

Economic and Social Development Center of Palestine (ESDC)

Financial Statements and Independent Auditor's Report
For the Year Ended December 31, 2025

Economic and Social Development Center of Palestine (ESDC)

Ramallah - Palestine

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Independent Auditor's Report

To the General Assembly of
Economic and Social Development Center of Palestine

Ramallah - Palestine

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Economic and Social Development Center of Palestine (ESDC), which comprise the statement of financial position as of December 31, 2025, statement of activities, statement of changes in net assets and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of ESDC as of December 31, 2025, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are independent of ESDC in accordance with the ethical requirements that are relevant to our audit of the financial statement in areas under the jurisdiction of Palestinian Authority, 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines 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, management is responsible for assessing ESDC'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 management either intends to liquidate ESDC or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing ESDC's financial reporting process.

Independent Auditor's Report (Continued)

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 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with ISA's, we exercise professional judgement and maintain professional skepticism throughout the audit.

We also,

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ESDC's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause ESDC to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

HLB PS - License No. (201/2023)
Ramallah - Palestine



Raed Abu El Etham - License Number (109/2002)
April 6, 2026



Economic and Social Development Center of Palestine (ESDC)

Statement of Financial Position
As of December 31, 2025

	Notes	2025 USD	2024 USD
Assets			
Current Assets			
Cash and Cash Equivalents	5	368,210	1,553,904
Restricted Deposits at Banks	6	421,597	306,290
Contributions Receivable	7	3,398,871	1,653,974
Loans Receivable - Net	8	199	21,323
Other Debit Balances	9	29,791	24,794
Total Current Assets		<u>4,218,668</u>	<u>3,560,285</u>
Non-Current Assets			
Investment in Affiliate	10	35,065	34,072
Property and Equipment, net	11	196,139	214,830
Total Non-Current Assets		<u>231,204</u>	<u>248,902</u>
Total Assets		<u>4,449,872</u>	<u>3,809,187</u>
Liabilities and Net Assets			
Current Liabilities			
Accounts Payable and Accrued Expenses	12	19,997	15,183
Post Dated Cheques		273,605	252,023
Total Current liabilities		<u>293,602</u>	<u>267,206</u>
Non-Current Liabilities			
Employees Provident Fund	13	131,760	78,317
Provision for Employees' End of Service Indemnity	14	290,976	233,750
		<u>422,736</u>	<u>312,067</u>
Total Liabilities		<u>716,338</u>	<u>579,273</u>
Net Assets			
General Fund		394,223	224,329
Temporarily Restricted Contributions	15	2,888,964	2,536,747
Loan Revolving Fund		254,208	254,008
Investment in Property and Equipment	11	196,139	214,830
Total Net Assets		<u>3,733,534</u>	<u>3,229,914</u>
Total Liabilities and Net Assets		<u>4,449,872</u>	<u>3,809,187</u>

The Accompanying Notes Form an Integral Part of These Financial Statements.

Economic and Social Development Center of Palestine (ESDC)

Statement of Activities

For The Year Ended December 31, 2025

	Notes	General Fund USD	Temporarily Restricted Contribution USD	Total 2025 USD	Total 2024 USD
Grants and Revenues :					
Restricted Grants	15	-	5,736,832	5,736,832	3,523,084
Communities Contributions		-	83,546	83,546	31,514
Unrestricted Contributions		21,400	-	21,400	44,087
		<u>21,400</u>	<u>5,820,378</u>	<u>5,841,778</u>	<u>3,598,685</u>
Releases From Restrictions	15	5,422,743	(5,422,743)	-	-
Total Grants and Revenues		<u>5,444,143</u>	<u>397,635</u>	<u>5,841,778</u>	<u>3,598,685</u>
Project Expenses :					
Steadfastness and Resilience Program	16	4,391,000	-	4,391,000	2,635,965
Societal Economy Program	16	260,873	-	260,873	272,905
Entrepreneurial Projects Program	16	696,565	-	696,565	214,545
Total Programs Expenses		<u>5,348,438</u>	<u>-</u>	<u>5,348,438</u>	<u>3,123,415</u>
Institutional Development and Capacity Building	16	74,305	-	74,305	48,992
Total Program and Institutional Development Expenses		<u>5,422,743</u>	<u>-</u>	<u>5,422,743</u>	<u>3,172,407</u>
Currency Exchange		(26,088)	(99,119)	(125,207)	70,012
Loss on Disposal of Property and Equipment		-	-	-	129
Depreciation of Property and Equipment	11	24,301	-	24,301	24,646
(Gain)/Loss Share from Investment in Affiliate Company	10	(993)	-	(993)	3,104
Expected Credit Loss	8,9	17,514	-	17,514	2,680
Total Expenses		<u>5,437,477</u>	<u>(99,119)</u>	<u>5,338,358</u>	<u>3,272,978</u>
Increase in Net Assets for the Year		<u>6,666</u>	<u>496,754</u>	<u>503,420</u>	<u>325,707</u>

The Accompanying Notes Form an Integral Part of These Financial Statements.

Economic and Social Development Center of Palestine (ESDC)

Statement of Changes in Net Assets
For the Year Ended December 31, 2025

	General Fund	Temporarily Restricted Contributions	Loan Revolving Fund	Investment in Property and Equipment	Total
	USD	USD	USD	USD	USD
Net Assets as of January 1, 2025	224,329	2,536,747	254,008	214,830	3,229,914
Change in Net Assets for the Year	6,666	496,754	-	-	503,420
Transferred to General Fund	144,537	(144,537)	-	-	-
Change in Revolving Lending Fund	-	-	200	-	200
Procurement of Property and Equipment, Net	18,691	-	-	(18,691)	-
Net Assets as of December 31, 2025	<u>394,223</u>	<u>2,888,964</u>	<u>254,208</u>	<u>196,139</u>	<u>3,733,534</u>
Net Assets as of January 1, 2024	97,475	2,330,967	253,808	235,117	2,917,367
Change in Net Assets for the Year	(7,720)	333,427	-	-	325,707
Write off Temporarily Restricted Contribution	-	(13,360)	-	-	(13,360)
Transferred to General Fund	114,287	(114,287)	-	-	-
Change in Revolving Lending Fund	-	-	200	-	200
Procurement of Property and Equipment, Net	20,287	-	-	(20,287)	-
Net Assets as of December 31, 2024	<u>224,329</u>	<u>2,536,747</u>	<u>254,008</u>	<u>214,830</u>	<u>3,229,914</u>

The Accompanying Notes Form an Integral Part of These Financial Statements.

Economic and Social Development Center of Palestine (ESDC)

Statement of Cash Flows

For the Year Ended December 31, 2025

	2025 USD	2024 USD
Cash Flows from Operating Activities		
Cash Received from Donors and Local Contributions	4,177,072	3,982,449
Unrestricted Donations	21,400	44,087
Cash Paid To Employees And Suppliers	<u>(5,378,556)</u>	<u>(3,216,506)</u>
Net Cash Flows (Used in) Generated from Operating Activities	<u>(1,180,084)</u>	<u>810,030</u>
Cash Flows from Investing Activities		
Purchase of Property And Equipment	<u>(5,610)</u>	<u>(4,488)</u>
Net Cash Flows (Used in) Investing Activities	<u>(5,610)</u>	<u>(4,488)</u>
(Decrease) Increase in Cash During the Year	(1,185,694)	805,542
Cash on Hand and at Banks, Beginning of The Year	<u>1,553,904</u>	<u>748,362</u>
Cash on Hand and at Banks, End of the Year	<u>368,210</u>	<u>1,553,904</u>
Adjustments to Reconcile Change in Net Assets to Net Cash		
Flows from Operating Activities		
Increase In Net Assets For The Year	503,420	325,707
Write Off Temporary Restricted Fund	-	(13,360)
Expected Credit Loss on Loans Receivable	17,514	2,680
Depreciation of Property and Equipment	24,301	24,646
Loss on Disposal of Property and Equipment	-	129
(Gain) Loss from Investment in Affiliate Company	(993)	3,104
(Increase) in Restricted Deposits	(115,307)	(51,013)
(Increase) Decrease in Contribution Receivables	(1,744,897)	473,458
Decrease (Increase) in Loans Receivables	12,124	(9,120)
(Increase) Decrease in Other Debit Balances	(13,511)	8,675
Increase (Decrease) in Accounts Payable and Accrued Expenses	4,814	(10,752)
Increase (Decrease) in Post Dated Cheques	21,582	(840)
Increase in Employees' Saving Fund	53,443	42,449
Increase in Provision For Employees' End of Service Indemnity	57,226	14,067
Increase in Loan Revolving Fund	200	200
Net Cash Flows (Used in) Generated from Operating Activities	<u>(1,180,084)</u>	<u>810,030</u>

Notes to The Financial Statements
For the Year Ended December 31, 2025

1. General Information

Economic and Social Development Center of Palestine (ESDC) is a Palestinian non-governmental organization established on April 27, 2003 and registered with the Ministry of the Interior under registration number B-2267-RA.

The Center's vision is to promote a sustainable and resilient socio-economy.

The Center aims to promote economic and social development within the Palestinian community through empowering individuals, fostering cooperative work, enhancing resilience, and addressing challenges related to sustainable resource management and climate change.

The Center works to achieve four strategic objectives, each containing a set of policies and interventions. The Center's strategic objectives for the years 2023 to 2027 are as follow:

- To enhance the role of cooperative societies, membership-based institutions, and groups in the social economy.
- To strengthen and develop the local economy by supporting and developing small and medium entrepreneurial projects to create new job opportunities that increase per capita income, especially for youth and women.
- To enhance the steadfastness and resilience of farmers.
- Strengthening the institutional capacities of the Center to ensure compliance with the principles of good governance and the adoption of values of integrity and effective accountability.

The number of the center's employees was (27) as of December 31, 2025, compared to (28) employees as of December 31, 2024.

The financial statements were approved and authorized for issuance by ESDC's Board of Directors on April 4, 2026.

2. Application of new and revised International Financial Reporting Standards ("IFRSs")

In the current year, ESDC management considered all new and revised Standards and Interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of IASB, relevant to its activities, that were issued and effective for annual reporting periods ended on December 31, 2025.

At the date of these financial statements, there were a combination of standards and amendments to IFRSs that are applicable in subsequent years. The management believes that these standards and their interpretations will be applied in the financial statements of ESDC according to the dates of their effectiveness and that this application has no effect on the financial statements of ESDC in the initial application stage.

3. Summary of Significant Accounting Policies

3.1 Preparation of Financial Statements

The financial statements have been prepared in accordance with International financial Reporting Standards (“IFRS”) as issued by the International Accounting standards Board (“IASB”).

The financial statements have been presented in the United States Dollar (USD) which is the functional currency of ESDC.

3.2 Donation revenues

Donors’ unconditional pledges are those pledges where donors do not specify prerequisites that have to be carried out by the recipient before obtaining the fund.

Donation revenues from unconditional pledges are recognized as follows:

- Unconditional pledges that are not restricted for a specific purpose or time are recognized when the pledge is obtained.
- Unconditional pledges that are temporarily restricted by the donor for a specific purpose or time are recognized when such purpose or time is satisfied.

3.3 Revenue Recognition

The Center records revenue in accordance with the accrual principle, recognizing revenue to the extent that it is probable that economic benefits will flow to the Center and can be reliably measured.

Revenue is measured at the fair value of the consideration received or receivable. The following recognition criteria must also be met before revenue is recognized:

In-Kind Contributions

Contributed services and materials are recorded as revenue at their fair value when such contributions can be quantified, effective from the date of contribution.

Deferred revenues

Donations related to property and equipment are stated at fair value, recorded as deferred revenues, and recognized as income on a systematic basis over the useful life of the property and equipment.

Expenses recognition

Expenses are recognized when incurred based on the accrual basis of accounting.

3.4 Property and equipment

Property and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. All other repair and maintenance costs are recognized in the statement of activities as incurred.

3. Summary of Significant Accounting Policies (continued)

3.4 Property and equipment (continued)

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

	Depreciation Rate
Furniture	15%
Office equipment	20%
Vehicles	15%
Building	5%

Any item of property and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of activities when the asset is derecognized.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.5 Grants and Donations Receivable

Grants and donations receivable are recognized at their original amount, less any amounts collected and any allowances for doubtful accounts. An assessment of collectability is conducted, and an allowance is recorded when there is uncertainty regarding the receipt of these donations.

3.6 Accounts Payable and Accrual

Liabilities are recognized for amounts to be paid in the future for goods or services received, regardless of whether the supplier has formally claimed the payment.

3.7 Provision for Employees End of Service Indemnity

The provision for end-of-service benefits is calculated at one month's salary for each year of service, based on the employee's last received salary.

3.8 Income Tax and Value Added Tax

ESDC is a not-for-profit company; accordingly, it is not subject to income tax. Under the Value Added Tax (VAT) law, the entity is considered an exempt entity and is not entitled to recover VAT paid on purchases and expenses.

3.9 Expense Allocation

Expenses are classified functionally between various programs and general administration. Expenses that can be directly attributed to a specific project are charged directly to that project. Other expenses shared across multiple projects are allocated to the projects based on management's estimates.

Notes to The Financial Statements
For the Year Ended December 31, 2025

3. Summary of Significant Accounting Policies (continued)

3.10 Foreign currencies

Transactions in foreign currencies are recorded at the rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange prevailing at the financial statements date.

The exchange rates for the USD were as follows:

	December 31	
	2025	2024
	USD	USD
ILS	0.313	0.277
JOD	1.410	1.41
EURO	1.174	1.040

Currency exchange differences are recorded in the statement of activities.

4. Estimates and Assumptions

The preparation of the financial statements in accordance with International Financial Reporting Standards (IFRS), as detailed in Note (3), requires management to make several accounting estimates and assumptions that affect the amounts of assets and liabilities in the statement of financial position, as well as the amounts of revenues and expenses in the statement of activities for the year. These estimates and assumptions are based on previous assumptions and other relevant factors. Due to the use of these estimates, actual results may differ from the estimates.

The underlying estimates and assumptions are reviewed on an ongoing basis. Any revisions to accounting estimates are recognized in the period in which the estimates are revised, if the adjustment affects only that period, or in the period of revision and future periods.

5. Cash on hand and at Banks

	2025	2024
	USD	USD
Cash on Hand	497	515
Cash at Banks - NIS	55,164	138,193
Cash at Banks - USD	194,963	900,727
Cash at Banks - EUR	117,586	514,469
	<u>368,210</u>	<u>1,553,904</u>

6. Restricted Deposits at Banks

	2025	2024
	USD	USD
Employees End of Service Indemnity Deposits	289,932	230,440
Provident Fund Deposit	131,665	75,850
	<u>421,597</u>	<u>306,290</u>

Notes to The Financial Statements
For the Year Ended December 31, 2025

7. Contribution Receivable

As of December 31, 2025	Balance Beginning of the year USD	Additions USD	Cash Received USD	Adjustment USD	Currency Differences USD	Balance End of the year USD
Oxfam-Building the Palestinian Agricultural Insurance Systems and Services 2022-2025 (A-06554-02)	-	45,018	-	-	1,763	46,781
Oxfam /BMZ 2021-2025 "Resilient Communities: supporting vulnerable and affected Palestinian communities to transition to more resilient, sustainable, and equitable economic growth in the Gaza Strip and the Jordan Valley -(A-06554-02)	278,027	393,385	(631,271)	-	49,701	89,842
OXFAM-OCHA-GAZA -2024-2025-A-07584-02 (Emergency Food Lifeline: Targeted Food Assistance for Vulnerable Households GS)	265,556	-	(265,556)	-	-	-
Oxfam-DGD-Addressing FSL needs"2023-2025 (A-07245-04:PS)	135,774	-	(142,213)	-	6,439	-
OXFAM-SIDA Project-Emergency Rehabilitation and Livelihood Support for Conflict-Affected Communities in the Northern West Bank 2024-2025-A-7573-04:PS	-	8,539	(8,539)	-	-	-
OXFAM-OCHA-WB Emergency Response 2024-2025(A-07473-02)	-	-	-	-	-	-
Oxfam : USA C-GAZA Appeal-OUS (NL -KVK-27108436-A-07388-09:PS)	-	349,616	(349,616)	-	-	-
Oxfam -Empowering Green Businesses: Resilience and Adaptation to Natural and Occupation Shocks-Enable Agrifood A-07604-03)	-	559,481	(194,548)	-	34,019	398,952
Oxfam - "Emergency Support in the West Bank (Jenin and Tulkarm) Project."A-07388-10-PS	-	217,062	(217,062)	-	-	-
Oxfam -Gaza crisis - Emergency WASH and MPCA response to the humanitarian crisis A-07611-03 PS,2025- 2026	-	78,854	(78,854)	-	-	-
Oxfam-ESDC-WB OAU-Oxfam--PS-Jenin, Ramadan food Parcels-(A:7388-13,PS)	-	104,619	(104,619)	-	-	-
OXFAM -Support agriculture-based livelihoods and farming HHs to revive production of fresh produce in the GS(A-07655-02:PS)	-	254,041	(254,041)	-	-	-
Oxfam - "Supply of Drinking Water to Displaced Families from Jenin Refugee Camp Project."	-	35,043	(35,043)	-	-	-
Clean drinking water will be supplied to the locations where these families are residing in the vicinity of Arab American University, funded by the Canadian grant (Canadian donor organization (OCA)) (A-7388-15:PS).	-	173,257	(137,617)	-	(863)	34,777
Oxfam - "Integrated Humanitarian Response to Enhance Food Security and Access to Services for Conflict-Affected Internally Displaced Persons in Jenin Governorate."	-	173,257	(137,617)	-	(863)	34,777
Funded by (SIDA), A-07600-05:PS.	-	1,351,799	-	-	(7,330)	1,344,469
Oxfam - "Food Security and Livelihoods Needs Support Project." DGD A-07470-02.	-	1,351,799	-	-	(7,330)	1,344,469
Oxfam - Integrated Food Security and Protection for Vulnerable Households in the Gaza Strip SIDA)) 07751-03:PS)	-	172,208	-	-	-	172,208
Oxfam -Emergency life-saving WASH services to conflict affected communities, returnees and new IDPs in the Gaza Strip. opt HF (A-07737-03:PS).	-	381,318	-	-	-	381,318
OXFAM -48 hr Anticipatory Food Security Response for Vulnerable Households in Gaza -opt HF (A-07739-03:PS).	-	72,069	-	-	-	72,069
Oxfam - ESDC Danida SP - flex funds A-7746-04	-	14,687	-	-	(13)	14,674
Oxfam - TUBAS - WE Emergency Project-A-7388-04:PS	-	96,788	-	-	-	96,788
We effect "Enhancing Livelihood and Food Security Through Community-Based Actors" 2024"PJ 1498"	8,686	120,381	(129,067)	-	-	-
We effect-RAYS OF HOPE FOR THE CHILDREN OF PALESTINE" PJ 1656"	194,921	1,191	(164,071)	-	17,387	49,428
We World-ONLUS- (AID 11914) - COOPER-IDEA: Actions to improve and strengthen cooperative productivity for inclusive development and entrepreneurship	83,560	-	-	-	10,736	94,296
Accept International "funded by Japan Platform"-2024-2025"Assistance for improved sanitation, for vulnerable war victims in Gaza"	138,558	1,807	(140,365)	-	-	-
UNDP -TARABOT Palestine Program-MA'AN Development Center "Strengthening the Resilience of Palestinian Farmers in Qalqilya"	4,520	808	(5,328)	-	-	-
Communaute' des communes Sud Corse /EU-FISHMEDNET 2019-2022+2023	30,819	-	(30,819)	-	-	-
Sub Total	1,140,421	4,431,971	(2,888,629)	-	111,839	2,795,602

Notes to The Financial Statements
For the Year Ended December 31, 2025

7. Contributions Receivable (continued)

	Balance Beginning of the year USD	Additions USD	Cash Received USD	Adjustment USD	Currency Differences USD	Balance End of the year USD
NRO -PARC "Enhancing livelihoods, Food Security, and sustainable economic growth in the West Bank and Gaza Strip, Palestine" Ref: #24-0001954	319,320	198,780	(228,086)	-	-	290,014
UNDP -IPR - 01001808, Investment Programme for Resilience	-	441,096	(263,815)	-	-	177,281
UNDP-PAL10-01108580-Handicrafts Service Company	-	50,000	(50,000)	-	-	-
GIZ -Strengthening Livelihoods in Rural Areas in the Palestinian Territories (LHP III)(81320404)	-	122,814	(74,199)	-	(6,921)	41,694
We World , Restoring life-saving access to safe water for vulnerable communities in the West Bank (CBPF-OPT-25-R-INGO-37682")	-	60,000	-	-	-	60,000
Accept International "funded by Japan Platform" - Assistance for drinking water for vulnerable war victims in Gaza	-	16,414	(16,414)	-	-	-
ILO -Enhance Marketing and Production Capabilities of Agricultural Food Processing Cooperatives in the Northern West Bank for Improved Product Quality and Marketability.-JSR/ASR-IA with ESDC Project No. : ILO-40509046	-	72,100	(72,100)	-	-	-
Mercy Relief Limited-Agricultural livelihood Security in Gaza	-	76,810	(76,810)	-	-	-
Arab Fund for Economic and Social Development - "Livestock Development Project in Northwest Jerusalem." Grant No. 22/RD-36.	-	261,374	(261,374)	-	-	-
AFD (PARC Project)/SIF/2022-2025 (Build Community Resilience and Improve Livelihoods and Food Security through safe agriculture Practices in West Bank -Palestine)	165,868	-	(138,623)	(25,542)	21,190	22,893
ICFO Support Program Gaza	-	5,473	(5,202)	(271)	-	-
West Estates Village Council, Qalqilia " Reinforcing governance, accountability, inclusivity and resilience in the Western Estates of Qalqilya Governorate. "NEAR-TS/2017/393-986"	10,091	-	-	-	1,296	11,387
Sub Total	495,279	1,304,861	(1,186,623)	(25,813)	15,565	603,269
Total Contributions	1,635,700	5,736,832	(4,075,252)	(25,813)	127,404	3,398,871
Communities Contributions						
Local community contribution-UNDP -TARABOT Palestine Program-MA'AN Development Center "Strengthening the Resilience of Palestinian Farmers in Qalqilya"	18,274	202	(18,476)	-	-	-
Local community contribution-NRO -PARC "Enhancing livelihoods, Food Security, and sustainable economic growth in the West Bank and Gaza Strip, Palestine" Ref: #24-0001954	-	83,344	(83,344)	-	-	-
Total Communities Contributions	18,274	83,546	(101,820)	-	-	-
Total Contribution Receivables	1,653,974	5,820,378	(4,177,072)	(25,813)	127,404	3,398,871

Notes to The Financial Statements
For the Year Ended December 31, 2025

7. Contributions Receivable (Continued)

As of December 31, 2024	Balance Beginning of the year USD	Additions USD	Cash Received USD	Adjustment USD	Currency Differences USD	Balance End of the year USD
oxfam-Building the Palestinian Agricultural Insurance Systems and Services 2022-2025 (A-06554-02)	173,540	-	(169,896)	-	(3,644)	-
Oxfam /BMZ 2021-2025 "Resilient Communities: supporting vulnerable and affected Palestinian communities to transition to more resilient, sustainable, and "equitable economic growth in the Gaza Strip and the Jordan Valley - (A-06554-02)	792,655	150,014	(642,431)	-	(22,211)	278,027
OXFAM Denmark (IBIS) Jobs and Green TVET for Young People in the Occupied Palestinian Territory (OPT) "A-07008-05"2023-2024	-	11,504	(11,504)	-	-	-
OXFAM -GAC -Support to Vulnerable Farmers, Fisherfolk (A-07058-02PS) GAZA 2023-2024	464,540	60,882	(525,422)	-	-	-
OXFAM -Women-led Conflict-Sensitive Climate Action in Husan, Bethlehem in Collaboration with ESDC (A-06996-05;24)	-	53,240	(53,810)	-	570	-
OXFAM-OCHA-GAZA -2024-2025-A-07584-02((Emergency Food Lifeline: Targeted Food Assistance for Vulnerable Households GS))	-	265,556	-	-	-	265,556
Oxfam-DGD-Addressing FSL needs"2023-2025 (A-07245-04:PS)	-	237,298	(94,232)	-	(7,292)	135,774
Oxfam\Ocha\2024\Gaza (Provision of food parcels to affected IDPs in the Gaza Strip A-7375-02:PS)	-	254,897	(254,897)	-	-	-
Oxfam : Catalyzing Economic Recovery project (Appeal) A-07388-04:PS	-	118,668	(118,668)	-	-	-
Oxfam -WB CAT 2024 (Gaza Emergency Response)-A-07493-02:PS	-	183,379	(189,924)	-	6,545	-
Oxfam-Jenin Emergency response-A-07375-05 ;PS	-	116,562	(116,087)	-	(475)	-
OXFAM-SIDA Project-Emergency Rehabilitation and Livelihood Support for Conflict-Affected Communities in the Northern West Bank 2024-2025-A-7573-04:PS	-	290,078	(290,078)	-	-	-
OXFAM-OCHA-WB Emergency response 2024-2025-A-07473-02	-	393,000	(393,000)	-	-	-
We effect "Enhancing Livelihood and Food Security Through Community-Based Actors" 2024"PJ 1498"	-	169,274	(159,792)	-	(796)	8,686
We effect-Rays of Hope For The Children of Palestine" PJ 1656"	-	348,679	(160,161)	-	6,403	194,921
We World - GVC Onlus: Enhancing and restoring access to agricultural assets and income generation for vulnerable communities in the West Bank(CBPF-OPT-23-S-INGO-24744)	85,210	-	(85,210)	-	-	-
We World - GVC Onlus: "Strengthening the Resilience of Bedouin and Herding Households in Area C" CBPF-OPT-23-S-INGO-26916)	99,609	-	(99,609)	-	-	-
We World - GVC Onlus: "Respond to the urgent Food Security needs and Strengthening the Resilience of most vulnerable Palestinians in West bank" (CBPF-OPT-24-S-INGO-33791)	-	102,061	(102,061)	-	-	-
We World-ONLUS- (AID 11914) - COOPER-IDEA: Actions to improve and strengthen cooperative productivity for inclusive development and entrepreneurship	-	122,665	(39,105)	-	-	83,560
Accept International "funded by Japan Platform"-2024-2025"Assistance for improved sanitation,for vulnerable war victims in Gaza"	-	139,568	(1,010)	-	-	138,558
Halieus : Technical Assistance _Local cooperative expertise for Palestine (40423567)	5,961	-	(5,961)	-	-	-
UNDP -TARABOT Palestine Program-MA'AN Development Center "Strengthening the Resilience of Palestinian Farmers in Qalqilya"	96,929	-	(81,027)	(11,382)	-	4,520
GIZ -Strengthening of Livelihoods in Rural Areas in the Palestinian - Contract # 83394313	30,021	-	(30,021)	-	-	-
GIZ-More Job Opportunities for Palestinian Youth (MJO I) #83443374	10,933	8,767	(19,920)	-	220	-
Communaute' des communes Sud Corse /EU-FISHMEDNET 2019-2022+2023	32,702	-	-	-	(1,883)	30,819
NRO -PARC "Enhancing livelihoods, Food Security, and sustainable economic growth in the West Bank and Gaza Strip, Palestine" Ref: #24-0001954	-	456,172	(136,852)	-	-	319,320
Sub Total	1,792,100	3,482,264	(3,780,678)	(11,382)	(22,563)	1,459,741

Notes to The Financial Statements
For the Year Ended December 31, 2025

7. Contributions Receivable (Continued)

	Balance Beginning of the year USD	Additions USD	Cash Received USD	Adjustment USD	Currency Differences USD	Balance End of the year USD
AFD (PARC Project)/SIF/2022-2025 (Build Community Resilience and Improve Livelihoods and Food Security through safe agriculture Practices in West Bank -Palestine)	306,351	-	(131,342)	-	(9,141)	165,868
Malaysian National Cooperative Movement -ANGKASA-2024- Emergency Food Aid to save the lives of the civilians displaced people in Gaza.	-	35,300	(35,300)	-	-	-
ICFO Support Program Gaza 2024	-	5,520	(3,542)	(1,978)	-	-
West Estates Village Council, Qalqilia -Reinforcing governance, accountability, inclusivity and resilience in the Western Estates of Qalqilia Governorate. NEAR TS/2017/393-986	10,707	-	-	-	(616)	10,091
Sub Total	317,058	40,820	(170,184)	(1,978)	(9,757)	175,959
Total Contributions	2,109,158	3,523,084	(3,950,862)	(13,360)	(32,320)	1,635,700
Communities Contributions						
Local community contribution-AFD (PARC Project)/SIF/2022-2025 (Build Community Resilience and Improve Livelihoods and Food Security through safe agriculture Practices in West Bank -Palestine)	-	17,469	(17,542)	-	73	-
Local community contribution-UNDP -TARABOT Palestine Program-MA'AN Development Center "Strengthening the Resilience of Palestinian Farmers in Qalqilya"	18,274	-	-	-	-	18,274
Local community contribution-NRO -PARC "Enhancing livelihoods, Food Security, and sustainable economic growth in the West Bank and Gaza Strip, Palestine" Ref: #24-0001954	-	14,045	(14,045)	-	-	-
Total Communities Contributions	18,274	31,514	(31,587)	-	73	18,274
Total Contribution Receivables	2,127,432	3,554,598	(3,982,449)	(13,360)	(32,247)	1,653,974

Notes to The Financial Statements
For the Year Ended December 31, 2025

8. Loans receivable, net

	2025 USD	2024 USD
Balance at the beginning of the year	26,261	17,141
Loans issued	17,000	9,000
Loans collected	(31,181)	-
Currency differences	(1,881)	120
	<u>10,199</u>	<u>26,261</u>
Provision for expected credit loss	(10,000)	(4,938)
	<u>199</u>	<u>21,323</u>

The movement on the provision for estimated credit loss is as follows:

	2025 USD	2024 USD
Balance at the beginning of the year	4,938	2,258
Provision for the year	9,000	2,680
Write off	(3,938)	-
Balance at the end of the year	<u>10,000</u>	<u>4,938</u>

9. Other Debit Balances

	2025 USD	2024 USD
Prepaid expenses	11,011	10,774
Advances to Employees	2,913	217
Due from Affiliate companies	6,064	6,064
Cheques box	17,841	7,118
Others	476	621
	<u>38,305</u>	<u>24,794</u>
Provision for expected credit losses - Cheques box and affiliate companies	(8,514)	-
	<u>29,791</u>	<u>24,794</u>

10. Investment in Affiliate

ESDC's investment in New Farm for Marketing and Agricultural Manufacturing Company (Private Shareholding Company) amounts to 34,333 Jordanian Dinars, distributed across 34,333 shares, each valued at 1 Jordanian Dinar, which is equivalent to 48,699 USD. For the year ending December 31, 2025, ESDC increased the value of its investment in New Farm by 993 USD based on the company's financial statements for the year 2024, while ESDC's investment in the company decreased by 3,104 USD in 2024, according to the company's financial statements for 2023.

	2025 USD	2024 USD
Balance at the beginning of the year	34,072	37,176
Gain/(Loss) from investment in affiliate	993	(3,104)
Balance at the end of the year	<u>35,065</u>	<u>34,072</u>

Notes to The Financial Statements
For the Year Ended December 31, 2025

11. Property and Equipment

	Furniture USD	Equipment USD	Vehicles USD	Land and Building Improvement USD	Total USD
As of December 31, 2025					
Cost					
Balance as of January 1, 2025	16,875	68,871	58,860	210,347	354,953
Additions	984	4,626	-	-	5,610
Disposals	(3,066)	-	-	-	(3,066)
Balance as of December 31, 2025	<u>14,793</u>	<u>73,497</u>	<u>58,860</u>	<u>210,347</u>	<u>357,497</u>
Accumulated Depreciation					
Balance as of January 1, 2025	16,875	55,557	20,321	47,370	140,123
Additions	74	4,881	8,829	10,517	24,301
Disposals	(3,066)	-	-	-	(3,066)
Balance as of December 31, 2025	<u>13,883</u>	<u>60,438</u>	<u>29,150</u>	<u>57,887</u>	<u>161,358</u>
Net Book Value as of December 31, 2025	<u>910</u>	<u>13,059</u>	<u>29,710</u>	<u>152,460</u>	<u>196,139</u>
As of December 31, 2024					
Cost					
Balance as of January 1, 2024	17,325	71,387	58,860	210,347	357,919
Additions	-	4,488	-	-	4,488
Disposals	(450)	(7,004)	-	-	(7,454)
Balance as of December 31, 2024	<u>16,875</u>	<u>68,871</u>	<u>58,860</u>	<u>210,347</u>	<u>354,953</u>
Accumulated Depreciation					
Balance as of January 1, 2024	17,325	57,185	11,468	36,824	122,802
Additions	-	5,247	8,853	10,546	24,646
Disposals	(450)	(6,875)	-	-	(7,325)
Balance as of December 31, 2024	<u>16,875</u>	<u>55,557</u>	<u>20,321</u>	<u>47,370</u>	<u>140,123</u>
Net Book Value as of December 31, 2024	<u>-</u>	<u>13,314</u>	<u>38,539</u>	<u>162,977</u>	<u>214,830</u>

Notes to The Financial Statements
For the Year Ended December 31, 2025

12. Accounts Payable and Accrued Expenses

	2025 USD	2024 USD
Suppliers' Payables	19,312	15,087
Other Payables and Accrued Expenses	685	96
	<u>19,997</u>	<u>15,183</u>

13. Employees Provident Fund

Based on the Board of Directors meeting on March 13, 2023, it was decided to start implementing the provident fund system for ESDC's employees and decided to start implementing it as of April 01, 2023, where each employee contributes 5% of the total salary and the same from ESDC every month.

The movement on the Employees' Provident Fund account is as follows:

	2025 USD	2024 USD
Balance at the beginning of the year	78,317	35,868
ESDC contribution	26,674	23,100
Employees contribution	26,674	24,761
Payments during the year	-	(5,366)
Currency variances	95	(46)
Balance at the end of the year	<u>131,760</u>	<u>78,317</u>

14. Provision for Employees End of Service Indemnity

	2025 USD	2024 USD
Balance at the beginning of the year	233,750	219,683
Additions	60,373	59,887
Payments during the year	(3,120)	(45,820)
Difference Of Currency	(27)	-
	<u>290,976</u>	<u>233,750</u>

Economic and Social Development Center of Palestine (ESDC)

Notes to The Financial Statements
For the Year Ended December 31, 2025

15. Temporary Restricted Contributions

Movement in temporarily restricted contributions during the year was as follows:

	Balance Beginning of the year USD	Additions USD	Releases From Restrictions USD	Transfer to Unrestricted Contributions USD	Currency Differences USD	Balance End of the year USD
As of December 31, 2025						
oxfam-Building the Palestinian Agricultural Insurance Systems and Services 2022-2025 (A-oxfam /BMZ 2021-2025 "Resilient Communities: supporting vulnerable and affected Palestinian communities to transition to more resilient, sustainable, and "equitable economic growth in the Gaza Strip and the Jordan Valley -(A-06554-02)	31,763	45,018	(30,499)	-	(4,613)	41,669
OXFAM-OCHA-GAZA -2024-2025-A-07584-02(Emergency Food Lifeline: Targeted Food Assistance for Vulnerable Households GS)	287,441	393,385	(715,355)	-	34,529	-
Oxfam-DGD-Addressing FSL needs"2023-2025 (A-07245-04:PS)	249,198	-	(232,972)	(16,303)	77	-
OXFAM-SIDA Project-Emergency Rehabilitation and Livelihood Support for Conflict-Affected Communities in the Northern West Bank 2024-2025-A-7573-04:PS	196,317	-	(214,429)	-	18,112	-
OXFAM-OCHA-WB Emergency Response 2024-2025(A-07473-02)	219,860	8,539	(227,643)	(2,760)	2,004	-
Oxfam : USA C-GAZA Appeal-OUS (NL -KVK-27108436-A-07388-09:PS)	377,641	-	(377,647)	-	6	-
oxfam -Empowering Green Businesses: Resilience and Adaptation to Natural and Occupation Shocks-Enable Agrifood A-07604-03)	-	349,616	(349,900)	-	284	-
Oxfam - "Emergency Support in the West Bank (Jenin and Tulkarm) Project:"A-07388-10-	-	559,481	(399,310)	-	34,511	194,682
oxfam -Gaza crisis - Emergency WASH and MPCA response to the humanitarian crisis A-07611-03 PS,2025- 2026	-	217,062	(217,062)	-	-	-
oxfam-ESDC-WB OAU-Oxfam--PS-Jenin, Ramadan food Parcels-(A:7388-13,PS)	-	78,854	(62,083)	(3,154)	3,510	17,127
OXFAM -Support agriculture-based livelihoods and farming HHs to revive production of fresh produce in the GS(A-07655-02:PS)	-	104,619	(107,111)	-	2,492	-
Oxfam - "Supply of Drinking Water to Displaced Families from Jenin Refugee Camp Project."	-	254,041	(237,473)	(16,619)	51	-
Clean drinking water will be supplied to the locations where these families are residing in the vicinity of Arab American University, funded by the Canadian grant (Canadian donor organization (OCA)) (A-7388-15:PS).	-	35,043	(35,043)	-	-	-
Oxfam - "Integrated Humanitarian Response to Enhance Food Security and Access to Services for Conflict-Affected Internally Displaced Persons in Jenin Governorate." Funded by (SIDA), A-07600-05:PS.	-	173,257	(160,525)	(11,258)	(1,474)	-
Oxfam - "Food Security and Livelihoods Needs Support Project." DGD A-07470-02.	-	1,351,799	(43,913)	-	(7,602)	1,300,284
Oxfam - Integrated Food Security and Protection for Vulnerable Households in the Gaza Strip SIDA)) 07751-03:PS)	-	172,208	(5,179)	(1,849)	(76)	165,104
Oxfam -Emergency life-saving WASH services to conflict affected communities, returnees and new IDPs in the Gaza Strip.opt HF (A-07737-03:PS).	-	381,318	(9,294)	(647)	55	371,432
OXFAM -48 hr Anticipatory Food Security Response for Vulnerable Households in Gaza - opt HF (A-07739-03:PS).	-	72,069	(5,982)	(1,253)	34	64,868
Oxfam - ESDC Danida SP - flex fundS A-7746-04	-	14,687	(14,687)	-	-	-
Oxfam - TUBAS - WE Emergency Project-A-7388-04:PS	-	96,788	(91,641)	-	(60)	5,087
Sub Total	1,362,220	4,307,784	(3,537,748)	(53,843)	81,840	2,160,253

Economic and Social Development Center of Palestine (ESDC)

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15. Temporary Restricted Contributions (Continued)

	Balance Beginning of the year USD	Additions USD	Releases From Restrictions USD	Transfer to Unrestricted Contributions USD	Currency Differences USD	Balance End of the year USD
As of December 31, 2025						
We effect "Enhancing Livelihood and Food Security Through Community-Based Actors" 2024"PJ 1498"	-	120,381	(121,370)	-	989	-
We effect-RAYS OF HOPE FOR THE CHILDREN OF PALESTINE" PJ 1656"	223,053	1,191	(192,161)	-	19,234	51,317
We World - GVC Onlus: "Respond to the urgent Food Security needs and Strengthening the Resilience of most vulnerable Palestinians in West bank" (CBPF-OPT-24-S-INGO-33791)	98,529	-	(93,837)	(4,692)	-	-
We World-ONLUS- (AID 11914) - COOPER-IDEA: Actions to improve and strengthen cooperative productivity for inclusive development and entrepreneurship	121,037	-	(49,251)	(3,698)	14,352	82,440
Accept International "funded by Japan Platform"-2024-2025"Assistance for improved sanitation,for vulnerable war victims in Gaza"	137,454	1,807	(139,261)	-	-	-
UNDP -TARABOT Palestine Program-MA'AN Development Center "Strengthening the Resilience of Palestinian Farmers in Qalqilya"	-	808	(808)	-	-	-
NRO -PARC "Enhancing livelihoods, Food Security, and sustainable economic growth in the West Bank and Gaza Strip, Palestine" Ref: #24-0001954	437,627	198,780	(329,635)	(19,653)	-	287,119
UNDP -IPR - 01001808, Investment Programme for Resilience	-	441,096	(295,784)	(11,052)	-	134,260
UNDP-PAL10-01108580- Handicrafts Service Company	-	50,000	(47,653)	(2,347)	-	-
GIZ -Strengthening Livelihoods in Rural Areas in the Palestinian Territories (LHP III)(81320404)	-	122,814	(13,302)	(664)	(5,562)	103,286
We World , Restoring life-saving access to safe water for vulnerable communities in the West Bank (CBPF-OPT-25-R-INGO-37682")	-	60,000	(3,381)	(237)	-	56,382
Accept International "funded by Japan Platform"-2025" "Assistance for drinking water for vulnerable war victims in Gaza"	-	16,414	(16,414)	-	-	-
ILO -Enhance Marketing and Production Capabilities of Agricultural Food Processing Cooperatives in the Northern West Bank for Improved Product Quality and Marketability.-JSR/ASR-IA with ESDC Project No. : ILO-40509046	-	72,100	(61,600)	(10,500)	-	-
Mercy Relief Limited-Agricultural livelihood Security in Gaza	-	76,810	(76,810)	-	-	-
Arab Fund for Economic and Social Development - "Livestock Development Project in Northwest Jerusalem."Grant No. 22/RD-36.	-	261,374	(235,411)	(25,956)	(7)	-
AFD (PARC Project)/SIF/2022-2025 (Build Community Resilience and Improve Livelihoods and Food Security through safe agriculture Practices in West Bank -Palestine)	129,577	-	(105,469)	(11,895)	(12,213)	-
ICFO Support Program Gaza	-	5,473	(5,308)	-	(165)	-
Sub Total	1,147,277	1,429,048	(1,787,455)	(90,694)	16,628	714,804
Total Contributions	2,509,497	5,736,832	(5,325,203)	(144,537)	98,468	2,875,057
Communities Contributions						
Local community contribution -AFD (PARC Project)/SIF/2022-2025 (Build Community Resilience and Improve Livelihoods and Food Security through safe agriculture Practices in West Bank -Palestine)	13,205	-	(13,856)	-	651.00	-
Local community contribution-UNDP -TARABOT Palestine Program-MA'AN Development Center "Strengthening the Resilience of Palestinian Farmers in Qalqilya"	-	202	(202)	-	-	-
Local community contribution-NRO -PARC "Enhancing livelihoods, Food Security, and sustainable economic growth in the West Bank and Gaza Strip, Palestine" Ref: #24-0001954	14,045	83,344	(83,482)	-	-	13,907
Total Communities Contributions	27,250	83,546	(97,540)	-	651	13,907
Total Temporarily Restricted Contribution	2,536,747	5,820,378	(5,422,743)	(144,537)	99,119	2,888,964

Economic and Social Development Center of Palestine (ESDC)

Notes to The Financial Statements
For the Year Ended December 31, 2025

15. Temporary Restricted Contributions (Continued)

As of December 31, 2024	Balance Beginning of the year USD	Additions USD	Releases From Restrictions USD	Transferred to General Fund USD	Adjustment USD	Currency Differences USD	Balance End of the year USD
oxfam-Building the Palestinian Agricultural Insurance Systems and Services 2022-2025 (A-06554-02)	137,804	-	(104,017)	-	-	(2,024)	31,763
Oxfam /BMZ 2021-2025 "Resilient Communities: supporting vulnerable and affected Palestinian communities to transition to more resilient, sustainable, and equitable economic growth in the Gaza Strip and the Jordan Valley - (A-06554-02)	820,657	150,014	(660,056)	-	-	(23,174)	287,441
OXFAM Denmark (IBIS) Jobs and Green TVET for Young People in the Occupied Palestinian Territory (OPT) "A-07008-05"2023-2024	6,740	11,504	(18,378)	-	-	134	-
OXFAM -GAC -Support to Vulnerable Farmers, Fisherfolk (A-07058-02PS) GAZA 2023-2024	541,372	60,882	(587,747)	(11,490)	-	(3,017)	-
OXFAM -Women-led Conflict-Sensitive Climate Action in Husan, Bethlehem in Collaboration with ESDC (A-06996-05.24)	29,726	53,240	(83,392)	-	-	426	-
Oxfam-Emergency Food Aid in Gaza Strip "Food Basket"2023-2024 (A-07354-02:PS)	34,278	-	(34,278)	-	-	-	-
OXFAM-OCHA-GAZA -2024-2025-A-07584-02((Emergency Food Lifeline: Targeted Food Assistance for Vulnerable Households GS))	-	265,556	(15,288)	(1,070)	-	-	249,198
Oxfam-DGD-Addressing FSL needs"2023-2025 (A-07245-04:PS)	-	237,298	(31,556)	-	-	(9,425)	196,317
Oxfam\Ocha\2024\Gaza (Provision of food parcels to affected IDPs in the Gaza Strip A-7375-02:PS)	-	254,897	(224,093)	(30,804)	-	-	-
Oxfam : Catalyzing Economic Recovery project (Appeal) A-07388-04:PS	-	118,668	(115,962)	-	-	(2,706)	-
Oxfam -WB CAT 2024 (Gaza Emergency Response)-A-07493-02:PS	-	183,379	(180,654)	-	-	(2,725)	-
Oxfam-Jenin Emergency response-A-07375-05 .PS	-	116,562	(116,548)	-	-	(14)	-
OXFAM-SIDA Project-Emergency Rehabilitation and Livelihood Support for Conflict-Affected Communities in the Northern West Bank 2024-2025-A-7573-04:PS	-	290,078	(52,875)	(16,791)	-	(552)	219,860
OXFAM-OCHA-WB Emergency response 2024-2025-A-07473-02	-	393,000	(14,354)	(1,005)	-	-	377,641
We effect "Enhancing Livelihood and Food Security Through Community-Based Actors" 2024"PJ 1498"	-	169,274	(169,274)	-	-	-	-
We effect-Rays of Hope For The Children of Palestine" PJ 1656"	-	348,679	(133,245)	-	-	7,619	223,053
We World - GVC Onlus: Enhancing and restoring access to agricultural assets and income generation for vulnerable communities in the West Bank(CBPF-OPT-23-S-INGO-24744)	69,067	-	(64,547)	(4,520)	-	-	-
We World - GVC Onlus: "Strengthening the Resilience of Bedouin and Herding Households in Area C" CBPF-OPT-23-S-INGO-26916)	97,819	-	(91,420)	(6,399)	-	-	-
We World - GVC Onlus: "Respond to the urgent Food Security needs and Strengthening the Resilience of most vulnerable Palestinians in West bank" (CBPF-OPT-24-S-INGO-33791)	-	102,061	(3,364)	(168)	-	-	98,529
We World-ONLUS- (AID 11914) - COOPER-IDEA: Actions to improve and strengthen cooperative productivity for inclusive development and entrepreneurship	-	122,665	(1,550)	(78)	-	-	121,037
Accept International "funded by Japan Platform"- "2024-2025"Assistance for improved sanitation for vulnerable war victims in Gaza"	-	139,568	(2,114)	-	-	-	137,454
Halielus : Technical Assistance _Local cooperative expertise for Palestine (40423567)	5,961	-	-	(5,961)	-	-	-
UNDP -TARABOT Palestine Program-MA'AN Development Center "Strengthening the Resilience of Palestinian Farmers in Qalqilya"	94,298	-	(73,094)	(9,822)	(11,382)	-	-
GIZ -Strengthening of Livelihoods in Rural Areas in the Palestinian -Contract # 83394313	27,706	-	(25,920)	(1,290)	-	(496)	-
GIZ-More Job Opportunities for Palestinian Youth (MJO I) #83443374	88,644	8,767	(91,523)	(4,519)	-	(1,369)	-
NRO -PARC "Enhancing livelihoods, Food Security, and sustainable economic growth in the West Bank and Gaza Strip, Palestine" Ref. #24-0001954	-	456,172	(18,514)	(31)	-	-	437,627
Sub Total	1,954,072	3,482,264	(2,913,763)	(93,948)	(11,382)	(37,323)	2,379,920

Economic and Social Development Center of Palestine (ESDC)

Notes to The Financial Statements
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15. Temporary Restricted Contributions (Continued)

	Balance Beginning of the year USD	Additions USD	Releases From Restrictions USD	Transferred to General Fund USD	Adjustment USD	Currency Differences USD	Balance End of the year USD
AFD (PARC Project)/SIF/2022-2025 (Build Community Resilience and Improve Livelihoods and Food Security through safe agriculture Practices in West Bank - Palestine)	358,621	-	(195,748)	(20,339)	-	(12,957)	129,577
Malaysian National Cooperative Movement - ANGKASA-2024- Emergency Food Aid to save the lives of the civilians displaced people in Gaza.	-	35,300	(35,300)	-	-	-	-
ICFO Support Program Gaza 2024	-	5,520	(3,542)	-	(1,978)	-	-
Sub Total	358,621	40,820	(234,590)	(20,339)	(1,978)	(12,957)	129,577
Total Contributions	2,312,693	3,523,084	(3,148,353)	(114,287)	(13,360)	(50,280)	2,509,497
Communities Contributions							
Local community contribution-AFD (PARC Project)/SIF/2022-2025 (Build Community Resilience and Improve Livelihoods and Food Security through safe agriculture Practices in West Bank -Palestine)	-	17,469	(4,264)	-	-	-	13,205
Local community contribution-UNDP -TARABOT Palestine Program-MA'AN Development Center "Strengthening the Resilience of Palestinian Farmers in Qalqilya"	18,274	-	(18,274)	-	-	-	-
Local community contribution-NRO -PARC "Enhancing livelihoods, Food Security, and sustainable economic growth in the West Bank and Gaza Strip, Palestine" Ref: #24-0001954	-	14,045	-	-	-	-	14,045
Total Communities Contributions	18,274	31,514	(22,538)	-	-	-	27,250
Total Temporarily Restricted Contribution	2,330,967	3,554,598	(3,170,891)	(114,287)	(13,360)	(50,280)	2,536,747

Notes to The Financial Statements
For the Year Ended December 31, 2025

16. Program and Institutional Development Expenses

	Steadfastness and Resilience Program	Societal Economy Program	Entrepreneurial Projects Program	Institutional Development and Capacity Building	2025	2024
	USD	USD	USD	USD	USD	USD
Project Activities Expenses	3,528,325	106,797	491,477	300	4,126,899	2,153,893
Employees' Salaries and Expenses	565,268	61,948	119,574		746,790	676,762
Professional and Consulting Fees	11,828	45,980	35,939	14,309	108,056	101,568
Transportation	84,135	8,183	13,604	4,938	110,860	91,398
Cars Expenses	13,687	4,330	4,288	-	22,305	44,382
Car Rent Expenses	9,877	-	2,778	3,275	15,930	19,617
Travel and Accommodation	650	3,450	-	25,070	29,170	16,547
Rehabilitation of Damaged Fields	121,164	-	-		121,164	12,193
Posts, Fax and Phone	7,811	891	1,864	1,635	12,201	11,099
Maintenance	6,506	919	1,592	953	9,970	10,078
Other Expenses	4,574	4,233	6,011	7,139	21,957	9,647
Hospitality	7,067	13,918	15,285	405	36,675	8,343
Printing and Photocopying	19,299	2,122	3,071	339	24,831	6,519
Rent expenses	3,439	8,076	1,082	8,460	21,057	5,320
Advertising and Publications	507	26	-	7,482	8,015	4,510
Halls Rental	139	-	-	-	139	531
Films Production	6,724	-	-	-	6,724	-
	<u>4,391,000</u>	<u>260,873</u>	<u>696,565</u>	<u>74,305</u>	<u>5,422,743</u>	<u>3,172,407</u>

17. Financial Instruments - Fair Values and Risk Management

Fair Values of Financial Assets and Liabilities

The carrying book value of financial assets and liabilities are not materially different from their fair values applicable at the date of the financial statements.

Credit risk

With respect to credit risk arising from other financial assets, which comprise cash and cash equivalents, ESDC exposure to credit risk arises from the default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. ESDC seeks to limit its credit risk to banks by dealing with respectable banks.

Foreign currency risk

Currency risk arises from the possibility that changes in exchange rates may negatively affect the value of financial assets and liabilities in the event that ESDC does not hedge its currency exposure by means of hedging instruments. ESDC grants revenues are mainly in US Dollars and Euro and its costs of activities are mainly in New Israeli Shekel.

Operational Risk

ESDC finances its programmatic and administrative expenses, as well as fixed assets, through the grants and donations it receives. ESDC estimates that the funding level for 2026 will be at the same level as previous years and that it will be able to cover all its expenses through donations. ESDC's management believes that the political and economic conditions in the region will not significantly impact its operational activities.

Relationship with Donors

Most of ESDC's revenues and the support provided to it during 2025 and 2024 were the result of donations from individuals, organizations, and donor institutions. ESDC has no reason to believe that relationships with donor agencies will be discontinued in the foreseeable future. However, any interruption of these relationships would adversely affect ESDC's ability to finance ongoing operations.

Liquidity risk

ESDC mitigates liquidity risks by maintaining sufficient cash balances to meet its current obligations and fund its activities. Additionally, ESDC's operations are financed by multiple donors.