

BOARD FOR COMMUNITY DEVELOPMENT

FINANCIAL STATEMENTS

DECEMBER 31, 2025

Independent Auditor's Report
To the General Assembly members of QADER for Community Development

Opinion

We have audited the financial statements of QADER for Community Development (QADER), which comprise the statement of financial position as of December 31, 2025, statement of activities and changes in net assets, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policy information.

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

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs). 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 QADER in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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 these financial statements in accordance with IFRSs – Accounting Standards, 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 QADER's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate QADER or to cease operations, or has no realistic alternative but to do so.

Those charged with Governance is responsible for overseeing QADER'S financial reporting process.

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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



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As part of an audit in accordance with IS As, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 QADER's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.
- 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 QADER's ability to continue as a going concern. If we conclude that a 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 QADER to cease to continue as a going concern.
- 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, 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.

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Ramallah - Palestine
May 4, 2026

QADER for Community Development

Statement of Financial Position
As of December 31, 2025

	Notes	2025 ILS	2024 ILS
<u>Assets</u>			
Non-current Assets			
Property and equipment	3	344,997	295,622
		<u>344,997</u>	<u>295,622</u>
Current Assets			
Contributions receivable	4	9,467,064	6,637,939
Cash and deposits at banks	5	3,406,131	2,543,572
Other current assets	6	67,693	50,515
		<u>12,940,888</u>	<u>9,232,026</u>
Total Assets		<u>13,285,885</u>	<u>9,527,648</u>
<u>Net Assets and Liabilities</u>			
Net Assets			
Unrestricted net assets		341,169	323,527
Total Net Assets		<u>341,169</u>	<u>323,527</u>
Non-current Liabilities			
Deferred revenues	7	344,542	294,665
Provision for employees' indemnity	8	888,943	854,059
		<u>1,233,485</u>	<u>1,148,724</u>
Current Liabilities			
Temporarily restricted contributions	9	10,149,536	7,401,555
Other current liabilities	10	1,561,695	653,842
		<u>11,711,231</u>	<u>8,055,397</u>
Total Liabilities		<u>12,944,716</u>	<u>9,204,121</u>
Total Net Assets and Liabilities		<u>13,285,885</u>	<u>9,527,648</u>

The attached notes from 1 to 19 form part of these financial statements

QADER for Community Development

Statement of Activities and Changes in Net Assets For the year ended December 31, 2025

		2025	2024
	Notes	ILS	ILS
<u>Revenues</u>			
Temporarily restricted contributions released from restriction	9	5,218,248	3,721,447
Deferred revenues recognized	7	95,783	90,917
Other revenues	11	106,625	62,078
Total revenues		<u>5,420,656</u>	<u>3,874,442</u>
<u>Expenses</u>			
Programs' expenses	12	(4,435,151)	(2,995,109)
Administrative expenses	13	(802,911)	(741,221)
Depreciation	3	(96,285)	(95,574)
Foreign currency differences		(68,667)	46,234
Other expenses		-	(8,707)
Total expenses		<u>(5,403,014)</u>	<u>(3,794,377)</u>
Increase in net assets		17,642	80,065
Net assets, beginning of the year		<u>323,527</u>	<u>243,462</u>
Net assets, end of the year		<u>341,169</u>	<u>323,527</u>

The attached notes from 1 to 19 form part of these financial statements

QADER for Community Development

Statement of Cash Flows
For the year ended December 31, 2025

	Notes	2025 ILS	2024 ILS
Operating Activities:			
Increase in net assets		17,642	80,065
Adjustments for:			
Depreciation		96,285	95,574
Loss from disposal of fixed assets		-	7,245
Provision for employees' indemnity		140,023	162,571
Deferred revenues recognized		(95,783)	(90,917)
Other non-cash items		8,386	(49,288)
		<u>166,553</u>	<u>205,250</u>
Contributions receivable		5,290,810	3,452,637
Other current assets		(17,178)	13,005
Other current liabilities		907,853	533,975
Temporarily restricted contributions		(5,263,490)	(3,721,447)
Deferred revenue		28,810	12,324
Employees' indemnity paid		(105,139)	(11,348)
Net cash flows from operating activities		<u>1,008,219</u>	<u>484,396</u>
Investing Activities			
Additions of property and equipment		(145,660)	(63,730)
Sale of property and equipment		-	16,000
Deposits maturing in a period above 3 months		(25,441)	(73,514)
Net cash flows used in investing activities		<u>(171,101)</u>	<u>(121,244)</u>
Increase in cash and deposits at banks		837,118	363,152
Cash and deposits at banks, beginning of the year		<u>1,760,802</u>	<u>1,397,650</u>
Cash and deposits at banks, end of the year	5	<u><u>2,597,920</u></u>	<u><u>1,760,802</u></u>

The attached notes from 1 to 19 form part of these financial statements

1. General

QADER for Community Development (QADER) is a non-governmental, non-for-profit Palestinian organization registered with the Ministry of Interior in Bethlehem on July 23, 2008, under registration number (BL-3268-C) in accordance with law No. 1 for the year 2000 concerning Charitable Organizations.

QADER leads a twin-track approach, dedicated to the empowerment and protection of persons with disabilities, focusing on children, youth, and women. QADER's commitment extends to align societal, institutional, and policy contexts with the principles of "disability inclusion" and "leave no one behind" in Palestine. Through this alignment, QADER strives to foster the active engagement and meaningful participation of People with Disabilities across diverse facets of life and to ensure their full entitlements of rights in accordance with local laws and international human rights conventions and standards.

QADER works towards achieving the following strategic objectives:

- National Policies and Legislations are aligned with the UN human rights conventions and are binding for duty-bearers.
- Local communities are catalysts for promoting the access of PwDs to their social, economic, and political rights.
- Enhance the inclusion of women and youth with disabilities in the Palestinian labor market.
- Combating all forms of discrimination, marginalization, violence, and gender inequalities for children, women, and youth with disabilities.
- The organizational capacities of QADER are strengthened towards fulfilling its commitment and to its vision, mission, and strategic objectives.

QADER's financial statements as of December 31, 2025 were approved by the Board of Directors on April 27, 2026.

2. Accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB").

The financial statements have been prepared on a historical cost basis.

The financial statements have been prepared and presented in Israeli Shekel (ILS).

2.2 Changes in accounting policy

The accounting policies used in the preparation of the financial statements are consistent with those used in the preparation of the annual financial statements for the year ended December 31, 2024, except for applying certain standards and amendments to the standards, which became effective for annual periods beginning on or after January 1, 2025:

Lack of exchangeability – Amendments to IAS 21

In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments had no impact on QADER's financial statements.

2.3 Standards Issued but not yet effective:

The standards and interpretations that are issued but not yet effective, up to the date of issuance of QADER's financial statements are disclosed below. QADER intends to adopt these standards, if applicable, when they become effective.

Amendments to the Classification and Measurement of Financial Instruments– Amendments to IFRS 9 and IFRS 7

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- A clarification that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income.

The Amendments are effective for annual periods starting on or after 1 January 2026. Early adoption is permitted, with an option to early adopt the amendments for classification of financial assets and related disclosures only.

QADER is in process to identify all the effects of the amendments on the financial statements and their related disclosures.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

This standard will result in new presentation of the income statement with some new required totals, in addition to the disclosure of management-defined performance measures.

2.4 Estimations and assumptions

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates and assumptions. It also requires QADER's management to exercise its judgment in the process of applying the accounting policies. QADER's management continually evaluates its estimates, assumptions and judgments based on available information and experience. As the use of estimates is inherent in financial reporting, actual results could differ from these estimates.

The key areas involving a higher degree of judgment or complexity are described below:

Useful lives of tangible assets

QADER's management reassesses the useful lives of tangible assets, and makes adjustments if applicable, at each financial year end.

Provision for employees' indemnity

Employees' benefits expense for the year was charged in accordance with the Palestinian Labor Law and in line with international accounting standards.

Provision for expected credit losses

Financial assets are recorded on the basis mentioned in the "Impairment of financial instruments".

Allocation of expenses

the administrative and program expenses are allocated to projects' and programs' budget according to the best estimates of QADER's management.

Provision for expected credit losses is reviewed based on IFRS (9). The determination of the provision for expected credit losses requires management to make important judgments and assumptions to expect the future cash flows and their timings, in addition evaluating any significant increases in the credit risks of QADER's financial assets, after their initial recognition, there after taking into account the future value of the expected credit losses.

The management believes that the estimates and assumptions used are reasonable.

2.5 Summary of material accounting policy information

Revenue recognition

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 by a donor for a specific purpose or time are recognized as revenue when the pledge is obtained.
- Unconditional pledges that are temporary restricted by donors for specific purpose or time are recognized as revenue when such purpose or time is satisfied.

Deferred revenues

Donations related to property and equipment are measured at fair value, recorded as deferred revenues and recognized as revenue on a systematic basis over the useful life of the asset in the statement of activities and changes in net assets.

Interest income

Revenue is recognized as interest accrued using the effective interest method, under which the rate used exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Expenses recognition

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

Classification of current and non-current

QADER presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is classified as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Expected to be realized within twelve months after the reporting period
- Cash and deposits at banks unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Cash and deposits at banks

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash on hand, bank balances and bank deposits.

Contributions receivable

Contributions receivable are stated at the original amount of the unconditional pledge less amounts received and any uncollectible pledges at the financial statement date. An estimate for the uncollectible amount is made when the collection of full unconditional pledge is no longer probable.

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 plant and equipment. All other repair and maintenance costs are recognized in the statement of activities and changes in net assets as incurred.

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

	Useful life (Years)
Office furniture	10
Office equipment	5
Software	10
Vehicles	8-9

An item of plant 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 and changes in net assets.

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

Income taxes

QADER is a not-for-profit organization; accordingly, it is not subject to income tax, such that its income complies with the Palestinian income tax law.

Provisions

Provisions are recognized when QADER has an obligation (legal or constructive) arising from a past event, and the costs to settle the obligation are both probable and reliably measurable.

Accounts payable and accruals

Liabilities are recognized for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

Foreign currency

Transactions in foreign currencies other than ILS are recorded at the rate of exchange prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated to ILS at the rate of exchange prevailing at the reporting date. All gain or loss differences are recognized in the statement of activities and changes in net assets.

3. Property and equipment
This item includes the following:

	Office furniture	Office equipment	Software	Vehicles	Total
	ILS	ILS	ILS	ILS	ILS
<u>Cost</u>					
At January 1, 2025	76,697	390,072	7,355	230,000	704,124
Additions	-	40,660	-	105,000	145,660
At December 31, 2025	<u>76,697</u>	<u>430,732</u>	<u>7,355</u>	<u>335,000</u>	<u>849,784</u>
<u>Accumulated depreciation</u>					
At January 1, 2025	53,648	236,543	4,341	113,970	408,502
Depreciation for the year	3,563	62,948	482	29,292	96,285
At December 31, 2025	<u>57,211</u>	<u>299,491</u>	<u>4,823</u>	<u>143,262</u>	<u>504,787</u>
<u>Net Book Value</u>					
As at December 31, 2025	<u>19,486</u>	<u>131,241</u>	<u>2,532</u>	<u>191,738</u>	<u>344,997</u>
As at December 31, 2024	<u>23,049</u>	<u>153,529</u>	<u>3,014</u>	<u>116,030</u>	<u>295,622</u>

Property and equipment cost include ILS 144,054 and ILS 114,740 of fully depreciated assets that are still used in QADER's operations as of December 31, 2025 and 2024.

4. Contributions receivable

Project name / Donor	Balance, beginning of year	Additions	Cash received	Returned to the donor	Write-off	Currency exchange differences	Balance, end of year
	ILS						ILS
Differently Able / DROSOS FOUNDATION: Enhancing Labor Market Inclusion Opportunities for Persons with Disabilities in The South Of The West Bank	54,600	-	(52,650)	-	-	(1,950)	-
EEP / Caritas Germany: Enhancing Labor Market Inclusion of Persons with Disabilities in The West Bank	172,880	-	(169,326)	-	(2,252)	(1,302)	-
WE CARE II / BMZ (Caritas Germany): Enhancing Quality Services and Protection of Persons with Disabilities	718,200	-	(747,510)	-	-	29,310	-
MOVE++/DCV (CRS)	5,436	-	(5,209)	-	(227)	-	-
Labor Market Inclusion (VCP)/ OXFAM: Support Persons with Disabilities with The Knowledge and Resources to Better Understand and Facilitate Their Access To The Labour Market	-	107,319	(52,000)	-	-	(3,734)	51,585
PIRC/CBM: Promoting Inclusive and Resilient Communities in The West Bank Through Local Capacity Building	4,268,947	-	(1,427,813)	-	-	(32,369)	2,808,765
Teachers Without Borders/ FCA: Promoting Inclusive Schooling	76,619	298,940	(241,296)	-	(6,785)	15,868	143,346
SC- Norad FWA 2024-2028 Promoting Child Rights in The West Bank Through Enhancing Inclusive Child Participation	9,341	367,988	(299,143)	-	(114)	(31,216)	46,856
UNTF 2024-2028 Enhancing Access, Prevention, and Legislation for Divorced/Single Mothers and Women with Disabilities Survivors or at Risk of Violence in Hebron, Bethlehem, and Gaza.	1,062,707	-	(68,020)	-	-	(126,697)	867,990
Beyond Barriers/ French Consulate General in Jerusalem: Empowerment for Women and Youth with Disabilities in South West Bank	190,512	-	(195,576)	-	-	5,064	-
Emergency Response/ ANERA: Responding to the Urgent Needs of PwDs in The Northern WB	78,697	-	(76,319)	-	-	(2,378)	-
Emergency Response/ Oxfam: Emergency Response to the Needs of Persons with Disabilities and their Families in Northern West Bank.	-	220,650	(232,974)	12,931	(12,931)	12,324	-
TDA/ CBM: Strengthening resilience and improving access to inclusive rehabilitation and protection services and psychosocial support for people with and without disabilities in Gaza and the West Bank.	-	5,880,348	(469,624)	-	-	(540,578)	4,870,146
Plan International- Jo/ Education and PSS Support Emergency Project - Gaza	-	85,313	(81,045)	-	(312)	47	4,003
FCA/ Supporting MHPSS and Education in Emergency	-	268,332	(126,494)	-	-	(4,761)	137,077
UNDP/ Immediate response in Southern West Bank	-	918,500	(451,000)	-	-	(30,250)	437,250
Caritas Germany/ Supporting Inclusive MHPSS and Education in Emergency (EiE) in Gaza	-	562,500	(562,500)	-	-	-	-
Plan International oPt/ Inclusive Education and PSS for Affected Children, Adolescents and their Families Affected by the Implications of the Military Aggression in the Southern Gaza Strip.	-	100,046	-	-	-	-	100,046
Total	6,637,939	8,809,936	(5,258,499)	12,931	(22,621)	(712,622)	9,467,064

5. Cash and deposits at banks

	2025	2024
	<u>ILS</u>	<u>ILS</u>
Cash on hand	4,012	10,283
Current accounts at banks	2,593,908	1,750,519
Deposits maturing in more than 3 months	<u>808,211</u>	<u>782,770</u>
	<u>3,406,131</u>	<u>2,543,572</u>

Deposits are denominated in ILS with an average interest rate of 3.25%, during the years ended December 31, 2025 and 2024.

For the purpose of the statement of cash flows, cash and cash equivalent comprise the following:

	2025	2024
	<u>ILS</u>	<u>ILS</u>
Cash on hand and current accounts at banks	2,597,920	1,760,802
Deposits with a maturity of a year	<u>808,211</u>	<u>782,770</u>
	3,406,131	2,543,572
Less: Deposits maturing in more than 3 months	<u>(808,211)</u>	<u>(782,770)</u>
	<u>2,597,920</u>	<u>1,760,802</u>

6. Other current assets

	2025	2024
	<u>ILS</u>	<u>ILS</u>
Employees' receivables	24,921	21,980
Prepaid expenses	17,446	21,175
Membership fees receivable	2,550	1,900
Checks under collection	-	5,460
Other receivables	<u>22,776</u>	<u>-</u>
	<u>67,693</u>	<u>50,515</u>

7. Deferred revenues

Plant and equipment acquired during the year out of the temporarily restricted contributions are recorded as deferred revenues. Summary of the Movement on deferred revenues during the year was as follows:

	2025	2024
	<u>ILS</u>	<u>ILS</u>
Balance, beginning of the year	294,665	349,772
Additions (note 9) *	145,660	63,730
Deferred revenues recognized	(95,783)	(90,917)
Disposal	-	(27,920)
Balance, end of the year	<u>344,542</u>	<u>294,665</u>

* During the year, QADER has received donations in the form of fixed assets (Sound System and laptops) from Save the Children amounting to ILS 28,810.

8. Provision for employees' indemnity

Following is a summary of the movement on the provision for employees' indemnity during the year:

	2025	2023
	<u>ILS</u>	<u>ILS</u>
Balance, beginning of the year	854,059	702,836
Additions during the year	140,023	162,571
Payments during the year	<u>(105,139)</u>	<u>(11,348)</u>
Balance, end of the year	<u>888,943</u>	<u>854,059</u>

Provision for employee's indemnity is provided for in accordance with the labour law prevailing in Palestine and QADER's human resources policies.

9. Temporarily restricted contributions

This item comprises of temporarily restricted contributions subject to purpose restriction. These amounts represent the difference between the pledges received and the expenditures made out to satisfy the purpose stipulated by the donor. Movement on the temporarily restricted contributions as of December 31, 2025 is as follows:

Project name / Donor	Balance, beginning of year	Additions	Temporarily restricted contributions released from restriction	Transferred to deferred revenues (note 7)	Write-off	Currency exchange differences	Balance, end of year
	ILS	ILS	ILS	ILS	ILS	ILS	ILS
EEP / Caritas Germany: Enhancing Labor Market Inclusion of Persons with Disabilities in The West Bank	496,791	-	(435,654)	-	(2,252)	24,514	83,399
WE CARE II / BMZ (Caritas Germany): Enhancing Quality Services and Protection of Persons with Disabilities	902,434	-	(935,533)	(3,950)	-	37,049	-
MOVE++/DCV (CRS)	4,995	-	(4,768)	-	(227)	-	-
PIRC/CBM: Promoting Inclusive and Resilient Communities in The West Bank Through Local Capacity Building	4,351,978	-	(1,483,422)	(2,100)	-	(28,286)	2,838,170
UNTF 2024-2028 Enhancing Access, Prevention, and Legislation for Divorced/Single Mothers and Women with Disabilities Survivors or at Risk of Violence in Hebron, Bethlehem, and Gaza.	1,053,303	-	(93,315)	(5,100)	-	(126,396)	828,492
Beyond Barriers/ French Consulate General in Jerusalem: Empowerment for Women and Youth with Disabilities in South West Bank	440,748	-	(430,411)	-	-	15,388	25,725
Emergency Response/ ANERA: Responding to the Urgent Needs of PwDs in The Northern WB	151,306	-	(151,464)	-	-	158	-
Subtotal	<u>7,401,555</u>	<u>-</u>	<u>(3,534,567)</u>	<u>(11,150)</u>	<u>(2,479)</u>	<u>(77,573)</u>	<u>3,775,786</u>

Project name / Donor	Balance, beginning of year	Additions	Temporarily restricted contributions released from restriction	Transferred to deferred revenues (note 7)	Write-off	Currency exchange differences	Balance, end of year
	ILS	ILS	ILS	ILS	ILS	ILS	ILS
Labor Market Inclusion (VCP)/ OXFAM: Support Persons with Disabilities with The Knowledge and Resources to Better Understand and Facilitate Their Access To The Labour Market	-	107,319	(32,684)	-	-	(3,397)	71,238
Teachers Without Borders/ FCA: Promoting Inclusive Schooling	-	298,940	(300,619)	-	(6,785)	8,464	-
SC- Norad FWA 2024-2028 Promoting Child Rights in The West Bank Through Enhancing Inclusive Child Participation	-	367,988	(332,827)	-	(114)	(35,047)	-
Emergency Response/ Oxfam: Emergency Response to the Needs of Persons with Disabilities and their Families in Northern West Bank.	-	220,650	(206,189)	-	(12,931)	(1,530)	-
TDA/ CBM: Strengthening resilience and improving access to inclusive rehabilitation and protection services and psychosocial support for people with and without disabilities in Gaza and the West Bank.	-	5,880,348	(249,717)	(105,200)	-	(544,504)	4,980,927
Plan International- Jo/ Education and PSS Support Emergency Project - Gaza	-	85,313	(85,297)	-	(312)	296	-
FCA/ Supporting MHPSS and Education in Emergency	-	268,332	(88,586)	-	-	(4,543)	175,203
UNDP/ Immediate response in Southern West Bank	-	918,500	(382,556)	(500)	-	(43,422)	492,022
Caritas Germany/ Supporting Inclusive MHPSS and Education in Emergency (EiE) in Gaza	-	562,500	(3,720)	-	-	(2,980)	555,800
Plan International oPt/ Inclusive Education and PSS for Affected Children, Adolescents and their Families Affected by the Implications of the Military Aggression in the Southern Gaza Strip.	-	100,046	(1,486)	-	-	-	98,560
Total	7,401,555	8,809,936	(5,218,248)	(116,850)	(22,621)	(704,236)	10,149,536

10. Other current liabilities

	<u>2025</u>	<u>2024</u>
	ILS	ILS
Accounts payable	1,467,957	581,824
Vacations provision	44,282	23,713
Accrued professional fees	10,500	1,594
Due to staff	3,777	907
Others	35,179	45,804
	<u>1,561,695</u>	<u>653,842</u>

11. Other revenues, net

	<u>2025</u>	<u>2024</u>
	ILS	ILS
Vehicles' usage revenues	29,184	14,689
Interest revenues	25,440	13,514
Consultancy services	14,905	-
Internship revenues	11,860	14,545
General Assembly subscriptions	1,600	-
Others	23,636	19,330
	<u>106,625</u>	<u>62,078</u>

12. Programs expenses

	Program expenses									
	French Consulate General in Jerusalem- Beyond Barriers	DCV- Economic Empowerment Project	DCV EIE Gaza 2025- 2026	FCA/ Support MHPSS in Emergency	Oxfam- Emergency Response in the North	Plan International Jo- Gaza Project	ANERA- Emergency Response North West Bank	UNDP/ Immediate Response	DCV (CRS) MOVE++	Subtotal
	ILS	ILS	ILS	ILS	ILS	ILS	ILS	ILS	ILS	ILS
Salaries and related expenses	144,256	161,712	-	-	29,864	-	17,529	10,843	4,193	368,397
Support to partners and beneficiaries	187,478	157,259	-	-	135,319	21,740	101,616	318,123	-	921,535
Professional fees, trainers and consultants	466	11,833	-	-	9,320	26,694	1,980	-	-	50,293
Media production, printing and design	7,310	1,323	-	-	-	237	-	-	-	8,870
Workshop and conferences costs	34,507	9,025	-	56,618	11,964	31,962	11,560	15,298	-	170,934
Travel and transportation expense	6,662	12,497	261	8,556	1,871	1,504	2,205	2,962	-	36,518
Initiative costs	-	4,696	-	-	-	-	-	-	-	4,696
Organization capacity building costs	-	-	-	-	-	-	-	-	-	-
Others	208	189	300	-	-	-	1,290	-	-	1,987
Total Program expenses	380,887	358,534	561	65,174	188,338	82,137	136,180	347,226	4,193	1,563,230
Administrative expenses (Note 13)	49,524	77,120	3,159	23,412	17,851	3,160	15,284	35,330	575	225,415
Total	430,411	435,654	3,720	88,586	206,189	85,297	151,464	382,556	4,768	1,788,645

Program expenses

	SC-NORAD		Plan International			FCA/	UNTF	OXFAM-		2025	2024	
	FWA		EIE Gaza	QADER	Teachers	2024-	Labor	BMZ				
Subtotal	2024-	CBM/ PIRC	2025-2026	General	Without	2028	Market	(DCV) WE				
	2028				Boarders		Inclusion	CARE II				
	ILS	ILS	ILS	ILS	ILS	ILS	(VCP)	ILS	ILS	ILS	ILS	
Salaries and related expenses	368,397	31,603	385,037	-	2,139	163,385	55,988	47,901	16,621	313,039	1,384,110	1,231,926
Support to Partners and Beneficiaries	921,535	130,354	664,617	-	-	-	88,990	-	4,925	1,120	1,811,541	870,633
Professional fees, trainers and consultants	50,293	63,971	71,230	-	-	200	25,855	1,980	-	233,420	446,949	225,747
Media production, printing and design	8,870	11,984	21,612	-	-	1,510	16,962	-	2,470	22,457	85,865	125,091
Workshop and conferences costs	170,934	24,773	110,943	-	-	4,459	26,730	5,161	-	126,264	469,264	184,864
Travel and transportation expense	36,518	12,420	38,325	-	-	1,486	6,346	3,556	456	22,874	121,981	75,931
Initiative costs	4,696	14,795	33,167	-	-	-	35,929	-	-	-	88,587	218,642
Organization capacity building costs	-	16,536	-	-	-	-	-	-	3,477	4,318	24,331	60,800
Others	1,987	36	-	400	-	-	-	-	-	100	2,523	1,475
Total Program expenses	1,563,230	306,472	1,324,931	400	2,139	171,040	256,800	58,598	27,949	723,592	4,435,151	2,995,109
Administrative expenses (Note 13)	225,415	26,355	158,491	1,086	17,675	78,677	43,819	34,717	4,735	211,941	802,911	741,221
Total	1,788,645	332,827	1,483,422	1,486	19,814	249,717	300,619	93,315	32,684	935,533	5,238,062	3,736,330

13. Administrative expenses

	<u>2025</u>	<u>2024</u>
	ILS	ILS
Salaries and related expenses	570,442	498,088
Communications and office benefits	67,679	60,316
Office rent, taxes and insurance	48,679	44,206
Office cost, maintenance and supplies	28,676	46,064
Professional fees, trainers and consultants	26,818	29,044
Travel and transportation expense	24,227	21,862
Media production, printing and design	4,653	4,810
Organization capacity building costs	-	10,190
Others	31,737	26,641
	<u>802,911</u>	<u>741,221</u>

14. Related party transactions

This item represents transactions with key management personnel:

	<u>2025</u>	<u>2024</u>
	ILS	ILS
Key management personnel compensation:		
Salaries and related benefits	<u>674,973</u>	<u>668,367</u>
End of service indemnities	<u>53,234</u>	<u>87,482</u>

15. Fair Values of financial instruments

Financial instruments comprise financial assets and financial liabilities. Financial assets consist of cash and deposits at banks, contributions receivable and some other current assets. Financial liabilities consist of temporarily restricted contributions, lease liability and other current liabilities. The fair values of financial instruments are not materially different from their carrying values at the statement of financial position date.

16. Risk management

Risks affecting the operation of QADER are interest rate risk, credit risk, liquidity risk and foreign currency risk. Management of QADER reviews and approves the policies and procedures to manage these risks as follows:

Interest rate risk

Interest rate risk is mainly caused by interest rate changes on financial assets and financial liabilities that are subject to floating interest rates. QADER financial assets are subject to fixed interest rates and therefore there is no interest rate risk.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or a contract, leading to a financial loss. QADER is exposed to credit risk from its operating activities primarily on contributions receivable as disclosed in note (4).

QADER limits its credit risk through obtaining funds from several reputable donors.

Liquidity risk

QADER limits its liquidity risk by maintaining adequate cash balances and relying on multiple donors to meet its current obligations and to finance its operating activities.

Foreign currency risk

The table below indicates the effect of a reasonably possible movement of foreign currency rates against the Israeli Shekel (ILS) with all other variables held constant, on the statement of activities and changes in net assets.

The effect of the decrease in foreign currency exchange rates is expected to be equal and opposite to the effect of the increase shown below:

	Increase in currencies rate to ILS	Effect on the statement of activities and changes in net assets
	Basis point	ILS
<u>2025</u>		
USD	20	31,116
JOD	20	50
EUR	20	(34,919)
<u>2024</u>		
USD	20	9,685
JOD	20	234
EUR	20	(14,810)

17. Concentration of risk in geographic area

QADER is carrying out activities in Palestine. The political and economic situation in the area increases the risk of carrying out these activities and may adversely affect QADER's performance.

18. War on Gaza Strip

The Israeli war on Gaza Strip resulted in the destruction of many economic facilities in Gaza Strip. Business sectors in the West Bank were also affected including the nonprofit sector.

Despite challenges arising from decreased funding and broader financial pressures caused by the war, QADER has continued to deliver its humanitarian mission through forging new partnerships, launching emergency projects, and diversifying its sources of income to ensure the sustainability of its efforts.

QADER continuously monitors and analyze the situation, evaluating the impact of future developments on its activities.

19. Comparative figures

Certain comparative figures of the prior year financial statements were reclassified to conform to the current year presentation. These reclassifications had no effect on QADER's net assets.