

Coalition Accountability and Integrity (AMAN)
Ramallah - Palestine
Independent Auditor's Report and
Financial Statements
For the year ended December 31, 2025

Talal Abu-Ghazaleh & Co. International
Certified Public Accountants



Coalition Accountability and Integrity (AMAN)
Ramallah-Palestine

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REF.: FS-2026336

Independent Auditors' Report

**To the Chairman and members of the General Assembly of
Coalition Accountability and Integrity (AMAN)
Ramallah – Palestine**

Opinion

We have audited the financial statements of **Coalition Accountability and Integrity (AMAN)**, Pages 4 to 22, which comprise of the statement of financial position as of December 31, 2025, the statement of activities and change in net assets and the statement of cash flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies.

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

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 from the coalition in accordance with the Code of Ethics for Professional Accountants registered under the Board of Auditing Profession, which are in conformity with the code of ethics of accountants registered under the Palestinian Company of Certified Public Accountants, in line with the ethical requirements related to our audit of the financial statements in Palestine, and we have fulfilled our ethical responsibilities in accordance with those requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters "KAM"

The Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have identified the following matters to be described as Key Audit Matters in our report:

<u>The key audit matters</u>	<u>The way the matter was addressed in our audit</u>
<p>Temporarily Restricted Contributions</p> <p>Temporarily restricted grants amounted to USD 1,657,518 as of 31/12/2025 (USD 2,814,605 as of 31/12/2024), representing 86.57% of the total current liabilities. These represent conditional donor commitments, net of amounts already collected and any uncollectible pledges. The uncollectible portion (write-offs) is estimated when the collection of the full, unconditional pledges becomes unlikely.</p> <p>There is a risk related to the potential impairment of the value of these grants without the recognition of adequate impairment provisions or appropriate write-offs in accordance with International Financial Reporting Standards (IFRS).</p> <p>Disclosure No. (12) in the financial statements provides full details regarding the temporarily restricted Contributions.</p>	<p>The audit procedures included reviewing the control procedures applied by the Coalition over temporarily restricted grants. This involved examining the signed agreements between the parties and obtaining confirmations from the donors regarding the amounts paid during the year, any amendments to the agreements (whether cancellations or additions), and the remaining grant balances. We also reviewed the bank statements supporting the receipt of such grants during the year.</p> <p>In addition, we matched the expenses recorded against the revenues recognized from the temporarily restricted grants.</p> <p>We concluded that the presentation and amendments related to the temporarily restricted grants in Note (12), along with the related disclosures, are appropriate.</p>

Responsibilities of Management 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 the coalition'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 the coalition or to cease operations, or has no realistic alternative but to do so.

Management is responsible for overseeing the coalition's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

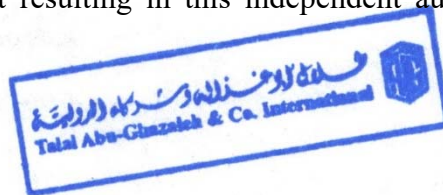
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISA 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, 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 controls.
- Obtain an understanding of internal controls 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 the coalition's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates 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 the coalition'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 the coalition 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 communicated with those charged with governance, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identified during our audit.

The engagement partner on the audit resulting in this independent auditor's report is the Executive Director, Jamal Milhem.



Talal Abu – Ghazaleh & Co. International
License No. (201/2022)

Jamal Milhem
Certified Accountant License No. (100/98)
26 February 2026



Coalition Accountability and Integrity (AMAN)
Ramallah-Palestine
Statement of Financial Position as of December 31, 2025 – Exhibit (A)

	Note	December 31, 2025 USD	December 31, 2024 USD
<u>Assets</u>			
<u>Current Assets</u>			
Cash and cash equivalents	(3)	1,790,766	1,329,757
Other Current Assets	(4)	6,547	43,695
Contributions Receivable	(5)	1,308,482	2,907,659
Total Current Assets		3,105,795	4,281,111
<u>Non-Current Assets</u>			
Property and Equipment, Net	(6)	50,803	56,599
Right of Use Assets	(7)	137,481	40,941
Total Non-Current Assets		188,284	97,540
Total Assets		3,294,079	4,378,651
<u>Liabilities and Net Assets</u>			
<u>Current Liabilities</u>			
Accounts payable and other current liabilities	(8)	257,040	351,673
Short term Lease Liabilities	(9)	42,764	44,960
Temporarily Restricted Contributions	(12)	1,657,518	2,814,605
Total Current Liabilities		1,957,322	3,211,238
<u>Non-Current Liabilities</u>			
Provision for End of Service Indemnity	(10)	658,417	615,086
Long term Lease Liabilities	(9)	94,717	--
Deferred Revenues	(11)	46,266	52,062
Total Non-Current Liabilities		799,400	667,148
Total Liabilities		2,756,722	3,878,386
<u>Net Assets</u>			
Net Assets- Exhibit (B)		537,357	500,265
Total Net Assets		537,357	500,265
Total Liabilities and Net Assets		3,294,079	4,378,651

“The accompanying notes constitute an integral part of these financial statements”

Financial Manager

Executive Director

Chairman

Coalition Accountability and Integrity (AMAN)

Ramallah-Palestine

Statement of Activities and Change in the Net Assets for the year ended December 31, 2025 – Exhibit (B)

		December 31, 2025	December 31, 2024
	Note	USD	USD
<u>Revenues</u>			
Revenues earned from temporarily restricted contributions	(12)	2,750,915	2,642,753
Unrestricted contributions		119,795	112,080
Realized deferred contributions	(11)	20,392	22,159
Other revenues		15,886	9,743
Membership fees of the General Assembly		780	660
Total Contributions and Revenues		2,907,768	2,787,395
<u>Expenses</u>			
Project expenses	(13)	(2,750,915)	(2,642,753)
Depreciation of property and equipment	(6)	(20,392)	(22,159)
(Gain) loss from foreign currency exchange	(14)	(98,026)	40,371
Other revenues and expenses	(13)	(1,343)	(27,687)
Total Expenses		(2,870,676)	(2,652,228)
Change in the Net Assets during the Year		37,092	135,167
Net Assets, Beginning of the Year		500,265	365,098
Net Assets, End of the Year– Exhibit (A)		537,357	500,265

“The accompanying notes constitute an integral part of these financial statements”

Financial Manager

Executive Director

Chairman

Coalition Accountability and Integrity (AMAN)
Ramallah-Palestine
Statement of Cash Flows for the year ended December 31, 2025 – Exhibit (C)

	<u>Note</u>	<u>December 31, 2025 USD</u>	<u>December 31, 2024 USD</u>
<u>Cash flows from Operating Activities:</u>			
Change in the net assets during the year- Exhibit (B)		37,092	135,167
<u>Adjustments:</u>			
Depreciation	(6)	20,392	22,159
End of service indemnity	(10)	71,255	75,418
Amortization of right to use assets	(7)	40,941	40,942
Financing costs	(9)	--	4,288
Total		<u>169,680</u>	<u>277,974</u>
<u>Change in Operating Assets and liabilities</u>			
Contributions receivable		1,599,177	2,096,100
Other current assets		37,148	(24,918)
Accounts payable and other current liabilities		(94,633)	(84,062)
Temporary restricted contributions		(1,157,087)	(2,394,600)
Deferred revenues		(5,796)	(8,548)
End of service indemnity paid	(10)	(27,924)	(27,584)
Net Cash Flow provided from (used in) Operating Activities		<u>520,565</u>	<u>(165,638)</u>
<u>Cash Flow from Investing Activities:</u>			
Purchase of fixed assets	(6)	(14,596)	(13,084)
Net Cash Flow (Used in) Investing Activities		<u>(14,596)</u>	<u>(13,084)</u>
<u>Cash Flow from Financing Activities</u>			
Payments for long-term lease commitments	(9)	(44,960)	(44,960)
Net Cash Flow (Used in) Financing Activities		<u>(44,960)</u>	<u>(44,960)</u>
Increase (Decrease) in Cash and cash equivalents		461,009	(223,682)
Cash and cash equivalents - Beginning of the Year		<u>1,329,757</u>	<u>1,553,439</u>
Cash and cash equivalents - End of the Year		<u>1,790,766</u>	<u>1,329,757</u>

“The accompanying notes constitute an integral part of these financial statements”

Financial Manager

Executive Director

Chairman

Coalition Accountability and Integrity (AMAN)
Ramallah-Palestine
Notes to the Financial Statements

1. General

Coalition for Accountability and Integrity (AMAN) was founded in 2000 by a group of civil society institutions working on corruption and its devastating effects, strengthening the role of oversight institutions, including the Legislative Palestinian Council and civil society and proposing the field of democracy and human rights.

AMAN was officially registered on February 9, 2004, under registration number [RA-22234-5.5] in Ramallah as a non-profit Coalition.

AMAN's mission is to contribute to good governance through fostering and enhancing integrity and accountability in the political system as well as in all sectors of the Palestinian society.

The main objectives of AMAN include the following:

- Mobilizing Palestinian competencies and institutions in a joint effort to contribute to the achievement of the primary goal.
- Studying and diagnosing the causes, manifestations, types, and consequences of corruption and misuse of public office, preparing recommendations, and proposing appropriate mechanisms to combat corruption in various public sector areas, and exerting pressure and influence to implement the required reforms and recommendations.
- Working to raise public awareness among the Palestinian public about the seriousness of corruption and its destructive consequences, and the necessity of advocating for the principles of transparency, accountability, openness, and responsible professional conduct.
- Monitoring work to implement the required reforms and institutionalize the accountability process.
- Enhancing the role of oversight institutions, including the Legislative Council and relevant public bodies, civil society institutions, and focusing on the importance of the role of various media outlets in achieving the overall goal with freedom and objectivity.
- Contributing to supporting and developing a fair and independent judicial system to play an effective role in combating corruption and preventing its spread.
- Proposing and reviewing Palestinian policies and legislation to ensure their effectiveness in preventing and combating corruption in cooperation with relevant entities.
- Building bridges of relationships with Arab networks and international institutions and enhancing the Palestinian role within them.

The final financial statements of AMAN for the financial year ended December 31, 2025, were approved for issuance by AMAN's management on April 2, 2026.

2. Significant Accounting Policies

a. Basis of Measurement

The attached financial statements have been presented in accordance with the International Financial Reporting Standards and the relevant interpretations issued by the International Financial Reporting Standards Interpretations Committee. The following is a summary of the most important accounting policies followed:

- These financial statements were prepared according to the modified accrual basis. According to this basis, revenues are recognized when they are received and expenses when incurred.
- The financial statements were prepared according to the historical cost basis, except for some financial assets.
- The financial statements are presented in US dollars, which is AMAN's functional currency.

- Changes in accounting policies

The accounting policies followed in preparing the financial statements are consistent with those followed in preparing the financial statements for the year ending on December 31, 2024; AMAN has applied some standards effective from January 1, 2025.

IFRSs and the new amended effective interpretations:

The following amended IFRSs, that became effective, were adopted for the financial periods starting on or after 1 January 2025 in the preparation of the coalition’s financial statements. The adoption of the mentioned amendments did not materially affect the amounts and disclosures included in the financial statements of the current year. The following table summarizes the details of the amendments:

Standard or Interpretation Number	Description	Effective date
Amendments to International Accounting Standard 21	Lack of Exchangeability	December 31, 2025

Standards and Interpretations Issued but not yet Effective:

AMAN has not implemented any of the following new and amended international standards issued but not yet effective:

Standard or Interpretation Number	Description	Effective date
Amendments to IFRS 7 and IFRS 9	Amendments related to the classification and measurement of financial instruments.	1 January 2026
Issuance of IFRS 18	Presentation and disclosure in the financial statements, which will replace IAS 1.	1 January 2027
Issuance of IFRS 19	Disclosure of subsidiaries that are not of public interest.	1 January 2027
Amendments to IFRS 10 and IAS 28	Sale or contribution of assets between an investor and its associate or joint venture.	Effective date deferred indefinitely
Amendments to IFRS 9 and IFRS 7	Classification and measurement of financial instruments.	1 January 2026
Amendments to: - IFRS 1, - IFRS 7, - IFRS 9, - IFRS 10, - and IAS 7	Annual improvements to International Financial Reporting Standards.	1 January 2026

Amendments to IFRS 10 and IAS 28	Sale or contribution of assets between an investor and its associate or joint venture (amendments to IFRS 10 and IAS 28).	Available for optional application / Effective date deferred indefinitely
Amendments to IFRS (S1) and IFRS (S2)	General requirements for disclosure of sustainability related financial information. Climate-related disclosures.	1 January 2024 (Application depends on adoption by the regulatory authorities)

AMAN’s management does not expect these standards to have a material impact on the financial statements when applied in future periods.

b. Basis and estimates

Preparing financial statements in accordance with International Financial Reporting Standards requires the use of several accounting estimates and assumptions that affect the amounts of revenues, expenses, assets, liabilities, and the presentation of potential liabilities as of the date of the financial statements. Due to the use of these estimates and assumptions, actual results may differ from the estimates, and this may require adjustment to the carrying amounts of assets or liabilities in the future.

The following is a summary of the most important accounting policies followed and details of the fundamental judgments made by the Coalition:

Contracts and Grants

The non-conditioners pledges are those pledges that the donors give to the Coalition without the extent of any precedents must be fulfilled before receiving the grant.

Non-conditioners grant/pledges income from donor pledges is recognized as follows:

- Non-restricted grants/pledges not limited by usage or time are recognized as revenue when an unconditional commitment is obtained from the donor.
- Temporarily restricted grants/pledges, allocated for a specific purpose or related to the passage of time, are recognized as revenue when the specified purpose is carried out or when the specified time has elapsed.

Deferred Revenues

Grants related to the purchase of property and equipment are presented as deferred revenue and are recognized as income on a systematic basis over the useful life of the asset.

Contributions Receivable

Contributions receivable represent unconditional donor pledges, net of amounts already collected and any pledges deemed uncollectible. An estimate for uncollectible amounts (write-offs) is made when the collection of the full unconditional pledge is considered unlikely.

IFRS No. (16) “Leases”

IFRS (16) supersedes IAS (17) “Leases”, “Determining whether an Arrangement contains a Lease”, SIC-(15) “Operating Leases-Incentives” and SIC-(27) “Evaluating the Substance of Transactions Involving the Legal Form of a Lease”. The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases and requires lessees to account for most leases under a single on-balance sheet model.

Lessor accounting under IFRS (16) is substantially unchanged from IAS (17). Lessors will continue to classify leases as either operating or finance leases using similar principles as in IAS (17). Therefore, IFRS 16 did not have an impact for leases where the institution is the lessor.

The institution elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying IAS (17) and IFRIC (4) at the date of initial application. The following is the effect of the implementation of IFRS 16.

➤ **Leases previously accounted for as operating leases**

AMAN recognized right-of-use assets and operating lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for most leases were recognized based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. In some leases, the right-of-use assets were recognized based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognized. Lease liabilities were recognized based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

AMAN also applied the available practical expedients where in it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

Right-of-use assets

AMAN recognizes right-of-use assets at the commencement date of the lease (the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and impairment losses, and adjusted for re-measurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the institution is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease Liabilities

At the commencement date of the lease, AMAN recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in- substance fixed payments) less lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the institution and payments of penalties for terminating a lease, if the lease term reflects the institution exercising the option to terminate as per the lease contract.

The variable lease payments that do not depend on an index or a rate, are recognized as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, AMAN uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After

the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset. The Discount rate used for the purposes of deducting rental payments was 9.5% while the average time period for future lease payments is 3 years.

Short-term leases and leases of low-value assets

AMAN applies the short-term lease recognition exemption to its short-term leases (those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognized as expenses on a straight-line basis over the lease term.

Significant judgement in determining the lease term of contracts with renewal options

AMAN determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. AMAN has the option, under some of its leases, to lease the assets for additional terms. AMAN applies judgement in evaluating whether it is reasonably certain to exercise the option to renew.

That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the institution reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

AMAN included the renewal period as part of the lease term due to the significance of these assets to its operations. These leases are considered to have a short non-cancellable period and there will be a significant negative effect on production if a replacement is not readily available.

Fair value of Financial Instruments

The closing prices on the date of the financial statements for financial instruments in active markets represent the fair value of financial instruments that have market prices.

The fair value of financial assets which are not traded on active markets are determined using different methods, such as:

- Comparison to similar financial instruments.
- Analysis of future cash flows and discounting those cash flows at a discount rate used in other similar financial assets.
- Valuation methods aim to obtain a fair value that reflects market expectations and take into account market factors and any anticipated risks or rewards when estimating the value of financial instruments. Where there are instruments that cannot be measured reliably, they are stated at cost less any impairment in value.
- The fair value of interest-bearing items is estimated based on expected cash flows discounted using the same interest rates for items with the same terms and risks.

Impairment and Doubtful Collection of Financial Assets

AMAN reviews the carrying amounts of financial assets at the statement of financial position date to determine whether there are indications of impairment in their value individually or in combination. If such indicators exist, the recoverable amount is estimated to determine the impairment loss.

The amount of impairment is determined as follows:

- Impairment of financial assets carried at amortized cost: Based on estimated discounted cash flows

at the original effective interest rate.

- Impairment of financial assets carried at fair value: Represents the difference between the carrying value of the records and the fair value, less any previously recognized impairment losses recognized in the statement of income.
- Impairment of financial assets at cost: Based on the present value of expected cash flows discounted at the current market rate of return on similar financial assets.

Impairment is recorded in the income statement and any subsequent recoveries in the coming period for previous impairment and is recognized in the income statement, except for the company's stocks available for sale.

Cash and cash equivalents

Cash and cash equivalents consists of cash in hand, amounts deposited with banks, and demand deposits if available.

Provision for end of service indemnity

The provision for end of service indemnity is calculated according to local labor laws (Law No. 7 of the year 2000 and its amendments). The provision is calculated on the basis of the employee's last month's salary multiplied by the number of years of service.

Fixed Assets

Fixed assets are stated at historical cost less the accumulated depreciation and any decrease in their value within the expenses in the statement of financial position. The straight-line method is followed in calculating the annual depreciation of fixed assets, according to the estimated useful life of the asset, according to the following annual percentages:

	<u>%</u>
Office Furniture	15%-25%
Office equipment	15%-30%
Decorations	20%

Taxes and Value Added Tax

AMAN is a non-profit Coalition, its revenues come from donor donations and other activities which are not subject to income or sales tax.

Provisions

Provisions are recognized when the Coalition has obligations (legal or contractual) as of the date of the statement of financial position arising from previous events. The settlement of these obligations is probable to result in an outflow of economic benefits that can be reliably measured.

Revenues

Revenue is recorded as an increase in net unrestricted assets, unless their use is limited by donor-imposed restrictions. When such restrictions expire, either due to the passage of time or the fulfillment of a specified purpose, temporarily restricted net assets are reclassified as unrestricted net assets. These are then recognized as net assets released from restrictions.

Members' Subscription Fees

Subscription fees are charged to members of the General Authority, institutions, and individuals, on an annual basis.

Program expenses

AMAN allocates its expenses on a functional basis across its various programs and general administration. Expenses that can be specifically identified with a particular program or administrative activity are charged directly. Shared expenses that benefit multiple functions are allocated based on management's best estimates and judgment.

Cash flow

The indirect method was adopted in preparing the cash flow statement.

For cash flow purposes, cash and cash equivalents comprise cash in hand, current accounts, and deposits at banks and financial institutions with original maturities of three months or less from the date of the financial statements, net of bank overdrafts and notes payable due within 3 months.

Foreign currencies translation

The financial statements are recorded in the accounting records in US dollars, and financial transactions in other currencies are translated to the US dollar according to the exchange rate prevailing at the time of the transaction. At the end of the fiscal year, the balances of current assets and liabilities in other currencies are translated to the US dollar according to the exchange rates prevailing at the end of the year, and differences resulting from translating other currencies are recorded in the year's results in the statement of activities and change in net assets. The currency exchange rate was as follows:

	December 31	
	2025	2024
	USD	USD
New shekel	0.31387	0.2732
EURO	1.17631	1.04156
Pound sterling	1.34911	1.25651
Norwegian Krona	0.09956	0.08808
Swedish Krona	0.10883	0.09078

3. Cash and cash equivalents

This item consists of:

	December 31,	December 31,
	2025	2024
	USD	USD
<u>Cash on hand and at banks</u>		
Cash in hand	2,178	384
Cash at Banks - ILS	183	6,141
Cash at Banks - US Dollar	718,927	1,175,335
Cash at Banks - EURO	346,814	65,153
Cash at Banks - GBP	155,412	82,744
Total	1,223,514	1,329,757
<u>Deposits at banks</u>		
Deposits at banks- US Dollar	567,252	--
Total	567,252	--
Net cash and cash equivalents at year-end	1,790,766	1,329,757

4. Other Current Assets

This item consists of:

	December 31,	December 31,
	2025	2024
	USD	USD
Activity & Travel Advances	2,800	4,000
Receivables from partners	--	38,670
Others	3,747	1,025
Total	6,547	43,695

5. Contributions Receivable

This item consists of:

a. Contributions receivable from donors as of December 31, 2025:

<u>Donor</u>	Balance as of January 1, 2025	Additions	Cash Received	Write off	Currency Differences	Balance as of December 31, 2025
	USD		USD	USD	USD	USD
Government of Norway	--	98,730	(98,296)	--	(434)	--
Government of Luxembourg	318,763	--	(318,763)	--	--	--
United Nations Development Program - SWASYA	--	45,000	(45,000)	--	--	--
United Nations Development Projects	--	300,000	(300,000)	--	--	--
Oxfam Novib – UK	102,054	64,786	(163,383)	--	7,189	10,646
Transparency International – Germany EU SEE	--	118,051	(13,962)	--	9,727	113,816
Transparency International – Germany UNICRI	126,419	--	(53,614)	--	6,804	79,609
Department for International Development –UK – CASIP	439,819	71,827	(656,524)	--	102,492	(42,386)
Department for International Development –UK (EPICS)	1,083,358	--	(516,461)	--	70,370	637,267
European Coalition – EU	--	343,151	(142,576)	--	6,162	206,737
Swedish International Development Cooperation Agency - SIDA	766,765	--	(856,774)	--	89,673	(336)
MIFTAH-NDICI	70,481	--	--	--	9,117	79,598
Deutsche Gesellschaft für Internationale Zusammenarbeit - GIZ	--	349,380	(126,719)	--	870	223,531
Total	2,907,659	1,390,925	(3,292,072)	--	301,970	1,308,482

Contributions Receivable (Continued)

b. Contributions receivable from donors as of December 31, 2024:

<u>Donor</u>	Balance as of January 1, 2024	Additions	Cash Received	Write off	Currency Differences	Balance as of December 31, 2024
	USD		USD	USD	USD	USD
Government of Norway	589,200	--	(536,216)	--	(52,984)	--
Government of Luxembourg	872,455	--	(487,645)	(66,047)	--	318,763
United Nations Development Program -Netherlands	---	300,000	(300,000)	--	--	--
United Nations Development Projects	19,684	--	(19,684)	--	--	--
Oxfam Novib – UK	138,454	65,246	(96,939)	--	(4,707)	102,054
Transparency International - Belgium	64,145	--	(83,766)	19,971	(350)	--
Transparency International – Germany Sancus	53,777	--	(42,698)	(2,677)	(8,402)	--
Transparency International – Germany UNICRI	---	164,693	(33,826)	--	(4,448)	126,419
Department for International Development –UK – CASIP	698,489	130,696	(382,774)	--	(6,592)	439,819
Department for International Development –UK (EPICS)	1,421,862	--	(325,084)	--	(13,420)	1,083,358
European Coalition – EU	154,593	--	(65,015)	(81,403)	(8,175)	--
Swedish International Development Cooperation Agency - SIDA	991,100	--	(149,756)	--	(74,579)	766,765
MIFTAH-NDICI	--	89,169	(16,021)	--	(2,667)	70,481
Total	5,003,759	749,804	(2,539,424)	(130,156)	(176,324)	2,907,659

6. Property and Equipment:

This item consists of:

<u>December 31, 2025</u>	<u>Office Furniture USD</u>	<u>Office Equipment USD</u>	<u>Decorations USD</u>	<u>Total USD</u>
Cost				
Beginning balance as of January 1, 2025	48,897	197,295	14,447	260,639
Additions	1,329	12,965	302	14,596
Ending balance as of December 31, 2025	50,226	210,260	14,749	275,235
Accumulated Depreciation:				
Beginning balance as of January 1, 2025	28,824	169,345	5,871	204,040
Depreciation	3,732	14,354	2,306	20,392
Ending balance as of December 31, 2025	32,556	183,699	8,177	224,432
Net Book Value, December 31, 2025	17,670	26,561	6,572	50,803
<u>December 31, 2024</u>	<u>Office Furniture USD</u>	<u>Office Equipment USD</u>	<u>Decorations USD</u>	<u>Total USD</u>
Cost				
Beginning balance as of January 1, 2024	47,274	185,834	14,447	247,555
Additions	1,623	11,461	--	13,084
Ending balance as of December 31, 2024	48,897	197,295	14,447	260,639
Accumulated Depreciation:				
Beginning balance as of January 1, 2024	25,297	153,078	3,506	181,881
Depreciation	3,527	16,267	2,365	22,159
Ending balance as of December 31, 2024	28,824	169,345	5,871	204,040
Net Book Value, December 31, 2024	20,073	27,950	8,576	56,599

7. Right of Use Assets

Details of the movement made on the right of use assets are as follows:

	December 31, 2025	December 31, 2024
	USD	USD
Beginning Balance	40,941	81,883
Additions during the year	137,481	--
Amortization for the year	(40,941)	(40,942)
Balance at the end of the year	137,481	40,941

8. Accounts payable and other current liabilities

This item consists of:

	December 31, 2025	December 31, 2024
	USD	USD
Accounts Payable	136,998	246,671
Accrued Professional Fees	2,900	2,900
Payroll tax and deduction at source *	8,696	14,076
Accrued liabilities due to partners	34,493	81,244
Outstanding Checks	73,953	6,782
Total	257,040	351,673

* The Coalition for Integrity and Accountability "AMAN" has not obtained a tax clearance certificate from the Income Tax Department for many previous years until the date of issuing the report, as the actual amount owed by the Coalition is finally determined after negotiations with the Income Tax Department.

9. Lease Liabilities

a. Details of the movement made on the lease liabilities are as follows:

	December 31, 2025	December 31, 2024
	USD	USD
Balance at the beginning of the year	44,960	85,632
Additions during the year	137,481	--
Interest related to lease obligations	--	4,288
Rents paid	(44,960)	(44,960)
Balance at the end of the year	137,481	44,960

b. The lease obligations are discounted using an interest rate of 9.5%.

c. Lease liabilities represent the recognition of lease liabilities at the present value of the lease payments which should be paid during the term of the contract. Lease payments include fixed payments (which include payments that are essentially fixed lease payments) less rental incentives accrued, variable lease payments that depend on indicators or rates agreed upon in accordance with the terms of the contract, and amounts expected to be collected under residual value guarantees. Lease payments also include the value due upon exercising the purchase option, which is certain to be exercised by the Coalition, and the value of penalties for terminating the lease, if the Federation intends to use the termination option in accordance with the terms of the contract.

The estimated term of the lease contracts, along with the related right-of-use assets, expired as of December 31, 2025, after which management reassessed the right-of-use assets.

d. Lease contract obligations have been classified as follows:

	December 31, 2025	December 31, 2024
	USD	USD
Short-term obligations	42,764	44,960
Long-term obligations	94,717	--
Balance at the end of the year	137,481	44,960

10. Provision for end of Service Indemnity

This item consists of:

	December 31, 2025	December 31, 2024
	USD	USD
Balance at the beginning of the year	615,086	567,252
Additions during the year	71,255	75,418
Payments during the year	(27,924)	(27,584)
Balance at the end of the year	658,417	615,086

11. Deferred Revenues

This item consists of:

	December 31, 2025	December 31, 2024
	USD	USD
Balance at the beginning of the year	52,062	60,610
Additions during the year	14,596	13,611
Realized deferred revenues	(20,392)	(22,159)
Balance at the end of the year	46,266	52,062

12. Temporarily restricted contributions

This item consists of:

a. Temporarily restricted contributions from donors as of December 31, 2025:

<u>Donor</u>	<u>Balance as of January 1, 2025</u>	<u>Additions</u>	<u>Temporarily Restricted Contribution Released from Restriction</u>	<u>Unrestricted realized revenues</u>	<u>Deferred Revenues</u>	<u>Amendments on restricted grants</u>	<u>Currency Exchange Variance</u>	<u>Balance as of December 31, 2025</u>
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
Government of Norway	335,930	98,730	(393,368)	(27,644)	(1,548)	--	47,961	60,061
Government of Luxembourg	241,401	--	(224,397)	(15,772)	(915)	--	--	317
United Nations Development Program	--	300,000	(279,059)	(19,626)	(1,315)	--	--	--
United Nations Development Program - SWASYA	625	45,000	(33,875)	--	(4,600)	--	--	7,150
Oxfam Novib – UK	50,289	64,786	(112,860)	--	--	--	7,900	10,115
Transparency International – Germany EU SEE	--	118,051	(11,170)	(1,117)	--	--	10,050	115,814
Transparency International – Germany UNICRI	158,023	--	(43,251)	(3,028)	--	--	10,618	122,362
Department for International Development –UK – CASIP	359,228	71,827	(299,396)	--	--	--	24,250	155,909
Department for International Development –UK - EPIC	829,879	--	(596,113)	--	(3,505)	--	63,031	293,292
European Coalition – EU	--	343,151	(7,807)	(547)	--	--	8,691	343,488
SIDA	758,088	--	(704,341)	(49,494)	(2,713)	--	150,733	152,273
MIFTAH-NDICI	81,142	--	(15,126)	(1,059)	--	--	10,500	75,457
GIZ	--	349,380	(30,152)	(1,508)	--	--	3,560	321,280
Total	2,814,605	1,390,925	(2,750,915)	(119,795)	(14,596)	--	337,294	1,657,518

b. Temporarily restricted contributions from donors as of December 31, 2024:

<u>Donor</u>	<u>Balance as of January 1, 2024</u>	<u>Additions</u>	<u>Temporarily Restricted Contribution Released from Restriction</u>	<u>Unrestricted realized revenues</u>	<u>Deferred Revenues</u>	<u>Amendments on restricted grants</u>	<u>Currency Exchange Variance</u>	<u>Balance as of December 31, 2024</u>
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
Government of Norway	968,292	--	(495,260)	(34,668)	--	--	(102,434)	335,930
Government of Luxembourg	732,946	--	(397,662)	(27,836)	--	(66,047)	--	241,401
United Nations Development Program -Netherlands	--	300,000	(278,455)	(19,626)	(1,919)	--	--	--
United Nations Development Projects	625	--	--	--	--	--	--	625
Oxfam Novib – UK	156,609	65,246	(161,053)	--	(2,279)	--	(8,234)	50,289
Transparency International - Belgium	(21,161)	--	--	--	--	19,971	1,190	--
Transparency International – Germany Sancus	2,677	--	--	--	--	(2,677)	--	--
Transparency International – Germany UNICRI	--	164,693	--	--	--	--	(6,670)	158,023
Department for International Development –UK – CASIP	637,485	130,696	(397,515)	--	(2,148)	--	(9,290)	359,228
Department for International Development –UK (EPICS)	1,343,554	--	(487,753)	--	(4,461)	--	(21,461)	829,879
European Coalition – EU	205,385	--	(119,017)	(8,331)	--	(81,403)	3,366	--
SIDA	1,182,793	--	(301,209)	(21,281)	(2,804)	--	(99,411)	758,088
MIFTAH-NDICI	--	89,169	(4,829)	(338)	--	--	(2,860)	81,142
Total	5,209,205	749,804	(2,642,753)	(112,080)	(13,611)	(130,156)	(245,804)	2,814,605

13. Project Expenses

This item consists of:

Donor	European Union	Government of Norway and Luxembourg and UNDP	British Agency for International Development		Oxfam - UK	Transparency International	UNDP	GIZ	MIFTAH	Total programs expenses	Other expenses - AMAN	Total programs		
	Civil society organizations as active actors in governance and development work in the field	Program to Promote Integrity Values, Accountability Systems, and Transparency Principles in Palestinian Society	FCDO CASIP	FCDO EPICS	Oxfam	UNICRI	EU SEE	Sawasya	NDICI			2025	2024	
Project	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	
Salaries and related expenses	7,756	599,167	40,303	93,764	34,030	10,966	23,005	2,401	--	--	811,392	5	811,397	893,843
Publications	--	244,656	16,235	57,940	33,566	--	3,198	3,061	100	5,687	364,443	--	364,443	387,154
Expert fees and training	--	203,844	34,676	31,923	20,056	--	12,297	12,400	5,383	8,278	328,857	--	328,857	364,750
Outsourcing - project expenses	--	390,027	153,990	360,178	14,954	--	--	--	--	--	919,149	820	919,969	674,481
Workshops and training expenses	51	29,514	18,162	21,332	3,981	--	1,955	9,148	15,641	1,161	100,945	--	100,945	135,747
Transportation, travel, and accommodation	--	56,736	13,534	19,993	933	204	2,796	3,930	8,664	--	106,790	--	106,790	95,386
Renting offices, equipment, and halls	--	33,627	11,209	--	--	--	--	--	--	--	44,836	119	44,955	49,747
Stationery and supplies	--	25,528	4,246	5,247	2,535	--	--	2,880	364	--	40,800	--	40,800	36,425
Mail, telephone, fax, and Internet	--	8,310	--	1,236	207	--	--	55	--	--	9,808	--	9,808	9,195
Audit fees	--	9,500	6,100	4,500	--	--	--	--	--	--	20,100	--	20,100	18,737
Other	--	256	941	--	2,598	--	--	--	--	--	3,795	399	4,194	4,975
Total project expenses	7,807	1,601,165	299,396	596,113	112,860	11,170	43,251	33,875	30,152	15,126	2,750,915	1,343	2,752,258	2,670,440

14. Gain (loss) from Foreign Currency Exchange

Foreign exchange gains or losses arise from the revaluation of the Coalition's monetary assets and liabilities denominated in foreign currencies (mainly bank balances, donations receivable, payables, and accrued expenses) into USD using the prevailing exchange rates as of the statement of financial position date. Exchange rate fluctuations against the US dollar resulted in a loss of USD (98,026) for the year ended December 31, 2025, compared to a gain of USD 40,371 for the year ended December 31, 2024.

15. Related Party Transactions

This item represents transactions with related parties, trustees, directors, AMAN's senior Management and organizations, over which they exercised control during 2025 and 2024:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
	<u>USD</u>	<u>USD</u>
Executive management salaries and benefits	<u>151,800</u>	<u>145,990</u>

16. Fair value

Financial instruments consist of financial assets and financial liabilities. Financial assets include cash, cash equivalents, accounts receivable, prepaid expenses, and other receivable balances. Financial liabilities include bank overdrafts, loans, accounts payable, accrued expenses, and other payable balances.

Fair value structure

The table below presents an analysis of financial instruments measured at fair value, classified by the valuation method used. The levels of inputs for fair value measurements are defined as follows:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices). These may include quoted prices for similar instruments in active markets or valuation techniques where significant inputs are observable, either directly or indirectly, from market data.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Assets and liabilities at fair value:

	<u>Book value</u>	<u>Fair value</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
	<u>USD</u>	<u>USD</u>	<u>USD</u>	
<u>December 31, 2025</u>				
Cash in hand and at banks	1,790,766	1,790,766	--	--
Contributions receivable	1,308,482	--	1,308,482	--
Other current assets	6,547	--	6,547	--
Accounts payable and other current liabilities	(257,040)	--	(257,040)	--
Temporarily Restricted Contributions	(1,657,518)	--	(1,657,518)	--
End of service compensation provision	(658,417)	--	(658,417)	--
Deferred revenues	(46,266)	--	(46,266)	--
Lease Liabilities	(137,481)	--	(137,481)	--
<u>December 31, 2024</u>				
Cash in hand and at banks	1,329,757	1,329,757	--	--
Contributions receivable	2,907,659	--	2,907,659	--
Other current assets	43,695	--	43,695	--
Accounts payable and other current liabilities	(351,673)	--	(351,673)	--
Temporarily Restricted Contributions	(2,814,605)	--	(2,814,605)	--
End of service compensation provision	(615,086)	--	(615,086)	--
Deferred revenues	(52,062)	--	(52,062)	--
Lease Liabilities	(44,960)	--	(44,960)	--

17. Risk management objectives and policies

The main risks resulting from AMAN's financial instruments are credit risk, liquidity risk, market risk and interest rate risk. AMAN's Board of Directors reviews and approves the policies for managing these risks, which are summarized as follows:

- **Credit risk:**

Credit risk is the risk of financial loss to AMAN's counterparty to a financial instrument that fails to meet its contractual obligations and arises principally from AMAN's cash and cash equivalents, contributions receivable and other current assets.

AMAN maintains cash with financial institutions with appropriate credit.

The carrying amount of the financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
	<u>USD</u>	<u>USD</u>
Cash and cash equivalents	1,790,766	1,329,757
Contributions Receivable	1,308,482	2,907,659
Other Current Assets	6,547	43,695
Total	<u>3,105,795</u>	<u>4,281,111</u>

- **Liquidity risk**

Liquidity risk is the risk that AMAN will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. AMAN's liquidity management seeks, as far as possible, to ensure that it always maintains sufficient liquidity to meet its obligations as they fall due under both normal and stressed conditions, without incurring unacceptable losses or putting AMAN's reputation at risk.

AMAN ensures that it has adequate cash in hand to cover expected operational expenses, including the servicing of financial obligations. This excludes the potential impact of extreme and unpredictable events, such as natural disasters.

As a result of current changes and challenges due to the war on the Gaza Strip, AMAN is facing some funding difficulties, represented by a decline in funding, which may impact its ability to continue operations. The management is currently working on a plan to overcome these challenges and to increase funding amounts from various sources.

The following are the contractual maturities of financial liabilities:

<u>Balance as of 31, December 2025</u>	<u>Book value</u>	<u>Contractual Cash Flows</u>	<u>6 months or less</u>	<u>6 to 12 months</u>	<u>More than a year</u>
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
Accounts payable & other current liabilities	257,040	257,040	257,040	--	--
Temporarily restricted contributions	1,657,518	1,657,518	1,657,518	--	--
End of Service Indemnity	658,417	658,417	--	--	658,417
Deferred Revenues	46,266	46,266	--	--	46,266
Lease Liabilities	137,481	--	--	--	137,481
Total	<u>2,756,722</u>	<u>2,619,241</u>	<u>1,914,558</u>	<u>--</u>	<u>842,164</u>

<u>Balance as of 31, December 2024</u>	<u>Book value</u>	<u>Contractual Cash Flows</u>	<u>6 months or less</u>	<u>6 to 12 months</u>	<u>More than a year</u>
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
Accounts payable and & current liabilities	351,673	351,673	351,673	--	--
Temporarily restricted contributions	2,814,605	2,814,605	2,814,605	--	--
End of Service Indemnity	615,086	615,086	--	--	615,086
Deferred Revenues	52,062	52,062	--	--	52,062
Lease Liabilities	44,960	44,960	22,480	22,480	--
Total	<u>3,878,386</u>	<u>3,878,386</u>	<u>3,188,758</u>	<u>22,480</u>	<u>667,148</u>

- **Market risk**

Market risks are risks arising from fluctuations in market prices such as foreign exchange rates, interest rates, and equity instrument prices, which affect the statement of activities or the value of financial instruments held by AMAN.

The objective of market risk management is to control the extent of the Coalition's exposure to market risks within acceptable limits, in addition to maximizing returns.

- **Interest rate risk**

Interest rate risks are risks that the value of a financial instrument may change due to fluctuations in market interest rates.

- **Concentration of risk in the geographic area**

AMAN is carrying out all of its activities in Palestine. The political and economic destabilization in the area increases the risk of carrying out business and may adversely affect its performance.

18. Cases filed against the Coalition

There is one case filed against the Coalition by the President's Office, which is still under consideration by the court, as stated in the Coalition's lawyer's letter dated January 31, 2026. The letter indicated that no material claims or liabilities are expected to arise as a result of this case.

19. Comparative figures

Certain comparative figures for the year ending December 31, 2024, have been reclassified to match the presentation of the financial statement balances for the current year. These reclassifications do not affect previous years' profits or net assets.