifice salaries. The total cost of salaries to the charity reflects salaries before salary sacrifice. Employer pension costs now reflects the employer's contribution only. This change has been made to reflect the substance of the transaction

and employee's control over their pension contributions, and to improve comparability of staff cost disclosures between periods. This change affects presentation only and has no overall impact on total staff costs.

## **N. FOREIGN CURRENCY TRANSLATION**

Monetary assets and liabilities denominated in a foreign currency are translated into USD at the exchange rate ruling on the balance sheet date. Transactions in foreign currencies are recorded at the average rate of exchange for the month the transaction was incurred.

All exchange differences are taken to the statement of financial activities.

## **O. FINANCIAL INSTRUMENTS**

Financial instruments are classified and accounted for according to the substance of the contractual arrangements as financial assets or financial liabilities.

## **P. TAXATION**

Clean Air Fund is a registered charity and, therefore, is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

## **Q. LEASES**

Rentals payable under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the term of the lease. Rent-free periods and other lease incentives are accounted for as a reduction to the lease expense over the lease term on a straight-line basis. Clean Air Fund does not have any finance leases.

## 2. INCOME FROM DONATIONS

|              | UNRESTRICTED<br>2025<br>\$'000 | RESTRICTED<br>2025<br>\$'000 | TOTAL 2025<br>\$'000 | TOTAL 2024<br>\$'000 |
|--------------|--------------------------------|------------------------------|----------------------|----------------------|
| Grant income | 17,804                         | 45,080                       | 62,884               | 40,545               |
| <b>TOTAL</b> | <b>17,804</b>                  | <b>45,080</b>                | <b>62,884</b>        | <b>40,545</b>        |

The above grant income includes a restricted grant from the IKEA Foundation relating to AAQD Europe: Implementing new air quality standards in Europe. For the year ended 31 December 2025, the following has been recognised within the Statement of Financial Activities in respect of this grant:

|                                   | TOTAL 2025<br>\$'000 |
|-----------------------------------|----------------------|
| Restricted grant income<br>(€20m) | 23,495               |
| Restricted expenditure            | (610)                |

The carried forward balance of the grant is reflected in note 14.

## 3. INCOME FROM INVESTMENTS

|                             | UNRESTRICTED<br>2025<br>\$'000 | RESTRICTED<br>2025<br>\$'000 | TOTAL 2025<br>\$'000 | TOTAL 2024<br>\$'000 |
|-----------------------------|--------------------------------|------------------------------|----------------------|----------------------|
| Bank interest and dividends | 809                            | 426                          | 1,235                | 1,455                |
| <b>TOTAL</b>                | <b>809</b>                     | <b>426</b>                   | <b>1,235</b>         | <b>1,455</b>         |

## 4. OTHER INCOME

|               | UNRESTRICTED<br>2025<br>\$'000 | RESTRICTED<br>2025<br>\$'000 | TOTAL 2025<br>\$'000 | TOTAL 2024<br>\$'000 |
|---------------|--------------------------------|------------------------------|----------------------|----------------------|
| Gifts in kind | 157                            | -                            | 157                  | 100                  |
| <b>TOTAL</b>  | <b>157</b>                     | <b>-</b>                     | <b>157</b>           | <b>100</b>           |

## 5. EXPENDITURE

### A. CHARITABLE EXPENDITURE

|                                             | DIRECT COSTS                 |                                                |                          |                                    |                                              |                         |
|---------------------------------------------|------------------------------|------------------------------------------------|--------------------------|------------------------------------|----------------------------------------------|-------------------------|
|                                             | GRANTS<br>(Note 6)<br>\$'000 | ACTIVITIES<br>UNDERTAKEN<br>DIRECTLY<br>\$'000 | STAFF<br>COSTS<br>\$'000 | OTHER<br>DIRECT<br>COSTS<br>\$'000 | SUPPORT AND<br>GOVERNANCE<br>COSTS<br>\$'000 | TOTAL<br>2025<br>\$'000 |
| <b>CHARITABLE<br/>ACTIVITIES</b>            |                              |                                                |                          |                                    |                                              |                         |
| Global Action                               | 8,415                        | 1,227                                          | 2,234                    | 416                                | 1,730                                        | 14,022                  |
| National<br>& Regional<br>Action            | 9,328                        | 1,040                                          | 1,366                    | 346                                | 1,405                                        | 13,485                  |
| City Action                                 | 8,569                        | 1,692                                          | 1,847                    | 634                                | 1,966                                        | 14,708                  |
| Cross-Cutting                               | -                            | 555                                            | 839                      | 222                                | 228                                          | 1,844                   |
| <b>TOTAL<br/>CHARITABLE<br/>ACTIVITIES</b>  | <b>26,312</b>                | <b>4,514</b>                                   | <b>6,286</b>             | <b>1,618</b>                       | <b>5,329</b>                                 | <b>44,059</b>           |
| <b>RAISING<br/>FUNDS</b>                    | -                            | -                                              | 351                      | -                                  | 48                                           | 399                     |
| <b>TOTAL<br/>CHARITABLE<br/>EXPENDITURE</b> | <b>26,312</b>                | <b>4,514</b>                                   | <b>6,637</b>             | <b>1,618</b>                       | <b>5,377</b>                                 | <b>44,458</b>           |

Direct expenditure of \$4,514k (2024: \$4,359k) on charitable activities was to further the Charity's mission and objectives. This includes undertaking evaluations, supporting advocacy of the clean air movement, conducting research, publishing and disseminating reports, organising convenings and conferences, and providing technical assistance to our grantees and other charitable organisations.

**PRIOR YEAR**

|                                             | DIRECT COSTS                 |                                                |                          |                                    |                                              |                         |
|---------------------------------------------|------------------------------|------------------------------------------------|--------------------------|------------------------------------|----------------------------------------------|-------------------------|
|                                             | GRANTS<br>(Note 6)<br>\$'000 | ACTIVITIES<br>UNDERTAKEN<br>DIRECTLY<br>\$'000 | STAFF<br>COSTS<br>\$'000 | OTHER<br>DIRECT<br>COSTS<br>\$'000 | SUPPORT AND<br>GOVERNANCE<br>COSTS<br>\$'000 | TOTAL<br>2024<br>\$'000 |
| <b>CHARITABLE<br/>ACTIVITIES</b>            |                              |                                                |                          |                                    |                                              |                         |
| Global Action                               | 6,145                        | 1,847                                          | 1,873                    | 318                                | 1,450                                        | 11,633                  |
| National &<br>Regional Action               | 7,211                        | 1,608                                          | 1,098                    | 195                                | 1,439                                        | 11,551                  |
| City Action                                 | 7,120                        | 511                                            | 1,452                    | 576                                | 1,380                                        | 11,079                  |
| Cross-Cutting                               | -                            | 353                                            | 457                      | 288                                | 156                                          | 1,254                   |
| <b>TOTAL<br/>CHARITABLE<br/>ACTIVITIES</b>  | <b>20,476</b>                | <b>4,359</b>                                   | <b>4,880</b>             | <b>1,377</b>                       | <b>4,425</b>                                 | <b>35,517</b>           |
| <b>RAISING<br/>FUNDS</b>                    | -                            | -                                              | 456                      | 16                                 | 68                                           | 540                     |
| <b>TOTAL<br/>CHARITABLE<br/>EXPENDITURE</b> | <b>20,476</b>                | <b>4,359</b>                                   | <b>5,336</b>             | <b>1,393</b>                       | <b>4,493</b>                                 | <b>36,057</b>           |

**B. SUPPORT AND GOVERNANCE COSTS**

|                                           | <b>2025<br/>\$'000</b> | <b>2024<br/>\$'000</b> |
|-------------------------------------------|------------------------|------------------------|
| <b>SUPPORT COSTS</b>                      |                        |                        |
| Staff costs                               | 3,436                  | 2,085                  |
| Other staff related costs                 | 338                    | 459                    |
| Communications & events                   | 292                    | 152                    |
| Legal & professional services             | 198                    | 310                    |
| Consultant costs                          | 72                     | 93                     |
| Office & IT                               | 1,218                  | 1,015                  |
| Travel                                    | 76                     | 106                    |
| Foreign exchange                          | (440)                  | 175                    |
| <b>TOTAL SUPPORT COSTS</b>                | <b>5,190</b>           | <b>4,395</b>           |
| <b>GOVERNANCE COSTS</b>                   |                        |                        |
| Auditors' remuneration (UK & overseas)    | 52                     | 39                     |
| Accountancy                               | 40                     | 7                      |
| Trustee costs                             | 95                     | 52                     |
| Consultant costs                          | -                      | -                      |
| <b>TOTAL GOVERNANCE COSTS</b>             | <b>187</b>             | <b>98</b>              |
| <b>TOTAL SUPPORT AND GOVERNANCE COSTS</b> | <b>5,377</b>           | <b>4,493</b>           |

## 6. GRANTS

In accordance with the Charities SORP (FRS 102), the charity is required to disclose material grants made to institutions or individuals.

To maintain clarity and focus in the financial statements, only individual grants with a value of \$100,000 or more are disclosed in detail in Note 6. This threshold has been applied to ensure that disclosures remain meaningful and proportionate, without obscuring the overall financial picture with excessive detail.

|                                                                                                                                                                          | GLOBAL<br>ACTION | NATIONAL &<br>REGIONAL<br>ACTION | CITY<br>ACTION | YEAR TO<br>DECEMBER<br>2025 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|----------------------------------|----------------|-----------------------------|
|                                                                                                                                                                          | \$'000           | \$'000                           | \$'000         | \$'000                      |
| Air Pollution Action Group                                                                                                                                               | -                | 199                              | -              | 199                         |
| AirClim (Luftförorenings- och klimatsekretariatet)                                                                                                                       | 188              | -                                | -              | 188                         |
| Airparif                                                                                                                                                                 | -                | 6                                | 257            | 263                         |
| AirQo, Makerere University, Clean Air Fund                                                                                                                               | 266              | -                                | -              | 266                         |
| AMAP (Arctic Monitoring and Assessment Programme)                                                                                                                        | 112              | -                                | -              | 112                         |
| A-PAG, IIT-Delhi                                                                                                                                                         | -                | 132                              | -              | 132                         |
| Association Smog Alert                                                                                                                                                   | -                | 932                              | -              | 932                         |
| Asthma + Lung UK                                                                                                                                                         | -                | 335                              | -              | 335                         |
| BRAL                                                                                                                                                                     | -                | 197                              | -              | 197                         |
| Business Unity South Africa (BUSA)                                                                                                                                       | -                | 160                              | -              | 160                         |
| C40 Cities                                                                                                                                                               | 1,033            | -                                | 1,499          | 2,532                       |
| CEBRI (Brazilian Center for International Relations or Centro Brasileiro de Relações Internacionais)                                                                     | 171              | -                                | -              | 171                         |
| Centre for Science and Environment                                                                                                                                       | 132              | -                                | -              | 132                         |
| Centro de Transporte Sustentable de México A.C. (WRI Mexico)                                                                                                             | -                | -                                | 150            | 150                         |
| Clean Air Institute                                                                                                                                                      | -                | -                                | 150            | 150                         |
| Clean Cities (t&E)                                                                                                                                                       | -                | 270                              | -              | 270                         |
| Climate Catalyst                                                                                                                                                         | -                | -                                | 368            | 368                         |
| Climate Outreach, Maker Change                                                                                                                                           | 131              | -                                | -              | 131                         |
| Confederation of Indian Industry (CII)                                                                                                                                   | -                | 277                              | -              | 277                         |
| Conservation Strategy Fund (CSF) Brazil                                                                                                                                  | -                | -                                | 150            | 150                         |
| Consumers International                                                                                                                                                  | 111              | -                                | -              | 111                         |
| Corporación Movilizatorio                                                                                                                                                | -                | -                                | 120            | 120                         |
| Council for Scientific and Industrial Research (CSIR)                                                                                                                    | 60               | 160                              | -              | 220                         |
| CSIR-Building and Road Research Institute (CSIR-BRRI)                                                                                                                    | -                | -                                | 130            | 130                         |
| Environmental Defense Fund (EDF)                                                                                                                                         | -                | -                                | 120            | 120                         |
| European Environmental Bureau (EEB)                                                                                                                                      | -                | 176                              | -              | 176                         |
| Faculty of Public Health, Thammasat University (Hub of Talents on Air Pollution and Climate (HTAPC), the Collaborating Center for Clean Air and Climate Change (CCCACC)) | -                | -                                | 278            | 278                         |

|                                                                                              |     |     |     |     |
|----------------------------------------------------------------------------------------------|-----|-----|-----|-----|
| FEANTSA                                                                                      | -   | 108 | -   | 108 |
| Forum Energii                                                                                | -   | 293 | -   | 293 |
| FPPE                                                                                         | -   | 465 | -   | 465 |
| Frank Bold                                                                                   | -   | 104 | -   | 104 |
| Fundação Coordenação de Projetos, Pesquisas e Estudos Tecnológicos - COPPETEC                | -   | -   | 100 | 100 |
| Fundacja Przedsiębiorczości Technologicznej (The Foundation for Technology Entrepreneurship) | -   | 155 | -   | 155 |
| Global Reporting Initiative (GRI)                                                            | 160 | -   | -   | 160 |
| Green Africa Youth Organization (GAYO)                                                       | -   | 124 | -   | 124 |
| Health and Environment Alliance (HEAL)                                                       | -   | 265 | -   | 265 |
| Health Effects Institute                                                                     | 677 | -   | -   | 677 |
| Health Policy Watch                                                                          | 108 | -   | -   | 108 |
| Health Systems Trust (HST)                                                                   | -   | -   | 250 | 250 |
| Healthcare Without Harm                                                                      | -   | 321 | -   | 321 |
| HEI                                                                                          | 110 | -   | -   | 110 |
| iForest                                                                                      | -   | 256 | -   | 256 |
| IGDP (Institute for Global Decarbonisation Progress)                                         | 156 | -   | -   | 156 |
| IGSD & IIT Bombay                                                                            | 143 | -   | -   | 143 |
| IIT- Delhi                                                                                   | -   | 182 | -   | 182 |
| IIT- Kanpur                                                                                  | -   | 209 | -   | 209 |
| Imperial College London                                                                      | -   | 489 | 35  | 524 |
| Iniciativa Climática de México AC                                                            | -   | -   | 179 | 179 |
| Instituto Ar                                                                                 | 350 | -   | -   | 350 |
| Instituto Ar & DESMA-UERJ (State University of Rio de Janeiro)                               | -   | -   | 100 | 100 |
| Instituto Tecnologia e Sociedade                                                             | -   | -   | 100 | 100 |
| Janaagraha Centre for Citizenship and Democracy                                              | -   | 140 | -   | 140 |
| Kwame Nkrumah University of Science and Technology                                           | -   | 129 | -   | 129 |
| Labour Climate and Environment Forum (LCEF)                                                  | -   | 203 | -   | 203 |
| Les Chercheurs d'Air                                                                         | -   | -   | 199 | 199 |
| Les Petits Débrouillards Ile-de-France                                                       | -   | -   | 158 | 158 |
| More In Common                                                                               | -   | 327 | -   | 327 |
| Mums for Lungs                                                                               | -   | 132 | -   | 132 |
| NCD Alliance                                                                                 | 109 | -   | -   | 109 |
| New Narratives                                                                               | -   | 150 | -   | 150 |
| NRDC                                                                                         | 160 | -   | -   | 160 |
| OpenAQ                                                                                       | 350 | -   | -   | 350 |
| Our Kids Climate                                                                             | 180 | -   | -   | 180 |
| Our Kids' Climate                                                                            | 160 | -   | -   | 160 |
| Pan American Health Organisation (PAHO)                                                      | 161 | -   | -   | 161 |

|                                                                       |              |               |              |               |
|-----------------------------------------------------------------------|--------------|---------------|--------------|---------------|
| Polityka Insight                                                      | -            | 239           | -            | 239           |
| Possible                                                              | -            | 109           | -            | 109           |
| PSNM                                                                  | -            | 211           | -            | 211           |
| Royal College of Paediatrics and Child Health ('RCPCH Global')        | 257          | -             | -            | 257           |
| Seas at Risk                                                          | 491          | -             | -            | 491           |
| Seriti Institute                                                      | -            | -             | 201          | 201           |
| ShareAction                                                           | 144          | -             | -            | 144           |
| SLYCAN Trust                                                          | 200          | -             | -            | 200           |
| Social Good Fund                                                      | 202          | -             | -            | 202           |
| South African Waste Pickers Association (SAWPA)                       | -            | 157           | -            | 157           |
| SPARTAN based in Washington University                                | 150          | -             | -            | 150           |
| Stockholm Environment Institute                                       | 136          | -             | -            | 136           |
| SUR Instituto del Sur Urbano AC                                       | -            | -             | 270          | 270           |
| The Active Wellbeing Society                                          | -            | 130           | -            | 130           |
| The European Heat Pump Association (EHPA)                             | -            | 165           | -            | 165           |
| The International Council on Clean Transportation (ICCT)              | 121          | 146           | -            | 267           |
| Transport & Environment                                               | -            | 100           | -            | 100           |
| Transport and Environment (Clean Cities Campaign Warsaw)              | -            | 156           | -            | 156           |
| UK100                                                                 | -            | 163           | -            | 163           |
| UNDP                                                                  | 100          | -             | -            | 100           |
| United Nations Development Programme (UNDP)                           | -            | 150           | -            | 150           |
| United Nations Environment Programme (PHU and UNEP-FI teams)          | 137          | -             | -            | 137           |
| Universidad de La Salle                                               | -            | -             | 155          | 155           |
| Universidad de los Andes                                              | -            | -             | 190          | 190           |
| Universidad Iberoamericana, Environmental and Climate Justice Lab     | 100          | -             | -            | 100           |
| Université catholique de Louvain (UC Louvain)                         | -            | 150           | -            | 150           |
| University of Chicago Trust- EPIC                                     | -            | 194           | -            | 194           |
| University of Helsinki                                                | 105          | -             | -            | 105           |
| Urban Better                                                          | 207          | -             | -            | 207           |
| Urban Studies Institute Foundation (USI)                              | -            | -             | 266          | 266           |
| Vital Strategies                                                      | -            | 50            | 633          | 683           |
| WattTime ClimateTRACE                                                 | 250          | -             | -            | 250           |
| World Athletics                                                       | 157          | -             | -            | 157           |
| World Economic Forum                                                  | 150          | -             | -            | 150           |
| World Resources Institute - Kenya Office                              | -            | -             | 100          | 100           |
| World Resources Institute (WRI) Colombia                              | -            | -             | 210          | 210           |
| Grants below \$100k, FX variance and write backs on prior year grants | 480          | 1,280         | 1,233        | 2,993         |
| <b>Total</b>                                                          | <b>8,415</b> | <b>10,296</b> | <b>7,601</b> | <b>26,312</b> |

## PRIOR YEAR

|                                                                                                    | GLOBAL<br>ACTION | NATIONAL &<br>REGIONAL<br>ACTION | CITY<br>ACTION | YEAR TO<br>DECEMBER<br>2024 |
|----------------------------------------------------------------------------------------------------|------------------|----------------------------------|----------------|-----------------------------|
|                                                                                                    | \$'000           | \$'000                           | \$'000         | \$'000                      |
| Air Parif                                                                                          | 232              | -                                | 57             | 289                         |
| Association Smog Alert                                                                             | -                | 427                              | -              | 427                         |
| Brown University                                                                                   | 272              | -                                | -              | 272                         |
| C40 Cities Climate Leadership Group, Inc.                                                          | -                | -                                | 3,388          | 3,388                       |
| Centre for Public Interest Law                                                                     | -                | -                                | 105            | 105                         |
| Centre for Science and Environment                                                                 | -                | 957                              | -              | 957                         |
| Chaordika                                                                                          | -                | -                                | 100            | 100                         |
| Clean Air Institute                                                                                | 376              | -                                | -              | 376                         |
| Columbia University                                                                                | 202              | 92                               | -              | 294                         |
| Confederation of Indian Industry (CII)                                                             | -                | 241                              | -              | 241                         |
| CSTEP                                                                                              | -                | 317                              | -              | 317                         |
| Enact Equality                                                                                     | -                | 104                              | -              | 104                         |
| Environmental Capacities and Sustainability<br>Institute (ECAS Institute)                          | -                | -                                | 312            | 312                         |
| European Clean Air Center (ECAC)                                                                   | -                | 299                              | -              | 299                         |
| European Heat Pump Association                                                                     | -                | 144                              | -              | 144                         |
| Forum Energii                                                                                      | -                | 382                              | -              | 382                         |
| Fundacja Promocji Pojazdów Elektrycznych<br>(FPPE, Electric Vehicles Promotion<br>Foundation)      | -                | 416                              | -              | 416                         |
| Fundacja Przedsiębiorczości Technologicznej<br>(The Foundation for Technology<br>Entrepreneurship) | -                | 150                              | -              | 150                         |
| Green Africa Youth Organization                                                                    | -                | 226                              | -              | 226                         |
| HabitatMap                                                                                         | 137              | -                                | -              | 137                         |
| Health & Environment Alliance (HEAL)                                                               | -                | 264                              | -              | 264                         |
| Health Policy Watch                                                                                | 125              | -                                | -              | 125                         |
| Health Effects Institute (HEI)                                                                     | 269              | -                                | -              | 269                         |
| IIT Delhi                                                                                          | -                | 177                              | -              | 177                         |
| IIT-Kanpur                                                                                         | -                | 440                              | -              | 440                         |
| Infinity970                                                                                        | -                | -                                | 126            | 126                         |
| Innovative Green Development Program SL<br>(iGDP)                                                  | 193              | -                                | -              | 193                         |
| Inter-American Development Bank                                                                    | 140              | -                                | -              | 140                         |
| International Council on Clean Transportation<br>(ICCT)                                            | -                | -                                | 269            | 269                         |
| Italian Climate Network                                                                            | -                | -                                | 100            | 100                         |
| ITDP Brasil                                                                                        | -                | -                                | 180            | 180                         |
| Kigali Collaborative Research Centre                                                               | 240              | -                                | -              | 240                         |
| Kusudi Cause Communication Trust                                                                   | -                | -                                | 148            | 148                         |
| Kwame Nkrumah University of Science and<br>Technology                                              | -                | 301                              | -              | 301                         |

|                                                       |              |              |              |               |
|-------------------------------------------------------|--------------|--------------|--------------|---------------|
| Labour Climate and Environment Forum                  | -            | 118          | -            | 118           |
| Legambiente                                           | -            | -            | 191          | 191           |
| Les Petits Débrouillards                              | -            | -            | 161          | 161           |
| Lund University                                       | 485          | -            | -            | 485           |
| Natural Resources Defense Council                     | 240          | -            | -            | 240           |
| Open AQ                                               | 475          | -            | -            | 475           |
| People's Dialogue on Human Settlements                | -            | 175          | -            | 175           |
| Polityka Insight                                      | -            | 269          | -            | 269           |
| Possible                                              | -            | 128          | -            | 128           |
| PSPA                                                  | -            | 142          | -            | 142           |
| Raahgiri Foundation                                   | -            | 193          | -            | 193           |
| Royal College of Paediatrics and Child Health (RCPCH) | 278          | -            | -            | 278           |
| ShareAction                                           | 104          | -            | -            | 104           |
| Smart Freight Centre                                  | 138          | -            | -            | 138           |
| Social Good Fund                                      | 106          | -            | -            | 106           |
| Stockholm Environment Institute                       | 104          | -            | -            | 104           |
| Stockholm University                                  | 359          | -            | -            | 359           |
| The Active Wellbeing Society                          | -            | 113          | -            | 113           |
| The Energy Resources Institute (TERI)                 | -            | 261          | -            | 261           |
| Transport and Environment                             | -            | -            | 169          | 169           |
| UNDP (United Nations Development Programme)           | 200          | -            | 102          | 302           |
| Union for International Cancer Control (UICC)         | 120          | -            | -            | 120           |
| University of Birmingham                              | -            | 161          | -            | 161           |
| University of Energy and Natural Resources            | -            | -            | 138          | 138           |
| University of Ghana                                   | -            | 59           | 98           | 157           |
| Vital Strategies                                      | -            | -            | 739          | 739           |
| Washington University in St Louis                     | 150          | -            | -            | 150           |
| WattTime                                              | 250          | -            | -            | 250           |
| World Health Organization (WHO)                       | 540          | -            | -            | 540           |
| World Resources Institute (WRI)                       | -            | 249          | -            | 249           |
| Grants less than \$100k                               | 419          | 672          | 737          | 1,835         |
| FX Variance and Writebacks on prior year grants       | (9)          | (273)        | -            | (282)         |
| <b>Total</b>                                          | <b>6,145</b> | <b>7,211</b> | <b>7,120</b> | <b>20,476</b> |

## 7. NET (EXPENDITURE)/INCOME BEFORE TRANSFERS

This is stated after charging:

|                                                                  | <b>TOTAL</b>  | <b>TOTAL</b>  |
|------------------------------------------------------------------|---------------|---------------|
|                                                                  | <b>2025</b>   | <b>2024</b>   |
|                                                                  | <b>\$'000</b> | <b>\$'000</b> |
| Auditor remuneration for the audit of these financial statements | 37            | 33            |

## 8. STAFF COSTS

|                              | <b>THE GROUP</b> |                 | <b>THE CHARITY</b> |                 |
|------------------------------|------------------|-----------------|--------------------|-----------------|
|                              | <b>2025</b>      | <b>RESTATED</b> | <b>2025</b>        | <b>RESTATED</b> |
|                              | <b>\$'000</b>    | <b>2024</b>     | <b>\$'000</b>      | <b>2024</b>     |
|                              |                  | <b>\$'000</b>   |                    | <b>\$'000</b>   |
| Wages and salaries           | 7,986            | 6,223           | 7,182              | 5,521           |
| Social security costs        | 1,037            | 736             | 1,037              | 736             |
| Pension costs                | 699              | 341             | 666                | 309             |
| <b>TOTAL</b>                 | <b>9,722</b>     | <b>7,300</b>    | <b>8,885</b>       | <b>6,566</b>    |
| Other staff related benefits | 159              | 120             | 122                | 112             |
| <b>TOTAL</b>                 | <b>9,881</b>     | <b>7,420</b>    | <b>9,007</b>       | <b>6,678</b>    |

Included within salaries and wages above is \$11,338 of redundancy and termination costs (2024: \$nil).

Prior year employee pension contributions have been reclassified from pension costs to salaries and wages. The charity operates a salary sacrifice arrangement in respect of employee pension contributions. Under this arrangement, employees make pension contributions directly from their gross salary. From 1 January 2025, amounts sacrificed by the employee are recorded as employee contributions, and accordingly, staff costs are based on pre-sacrifice salaries. The total cost of the group and charity reflects salaries before salary sacrifice. Employer pension costs above now reflects the employer's contribution only. This change has been made to reflect the substance of the transaction and employee's control over their pension contributions, and to improve comparability of staff cost disclosures between periods. This change affects presentation only and has no overall impact on total staff costs.

The average number of employees over a 12-month period (by head count), analysed by function, was as follows:

|                       | 2025 No.    | 2024 No.    |
|-----------------------|-------------|-------------|
| Fundraising           | 3.9         | 3.5         |
| Charitable activities | 67.6        | 53.8        |
| Support               | 21.7        | 19.9        |
| <b>TOTAL</b>          | <b>93.2</b> | <b>77.2</b> |

By 31 December 2025 Clean Air Fund had a headcount of 95 employees (2024: 85).

There were 35 employees (2024: 32) whose emoluments amounted to over \$79,000 (£60,000) per annum or more (excluding benefits) during the year, based on the average exchange rate for the year.

|                                               | 2025 No.  | RESTATED 2024 No. |
|-----------------------------------------------|-----------|-------------------|
| \$79,337 to \$92,559 (£60,001 to £70,000)     | 7         | 10                |
| \$92,560 to \$105,781 (£70,001 to £80,000)    | 7         | 6                 |
| \$105,782 to \$119,004 (£80,001 to £90,000)   | 7         | 5                 |
| \$119,005 to \$132,227 (£90,001 to £100,000)  | 4         | 2                 |
| \$132,228 to \$145,450 (£100,001 to £110,000) | 3         | 1                 |
| \$145,451 to \$158,673 (£110,001 to £120,000) | -         | 3                 |
| \$158,674 to \$171,896 (£120,001 to £130,000) | 1         | 1                 |
| \$158,674 to \$171,896 (£130,001 to £140,000) | 4         | 2                 |
| \$185,119 to \$198,341 (£140,001 to £150,000) | -         | 1                 |
| \$251,234 to \$264,455 (£190,001 to £200,000) | 1         | -                 |
| \$304,125 to \$317,347 (£230,001 to £240,000) | -         | 1                 |
| \$330,571 to \$343,792 (£250,001 to £260,000) | 1         | -                 |
| <b>TOTAL</b>                                  | <b>35</b> | <b>32</b>         |

Remuneration bands for 2024 were restated following a methodology update to better capture the substance and transparency of how employee pension contributions are presented, as outlined previously.

The key management personnel of Clean Air Fund has been defined as the CEO and the Senior Leadership team. The total employee benefits including employer's pension contributions of the key management personnel were \$1,835,823 (2024: \$1,723,148).

The trustees did not receive any remuneration for their services during the period. Three trustees were reimbursed expenses for travel and subsistence in the year for a total of \$7,888 (2024: Three trustees were reimbursed \$23,411).

## 9. SUBSIDIARY UNDERTAKINGS

Clean Air Fund has a wholly-owned trading subsidiary undertaking, Clean Air Fund India Private Limited (CAFIPL), a company incorporated and registered in India (registered no. U74999DL2022FTC405832). The principal activities of this company are to provide grant research and management services to Clean Air Fund. All its profits are retained by the entity. The charity owns the entire issued share capital of 1,600,000 equity shares of INR 10 each.

### CLEAN AIR FUND INDIA PRIVATE LIMITED (CAFIPL)

| <b>PROFIT AND LOSS ACCOUNT</b>                 | <b>2025<br/>\$'000</b> | <b>2024<br/>\$'000</b> |
|------------------------------------------------|------------------------|------------------------|
| Turnover                                       | 1,183                  | 1,050                  |
| Cost of sales                                  | (1,082)                | (955)                  |
| Gross profit                                   | 101                    | 95                     |
| Administration expenses                        | -                      | -                      |
| <b>PROFIT ON ORDINARY ACTIVITIES</b>           | <b>101</b>             | <b>95</b>              |
| <b>BALANCE SHEET</b>                           |                        |                        |
| Current assets                                 | 603                    | 368                    |
| Creditors: amounts falling due within one year | (155)                  | (22)                   |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>   | <b>448</b>             | <b>346</b>             |
| Called up share capital                        | 192                    | 192                    |
| Retained profit and loss account               | 256                    | 154                    |
| <b>SHAREHOLDERS' FUNDS</b>                     | <b>448</b>             | <b>346</b>             |

## 10. FIXED ASSET INVESTMENTS

| Investments held in subsidiary                         | THE GROUP      |                | THE CHARITY    |                |
|--------------------------------------------------------|----------------|----------------|----------------|----------------|
|                                                        | 2025<br>\$'000 | 2024<br>\$'000 | 2025<br>\$'000 | 2024<br>\$'000 |
| Clean Air Fund India Private Limited (CAFIPL) (Note 9) | -              | -              | 192            | 192            |
| <b>TOTAL INVESTMENTS</b>                               | <b>-</b>       | <b>-</b>       | <b>192</b>     | <b>192</b>     |

## 11. DEBTORS

|                | THE GROUP      |                | THE CHARITY    |                |
|----------------|----------------|----------------|----------------|----------------|
|                | 2025<br>\$'000 | 2024<br>\$'000 | 2025<br>\$'000 | 2024<br>\$'000 |
| Trade Debtors  | 9              | -              | 9              | -              |
| Accrued income | 54             | 410            | 54             | 410            |
| Prepayments    | 218            | 200            | 208            | 195            |
| Other debtors  | 536            | 410            | 267            | 328            |
| <b>TOTAL</b>   | <b>817</b>     | <b>1,020</b>   | <b>538</b>     | <b>933</b>     |

## 12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                           | THE GROUP      |                | THE CHARITY    |                |
|---------------------------|----------------|----------------|----------------|----------------|
|                           | 2025<br>\$'000 | 2024<br>\$'000 | 2025<br>\$'000 | 2024<br>\$'000 |
| Trade creditors           | 154            | 494            | 111            | 484            |
| Social security costs     | 192            | 132            | 158            | 132            |
| Accruals                  | 1,807          | 679            | 1,722          | 668            |
| Deferred income (note 16) | -              | -              | -              | -              |
| Other creditors           | 54             | 30             | 61             | 30             |
| Intercompany              | -              | -              | 7              | 252            |
| <b>TOTAL</b>              | <b>2,207</b>   | <b>1,335</b>   | <b>2,059</b>   | <b>1,566</b>   |

Deferred income comprises grant funds which the charity has received but to which it is not yet entitled, due to time-related conditions attached to the terms of the grant. The movement in deferred income, included above, is analysed below.

|                                            | THE GROUP      |                | THE CHARITY    |                |
|--------------------------------------------|----------------|----------------|----------------|----------------|
|                                            | 2025<br>\$'000 | 2024<br>\$'000 | 2025<br>\$'000 | 2024<br>\$'000 |
| Deferred income at 01 January 2025         | -              | 2,830          | -              | 2,830          |
| Released in year                           | -              | (2,830)        | -              | (2,830)        |
| Deferred in year                           | -              | -              | -              | -              |
| <b>DEFERRED INCOME AT 31 DECEMBER 2025</b> | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>-</b>       |

## 13. GRANTS PAYABLE

|                                         | 2025<br>\$'000 | 2024<br>\$'000 |
|-----------------------------------------|----------------|----------------|
| <b>GRANT COMMITMENTS AT 1 JANUARY</b>   | <b>14,554</b>  | <b>11,410</b>  |
| Grants awarded in the year              | 26,340         | 20,758         |
| Grants written back in the year         | (28)           | (181)          |
| Grants paid in the year                 | (22,455)       | (17,333)       |
| <b>GRANT COMMITMENTS AT 31 DECEMBER</b> | <b>18,411</b>  | <b>14,554</b>  |
| Payable within one year                 | 18,223         | 13,540         |
| Payable after one year                  | 188            | 1,014          |

## 14. MOVEMENT IN FUNDS

| THE CHARITY                                    | AT 1<br>JANUARY<br>2025 \$'000 | INCOME<br>\$'000 | EXPENDITURE<br>\$'000 | TRANSFERS<br>\$'000 | AT 31<br>DECEMBER<br>2025 \$'000 |
|------------------------------------------------|--------------------------------|------------------|-----------------------|---------------------|----------------------------------|
| <b>UNRESTRICTED FUNDS</b>                      |                                |                  |                       |                     |                                  |
| General fund                                   | 11,122                         | 18,770           | (23,642)              | -                   | 6,250                            |
| Designated funds                               | -                              | -                | -                     | -                   | -                                |
| <b>TOTAL UNRESTRICTED FUNDS</b>                | <b>11,122</b>                  | <b>18,770</b>    | <b>(23,642)</b>       | <b>-</b>            | <b>6,250</b>                     |
| <b>RESTRICTED FUNDS</b>                        |                                |                  |                       |                     |                                  |
| Breathe Cities                                 | 7,373                          | 14,875           | (14,695)              | -                   | 7,553                            |
| Black Carbon Project                           | 3,055                          | 4,948            | (3,705)               | -                   | 4,298                            |
| Ozone Project                                  | 37                             | -                | (32)                  | -                   | 5                                |
| Ambient Air Quality Directive (AAQD) in Europe | -                              | 23,495           | (609)                 | -                   | 22,886                           |
| Clean Air Fund in India                        | 1,520                          | -                | (525)                 | -                   | 995                              |
| India Evaluation                               | 130                            | -                | (94)                  | -                   | 36                               |
| EME Support                                    | 185                            | 250              | (43)                  | -                   | 392                              |
| Global South & Health                          | 800                            | 1,667            | (690)                 | -                   | 1,777                            |
| Breathe Warsaw                                 | 278                            | -                | (278)                 | -                   | -                                |
| Clean Air Fellowships                          | -                              | -                | 1                     | -                   | 1                                |
| Birmingham Clean Air Project                   | 39                             | -                | -                     | -                   | 39                               |
| EU Cleanairtech & Clean Heating Coalition      | 22                             | -                | -                     | -                   | 22                               |
| Clean Air Justice Network                      | 7                              | 131              | (131)                 | -                   | 7                                |
| Ambient Air Quality (AAQD) in Germany          | -                              | 140              | (116)                 | -                   | 24                               |
| <b>TOTAL RESTRICTED</b>                        | <b>13,446</b>                  | <b>45,506</b>    | <b>(20,917)</b>       | <b>-</b>            | <b>38,035</b>                    |
| <b>TOTAL FUNDS</b>                             | <b>24,568</b>                  | <b>64,276</b>    | <b>(44,559)</b>       | <b>-</b>            | <b>44,285</b>                    |

**THE GROUP**

|                                                | AT 1<br>JANUARY<br>2025 \$'000 | INCOME<br>\$'000 | EXPENDITURE<br>\$'000 | TRANSFERS<br>\$'000 | AT 31<br>DECEMBER<br>2025 \$'000 |
|------------------------------------------------|--------------------------------|------------------|-----------------------|---------------------|----------------------------------|
| <b>UNRESTRICTED FUNDS</b>                      |                                |                  |                       |                     |                                  |
| General fund                                   | 11,276                         | 18,770           | (23,360)              | -                   | 6,686                            |
| Designated funds                               | -                              | -                | -                     | -                   | -                                |
| <b>TOTAL UNRESTRICTED FUNDS</b>                | <b>11,276</b>                  | <b>18,770</b>    | <b>(23,360)</b>       | <b>-</b>            | <b>6,686</b>                     |
| <b>RESTRICTED FUNDS</b>                        |                                |                  |                       |                     |                                  |
| Breathe Cities                                 | 7,373                          | 14,875           | (14,739)              | -                   | 7,509                            |
| Black Carbon Project                           | 3,055                          | 4,948            | (3,837)               | -                   | 4,166                            |
| Ozone Project                                  | 37                             | -                | (35)                  | -                   | 2                                |
| Ambient Air Quality Directive (AAQD) in Europe | -                              | 23,495           | (610)                 | -                   | 22,885                           |
| Clean Air Fund in India                        | 1,520                          | -                | (525)                 | -                   | 995                              |
| India Evaluation                               | 130                            | -                | (94)                  | -                   | 36                               |
| EME Support                                    | 185                            | 250              | (43)                  | -                   | 392                              |
| Global South & Health                          | 800                            | 1,667            | (690)                 | -                   | 1,777                            |
| Breathe Warsaw                                 | 278                            | -                | (278)                 | -                   | -                                |
| Birmingham Clean Air Project                   | 39                             | -                | -                     | -                   | 39                               |
| EU Cleanairtech & Clean Heating Coalition      | 22                             | -                | -                     | -                   | 22                               |
| Clean Air Justice Network                      | 7                              | 131              | (131)                 | -                   | 7                                |
| Ambient Air Quality (AAQD) in Germany          | -                              | 140              | (116)                 | -                   | 24                               |
| <b>TOTAL RESTRICTED</b>                        | <b>13,446</b>                  | <b>45,506</b>    | <b>(21,098)</b>       | <b>-</b>            | <b>37,854</b>                    |
| <b>TOTAL FUNDS</b>                             | <b>24,722</b>                  | <b>64,276</b>    | <b>(44,458)</b>       | <b>-</b>            | <b>44,540</b>                    |

General funds are unrestricted funds that are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity, and that have not been designated for other purposes.

Designated funds are unrestricted funds earmarked for a particular purpose by the trustees. Designation does not legally restrict the trustees' discretion to apply the fund.

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by donors. All income and expenditure of Clean Air Fund has been included in the Statement of Financial Activities. A summary of the material restricted funds held are:

- Breathe Cities is a partnership delivered by Clean Air Fund, C40 Cities and Bloomberg Philanthropies that support cities around the world to cut their air pollution and climate emissions.

- Black Carbon is a programme including a mix of grant making and direct delivery to galvanise action against black carbon and reduce the considerable health harms of this component of particulate matter, and secure faster climate mitigation.

- Clean Air Fund in India is funding towards Clean Air Fund's pooled fund restricted to be spent in India only.

- Ambient Air Quality Directive (AAQD) in Europe is a programme supported by grant funding from the IKEA Foundation, focussing on some of the most polluted regions across strategically selected EU member states, to ensure the adoption of effective clean air policies.

- Global South & Health is restricted funding towards building a clean air movement and reinforcing CAF's national, city and health work, acting as a key driver for sustainable outcomes in the Global South.

## PRIOR YEAR

| THE CHARITY                               | AT 1<br>JANUARY<br>2024 \$'000 | INCOME<br>\$'000 | EXPENDITURE<br>\$'000 | TRANSFERS<br>\$'000 | AT 31<br>DECEMBER<br>2024 \$'000 |
|-------------------------------------------|--------------------------------|------------------|-----------------------|---------------------|----------------------------------|
| <b>UNRESTRICTED FUNDS</b>                 |                                |                  |                       |                     |                                  |
| General fund                              | 9,416                          | 19,692           | (18,030)              | 44                  | 11,122                           |
| Designated funds                          | 1,164                          | -                | (1,164)               | -                   | -                                |
| <b>TOTAL UNRESTRICTED FUNDS</b>           | <b>10,580</b>                  | <b>19,692</b>    | <b>(19,194)</b>       | <b>44</b>           | <b>11,122</b>                    |
| <b>RESTRICTED FUNDS</b>                   |                                |                  |                       |                     |                                  |
| Breathe Cities                            | 4,731                          | 11,709           | (9,067)               | -                   | <b>7,373</b>                     |
| Black Carbon Project                      | 1,679                          | 4,163            | (2,787)               | -                   | <b>3,055</b>                     |
| Ozone Project                             | -                              | 650              | (613)                 | -                   | <b>37</b>                        |
| Clean Air Fund in India                   | 414                            | 2,830            | (1,724)               | -                   | <b>1,520</b>                     |
| India Evaluation                          | -                              | 259              | (129)                 | -                   | <b>130</b>                       |
| EME Support                               | -                              | 500              | (315)                 | -                   | <b>185</b>                       |
| Global South & Health                     | -                              | 1,667            | (867)                 | -                   | <b>800</b>                       |
| Breathe Providence                        | 272                            | -                | (272)                 | -                   | -                                |
| Breathe Warsaw                            | 377                            | 300              | (355)                 | (44)                | <b>278</b>                       |
| Technical Centres of Excellence in India  | 300                            | -                | (300)                 | -                   | -                                |
| Project Clean Air EU                      | 4                              | -                | (4)                   | -                   | -                                |
| Clean Air Fellowships                     | 36                             | 187              | (223)                 | -                   | -                                |
| Birmingham Clean Air Project              | 227                            | (162)            | (26)                  | -                   | 39                               |
| EU Cleanairtech & Clean Heating Coalition | -                              | 178              | (156)                 | -                   | 22                               |
| Clean Air Justice Network                 | -                              | 127              | (120)                 | -                   | 7                                |
| <b>TOTAL RESTRICTED</b>                   | <b>8,040</b>                   | <b>22,408</b>    | <b>(16,958)</b>       | <b>(44)</b>         | <b>13,446</b>                    |
| <b>TOTAL FUNDS</b>                        | <b>18,620</b>                  | <b>42,100</b>    | <b>(36,152)</b>       | <b>-</b>            | <b>24,568</b>                    |

## The GROUP

|                                           | AT 1<br>JANUARY<br>2024 \$'000 | INCOME<br>\$'000 | EXPENDITURE<br>\$'000 | TRANSFERS<br>\$'000 | AT 31<br>DECEMBER<br>2024 \$'000 |
|-------------------------------------------|--------------------------------|------------------|-----------------------|---------------------|----------------------------------|
| <b>UNRESTRICTED FUNDS</b>                 |                                |                  |                       |                     |                                  |
| General fund                              | 9,475                          | 19,692           | (17,935)              | 44                  | 11,276                           |
| Designated funds                          | 1,164                          | -                | (1,164)               | -                   | -                                |
| <b>TOTAL UNRESTRICTED FUNDS</b>           | <b>10,639</b>                  | <b>19,692</b>    | <b>(19,099)</b>       | <b>44</b>           | <b>11,276</b>                    |
| <b>RESTRICTED FUNDS</b>                   |                                |                  |                       |                     |                                  |
| Breathe Cities                            | 4,731                          | 11,709           | (9,067)               | -                   | <b>7,373</b>                     |
| Black Carbon Project                      | 1,679                          | 4,163            | (2,787)               | -                   | 3,055                            |
| Ozone Project                             | -                              | 650              | (613)                 | -                   | 37                               |
| Clean Air Fund in India                   | 414                            | 2,830            | (1,724)               | -                   | 1,520                            |
| India Evaluation                          | -                              | 259              | (129)                 | -                   | 130                              |
| EME Support                               | -                              | 500              | (384)                 | -                   | 185                              |
| Global South & Health                     | -                              | 1,667            | (867)                 | -                   | 800                              |
| Breathe Providence                        | 272                            | -                | (272)                 | -                   | -                                |
| Breathe Warsaw                            | 377                            | 300              | (355)                 | (44)                | 278                              |
| Technical Centres of Excellence in India  | 300                            | -                | (300)                 | -                   | -                                |
| Project Clean Air EU                      | 4                              | -                | (4)                   | -                   | -                                |
| Clean Air Fellowships                     | 36                             | 187              | (223)                 | -                   | -                                |
| Birmingham Clean Air Project              | 227                            | (162)            | (26)                  | -                   | 39                               |
| EU Cleanairtech & Clean Heating Coalition | -                              | 178              | (156)                 | -                   | 22                               |
| Clean Air Justice Network                 | -                              | 127              | (120)                 | -                   | 7                                |
| <b>TOTAL RESTRICTED</b>                   | <b>8,040</b>                   | <b>22,408</b>    | <b>(16,958)</b>       | <b>(44)</b>         | <b>13,446</b>                    |
| <b>TOTAL FUNDS</b>                        | <b>18,679</b>                  | <b>42,100</b>    | <b>(36,057)</b>       | <b>-</b>            | <b>24,722</b>                    |

## 15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| THE CHARITY             | GENERAL<br>FUND<br>\$'000 | DESIGNATED<br>FUNDS<br>\$'000 | RESTRICTED<br>FUNDS<br>\$'000 | TOTAL<br>2025<br>\$'000 |
|-------------------------|---------------------------|-------------------------------|-------------------------------|-------------------------|
| <b>CHARITY ONLY</b>     |                           |                               |                               |                         |
| Fixed Assets            | 192                       | -                             | -                             | <b>192</b>              |
| Current Assets          | 18,377                    | -                             | 46,186                        | <b>64,563</b>           |
| Current Liabilities     | (12,131)                  | -                             | (8,151)                       | <b>(20,282)</b>         |
| Non-Current Liabilities | (188)                     | -                             | -                             | <b>(188)</b>            |
| <b>TOTAL NET ASSETS</b> | <b>6,250</b>              | <b>-</b>                      | <b>38,035</b>                 | <b>44,285</b>           |

| THE GROUP               | GENERAL<br>FUND<br>\$'000 | DESIGNATED<br>FUNDS<br>\$'000 | RESTRICTED<br>FUNDS<br>\$'000 | TOTAL<br>2025<br>\$'000 |
|-------------------------|---------------------------|-------------------------------|-------------------------------|-------------------------|
| Fixed Assets            | -                         | -                             | -                             | <b>-</b>                |
| Current Assets          | 18,969                    | -                             | 46,189                        | <b>65,158</b>           |
| Current Liabilities     | (12,095)                  | -                             | (8,335)                       | <b>(20,430)</b>         |
| Non-Current Liabilities | (188)                     | -                             | -                             | <b>(188)</b>            |
| <b>TOTAL NET ASSETS</b> | <b>6,686</b>              | <b>-</b>                      | <b>37,854</b>                 | <b>44,540</b>           |

## PRIOR YEAR

| THE CHARITY             | GENERAL<br>FUND<br>\$'000 | DESIGNATED<br>FUNDS<br>\$'000 | RESTRICTED<br>FUNDS<br>\$'000 | TOTAL<br>2024<br>\$'000 |
|-------------------------|---------------------------|-------------------------------|-------------------------------|-------------------------|
| Fixed Assets            | 192                       | -                             | -                             | 192                     |
| Current Assets          | 16,043                    | -                             | 24,453                        | 40,496                  |
| Current Liabilities     | (4,780)                   | -                             | (10,326)                      | (15,106)                |
| Non-Current Liabilities | (333)                     | -                             | (681)                         | (1,014)                 |
| <b>TOTAL NET ASSETS</b> | <b>11,122</b>             | <b>-</b>                      | <b>13,446</b>                 | <b>24,568</b>           |

| THE GROUP               | GENERAL<br>FUND<br>\$'000 | DESIGNATED<br>FUNDS<br>\$'000 | RESTRICTED<br>FUNDS<br>\$'000 | TOTAL<br>2024<br>\$'000 |
|-------------------------|---------------------------|-------------------------------|-------------------------------|-------------------------|
| Fixed Assets            | -                         | -                             | -                             | -                       |
| Current Assets          | 16,158                    | -                             | 24,453                        | 40,611                  |
| Current Liabilities     | (4,549)                   | -                             | (10,326)                      | (14,875)                |
| Non-Current Liabilities | (333)                     | -                             | (681)                         | (1,014)                 |
| <b>TOTAL NET ASSETS</b> | <b>11,276</b>             | <b>-</b>                      | <b>13,446</b>                 | <b>24,722</b>           |

16. TRANSACTIONS WITH RELATED PARTIES

No related parties’ transactions have taken place with senior management. Clean Air Fund’s Conflict of Interest policy is that Board or Grant and Charitable Activities Committee members who have an interest in any grant awarding decisions do not take part in that decision and disclose any interest.

Stelios Kyriakakis (Trustee, appointed 08/08/2023) holds the position of Chief Operating Officer at IKEA Foundation. During the year Clean Air Fund received \$10,000,000 from the IKEA Foundation in respect of a grant for 2025, awarded in 2022 for a four-year period, and \$23,482,000 in respect of a new grant awarded in 2025, restricted to Clean Air Fund’s work on Ambient Air Quality

Directive (AAQD) in Europe. The trustee did not receive remuneration in his capacity as a Trustee.

In respect of Clean Air Fund’s subsidiary, Clean Air Fund India Private Limited (CAFIPL), intercompany transactions totalling \$1,183,077 (2024: \$1,049,371) were incurred. There was a year-end creditor of \$6,577 (2024: \$159,002) in the Charity’s accounts.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

17. OPERATING LEASES COMMITMENTS

|                    | 2025<br>\$'000 | 2024<br>\$'000 |
|--------------------|----------------|----------------|
| Less than one year | 376            | 657            |
| Two – five years   | -              | 321            |
| <b>TOTAL</b>       | <b>376</b>     | <b>978</b>     |

## 18.CHARITY STATEMENT OF FINANCIAL ACTIVITIES

The Charity Statement of Financial Activities reflects the results of the Clean Air Fund charity only, excluding the results of the trading subsidiary undertaking, Clean Air Fund India Private Limited (CAFIPL).

|                                                  | UNRESTRICTED    | RESTRICTED      | TOTAL           | TOTAL           |
|--------------------------------------------------|-----------------|-----------------|-----------------|-----------------|
|                                                  | 2025<br>\$'000  | 2025<br>\$'000  | 2025<br>\$'000  | 2024<br>\$'000  |
| <b>INCOME FROM:</b>                              |                 |                 |                 |                 |
| Donations                                        | 17,804          | 45,080          | 62,884          | 40,545          |
| Investments                                      | 809             | 426             | 1,235           | 1,455           |
| Other income                                     | 157             | -               | 157             | 100             |
| <b>TOTAL</b>                                     | <b>18,770</b>   | <b>45,506</b>   | <b>64,276</b>   | <b>42,100</b>   |
| <b>EXPENDITURE ON:</b>                           |                 |                 |                 |                 |
| Raising funds                                    | (399)           | -               | (399)           | (405)           |
| Charitable activities                            | (23,243)        | (20,917)        | (44,160)        | (35,747)        |
| <b>TOTAL</b>                                     | <b>(23,642)</b> | <b>(20,917)</b> | <b>(44,559)</b> | <b>(36,152)</b> |
| Net income before net gains before transfers     | <b>(4,872)</b>  | <b>24,589</b>   | <b>19,717</b>   | <b>5,948</b>    |
| Transfers                                        | -               | -               | -               | -               |
| Net expenditure/income and net movement in funds | <b>(4,872)</b>  | <b>24,589</b>   | <b>19,717</b>   | <b>5,948</b>    |
| <b>RECONCILIATION OF FUNDS:</b>                  |                 |                 |                 |                 |
| Fund balances brought forward at 1 January       | 11,122          | 13,446          | 24,568          | 18,620          |
| Fund balances carried forward at 31 December     | 6,250           | 38,035          | 44,285          | 24,568          |

# REFERENCE AND ADMINISTRATIVE DETAILS

|                                                      |                                                                                                                                                                                                                      |
|------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>REGISTERED NAME</b>                               | <b>Clean Air Fund</b>                                                                                                                                                                                                |
| <b>DATE OF INCORPORATION</b>                         | 15th January 2019                                                                                                                                                                                                    |
| <b>COMPANY NUMBER</b>                                | 11766712                                                                                                                                                                                                             |
| <b>REGISTERED CHARITY NUMBER</b>                     | 1183697                                                                                                                                                                                                              |
| <b>TRUSTEES</b>                                      | Katherine Garrett-Cox CBE<br>Gunjan Shah [Appointed 02 November 2022]<br>Stylianos Kyriakakis [Appointed 08 August 2023]<br>Milena Nikolova [Appointed 01 March 2024]<br>Sellah Bogonko [Appointed 02 December 2024] |
| <b>CHIEF EXECUTIVE OFFICER</b>                       | Helen Jane Burston                                                                                                                                                                                                   |
| <b>COMPANY SECRETARY</b>                             | Venetia Bell [Appointed 18 July 2024]                                                                                                                                                                                |
| <b>REGISTERED OFFICE<br/>CLEAN AIR FUND</b>          | Phoenix House<br>106-114 Borough High Street<br>London<br>SE1 1LB                                                                                                                                                    |
| <b>REGISTERED OFFICE<br/>CLEAN AF SERVICES INDIA</b> | Ground Floor and First Floor,<br>Worldmark 1, Asset Area 11<br>Aerocity, IGI Airport<br>Southwest Delhi<br>New Delhi, Delhi<br>India<br>110037                                                                       |
| <b>BANKERS</b>                                       | HSBC Bank Plc<br>69 Pall Mall<br>St James<br>London SW1Y 5EY                                                                                                                                                         |
| <b>SOLICITORS</b>                                    | Mills & Reeve<br>24 King William Street<br>London EC4R 9AT                                                                                                                                                           |
| <b>AUDITORS</b>                                      | Crowe U.K. LLP<br>Fourth Floor<br>St James House<br>St James' Square<br>Cheltenham<br>GL50 3PR                                                                                                                       |

# CLEAN AIR FUND

The Clean Air Fund (UK) is registered in England with company number 11766712 and charity number 1183697.

Registered address: Phoenix House, 106-114 Borough High Street, London SE1 1LB

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[www.cleanairfund.org](http://www.cleanairfund.org)  
[@cleanairfund](https://www.instagram.com/cleanairfund)