SAVE A CHILD'S HEART IN MEMORY OF DR. AMI COHEN
(Registered Association)

Financial Statements as of December 31, 2024



SAVE A CHILD'S HEART IN MEMORY OF DR. AMI COHEN
(Registered Association)

Financial Statements as of December 31, 2024

Index

	Page
Auditor's Report	2
Statement of Financial Position	3
Statement of Activities	4
Statement of Changes in Net Assets	5
Statement of Cash Flows	6
Notes to the Financial Statements	7-17

Auditor's Report to To the members of Save a Child's Heart in Memory of Dr. Ami Cohen (Registered Association)

We have audited the accompanying statements of financial position of Save a Child's Heart in Memory of Dr. Ami Cohen (a Registered Association) (hereinafter - "the Society") as of December 31, 2024 and December 31, 2023, the related statements of activities, statements of changes in net assets, and statements of cash flows for the years then ended on those dates. These financial statements are the responsibility of the executive committee and management of the Society. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards in Israel, including those prescribed under the Israeli Auditors Regulations (Auditor's Mode of Performance), 1973. Such standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the executive committee and management as well as evaluating the overall presentation of the financial statement. We believe that our audit provides a fair basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Society as of December 31, 2024 and December 31, 2023, the results of its activities, changes in net assets, and cash flows for each of the years then ended on those dates, in accordance with generally accepted accounting principles in Israel (Israeli GAAP).

Ziv Haft
Ziv Haft
Certified Public Accountants
(Isr.)

Bnei Brak, June 24, 2025

BDO Israel, an Israeli partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO is the brand name for the BDO network and for each of the BDO Member Firms

Save a Child's Heart in Memory of Dr. Ami Cohen

Statements of financial Position (in NIS)

		As of December 31	
		2024	2023
Current Assets:			
Cash and cash equivalents		9,755,227	11,154,761
Short term investments		17,136,639	16,487,235
Other receivables		97,884	162,538
		26,989,750	27,804,534
Net Fixed Assets	3	6,886,643	7,354,411
		33,876,393	35,158,945
Current Liabilities:			
Payables for equipping Wolfson Children's Medical Center		-	3,250,833
Suppliers and payables checks		1,086,367	376,707
Accrued expenses and other current liabilities	4	836,429	750,621
Payables – Wolfson Medical Center		38,795	50,560
Payables – Wolfson Research Fund		30,214	222,351
		1,991,805	4,651,072
Long-Term liabilities:			
Net employee benefit liabilities	5	843,891	834,148
Total liabilities		2,835,696	5,485,220
Net Assets:			
Unrestricted Net Assets:			
For use in activities not designated by management		5,511,054	6,570,784
For use in activities designated by management	6A	15,000,000	10,000,000
Invested in fixed assets		6,886,643	7,354,411
		27,397,697	23,925,195
Restricted net assets	6B	3,643,000	5,748,530
		31,040,697	29,673,725
		33,876,393	35,158,945

The attached notes form an integral part of the financial statements.

June 24, 2025			
Date of approval	Amiram Nathan Van Kloeten Co- Chairman of the Board	Robert Yaakov Baruch Co- Chairman of the Board	Simon Fisher Chief Executive Officer

Save a Child's Heart in Memory of Dr. Ami Cohen

Statements of Activities (in NIS)

		Year ended December 31	
		2024	2023
Income:			
Revenues from donations		21,602,366	19,261,572
Revenue for establishing a pediatric emergency medicine department	15	11,024,000	-
Cash equivalent incomes		1,003,690	48,914
Revenues for equipping the Children's Hospital at Wolfson		346,427	1,178,121
Supports - Ministry of Regional Cooperation		121,274	183,993
Other operating revenues		28,272	126,971
Emergency Campaigns - Iron Swords War (Released from restriction in the reporting year)	6B	1,500,000	9,517,481
Transfers from restricted net assets	6B	4,248,530	3,441,000
		39,874,559	33,758,052
Cost of Activities:			
Operating expenses	8	18,919,229	18,413,815
Expenses for establishing a pediatric emergency medicine department	15	11,301,000	-
Expenses for equipping the Children's Hospital at Wolfson	7	2,494,406	2,567,853
Emergency Campaigns - Iron Swords War		1,675,599	9,322,162
		34,390,234	30,303,830
Net operating income		5,484,325	3,454,222
Advertising and public relations expenses	9	765,157	955,908
Administrative and general expenses	10	2,502,928	2,431,459
Net income before financing		2,216,240	66,855
Financing income (expenses)	11	1,256,262	(486,823)
Net income (expenses) for the year		3,472,502	(419,968)

The attached notes form an integral part of the financial statements.

Save a Child's Heart in Memory of Dr. Ami Cohen

Statements of Changes in Net Assets (in NIS)

	Unrestricted net assets for use in activities			Restricted	
	Not designated by management	Designated by management	Invested in fixed assets	net assets (see note 6)	Total
Balance as of January 1, 2023	6,536,578	10,000,000	7,808,585	3,441,000	27,786,163
Changes during the year 2023:					
Net expenses for the year	(419,968)	-	-	-	(419,968)
Participation in activities (Africa)	-	-	-	3,874,000	3,874,000
Donations to Emergency operations Campaigns	-	-	-	1,500,000	1,500,000
Other restricted donations	-	-	-	374,530	374,530
Amounts released from restrictions	-	-	-	(3,441,000)	(3,441,000)
Invested in fixed assets	(57,159)	-	57,159	-	-
Amounts transferred to cover depreciation	511,333	-	(511,333)	-	-
	6,570,784	10,000,000	7,354,411	5,748,530	29,673,725
Changes during the year 2024:					
Net income for the year	3,472,502	-	-	-	3,472,502
Participation in activities (Africa)	-	-	-	3,643,000	3,643,000
Amounts released from restrictions	-	-	-	(5,748,530)	(5,748,530)
Amounts designated by management	(5,000,000)	5,000,000	-	-	-
Invested in fixed assets	(42,320)	-	42,320	-	-
Amounts transferred to cover depreciation	510,088	-	(510,088)	-	-
	5,511,054	15,000,000	6,886,643	3,643,000	31,040,697

The attached notes form an integral part of the financial statements.

Save a Child's Heart in Memory of Dr. Ami Cohen
Statement of Cash Flows

	Year ended December 31	
	2024	**2023**
Cash Flows from Operating Activities		
Net income (expenses) for the year	3,472,502	(419,968)
Adjustments to reconcile net cash flow from operating activities - Appendix A	(5,138,602)	5,227,704
Net cash provided by (used for) operating activities	(1,666,100)	4,807,736
Cash Flows from Investment Activities:		
Purchase of fixed assets	(42,320)	(57,158)
Short term investments	308,886	(16,653,382)
Net cash used for investment activities	266,566	(16,710,540)
Decrease in cash and cash equivalents	(1,399,534)	(11,902,804)
Cash and cash equivalents at the beginning of the year	11,154,761	23,057,565
	9,755,227	11,154,761

Adjustments to reconcile net cash flow from operating activities - Appendix A

	Year ended December 31	
	2024	**2023**
Income and expenses not constituting cash flows:		
Depreciation	510,088	511,333
Deposits revaluation	(958,290)	166,147
Net increase in employee benefit liabilities	9,743	5,713
Amounts released from restrictions	(2,105,530)	2,307,530
	(2,543,989)	2,990,723
Changes in assets and liabilities:		
Decrease (increase) in accounts receivable and other receivables	64,654	(41,983)
Increase in suppliers and payable checks	709,660	23,840
Increase (Decrease) in accounts payable and other payables	(3,368,927)	2,255,124
	(2,594,613)	2,236,981
Total Adjustments to reconcile net cash flow from operating activities	(5,138,602)	5,227,704

Save a Child's Heart in Memory of Dr. Ami Cohen
Notes to the Financial Statements (in NIS)

Note 1 - General

A. Save a Child's Heart in Memory of Dr. Ami Cohen (a Registered Association) (hereinafter - "the Association") is a non-profit organization that works to achieve its public goals, which are to work to promote medical institutions to allow them to treat congenital heart problems of needy children in the world, subject to receiving appropriate certifications. Medical treatment is provided by qualified professionals in accordance with the law.

B. The Association operates in cooperation with the Wolfson Medical Center in Holon and organizes emergency heart operations and post-operative care for children from third world countries and from developing countries.

The Association operates a children's home in Holon. The home is used as a recuperation center for children before and after operations and it hosts doctors and nurses who are in participation of the Association's training programs.

As part of the Association's activities, it leads medical delegations to developing countries, both diagnostic delegations, which conduct pre-surgery examination clinics and provide ongoing post-operative care as well as delegations, which perform operations, catheterization procedures and conduct training for local medical teams, in addition to diagnosing children.

The medial teams volunteer their time when participating in these delegations, which they do without any consideration whatsoever from the Association for this activity.

C. The Association was registered according to the Law of Associations, 1980 on August 18, 1998, and began its activities on April 1, 1999.

D. The Association's net assets cannot be distributed to its members.

E. The Association operates as a "public institution" in accordance with Section 9(2) of the Income Tax Ordinance and as a non-profit for the purposes of the Value Added Tax Law.

F. The Association has received certification from the Commissioner of Income Tax as a public institution for the purpose of donations, pursuant to Section 46 of the Income Tax Ordinance. The approval is valid until December 31, 2027.

G. In the year of the report, the Association received donations from a foreign political entity in the amount of NIS 137,448.

Save a Child's Heart in Memory of Dr. Ami Cohen
Notes to the Financial Statements (in NIS)

Note 2 - Significant Accounting Policies

The principles of the accounting policy, which were applied in the preparation of the financial statements, in a consistent manner are as follows:

A. Application of accounting rules:

The financial statements are prepared in accordance with the rules of accounting and financial reporting established in Accounting Standard No. 40 of the Accounting Standardization Institute, which replaces Opinion No. 69 of the Chamber of Certified Public Accountants in Israel and Accounting Standard No. 5 of the Israeli Accounting Standardization Institute that dealt with accounting and financial reporting rules by non-profits.

B. The presentation format of the financial statements:

The balances included in the net assets group are sorted by distinguishing between:

- Unrestricted net assets
- Restricted net assets

The Unrestricted net assets for use in activities are presented distinguishing between:

- Net assets not designated by management
- Net assets designated by management
- Net assets invested in fixed assets

C. The historical cost convention:

The financial statements are prepared based on the historical cost convention. These reports do not express the effect of the changes in the general purchasing power of the Israeli currency on the business results.

D. Cash and cash equivalents:

Cash and cash equivalents include short-term deposits in banks whose redemption period, at the time of investment, did not exceed three months.

E. Fixed assets:

The fixed assets are presented based on cost, less accumulated depreciation. Depreciation is calculated according to the straight-line method at annual rates considered sufficient for depreciation throughout the life of the asset, as follows:

Structure 10% - 4%

Computers and peripherals 33% - 15%

Vehicles 15%

Furniture and equipment 15% - 10%

Note 2 - Significant Accounting Policies (Cont.)

F. Exchange rates and the linkage basis:

1. Assets and liabilities in foreign currency, or attached to it, are included in the financial statements according to the representative rates published by the Bank of Israel as of the balance sheet date.

2. Assets and liabilities linked to the consumer price index are included based on the appropriate index for each linked asset or liability.

3. Below are data on the consumer price index (points) and the exchange rate of the US dollar:

Year ended December 31, 2023	Year ended December 31, 2024	
%	%	
3.34	3.43	Rate of increase of the CPI
3.07	0.55	Rate of increase of the US dollar

as of December 31, 2023	as of December 31, 2024	
105.1	108.7	CPI (in points)
3.627	3.647	Representative exchange rate of US dollar (in NIS)

G. Services received free of charge (in kind):

Services that require professional skill and expertise, and products that, if not received, the association would have been forced to purchase, that have substantial financial value on an overall basis in relation to the scope of the association's activities and whose fair value can be estimated with a reasonable level of reliability, are recorded on the basis of fair value in accordance with the rules of accounting standard number 40, both as revenues and as costs in the report on the activities, as income and expenses in kind.

The financial statements included income and expenses in kind for equipment received amounting to NIS 1,004,000 and last year, NIS 49,000.

H. Using estimates:

When preparing financial statements, their editing and presentation is in accordance with the acceptable accounting rules. The management is required to prepare estimates and make assumptions that affect that which is presented in the financial statements and accompanying notes. By the very nature of estimates and assumptions, actual results may differ from them.

Note 3 - Fixed assets

	Leased land*	Building	Computers and peripheral equipment	Motor vehicles	furniture and equipment	Total
Cost:						
As of January 1, 2024	1,352,105	10,906,304	387,378	138,412	304,281	13,088,480
Additions during the year	-	13,500	20,370	-	8,450	42,320
As of December 31, 2024	1,352,105	10,919,804	407,748	138,412	312,731	13,130,800
Accumulated Depreciation:						
As of January 1, 2024	-	5,100,905	349,785	104,301	179,078	5,734,069
Additions during the year	-	445,116	25,024	20,762	19,186	510,088
As of December 31, 2024	-	5,546,021	374,809	125,063	198,264	6,244,157
Net Fixed Assets as of December 31, 2024	1,352,105	5,373,783	32,939	13,349	114,467	6,886,643
Net Fixed Assets as of December 31, 2023	1,352,105	5,805,400	37,592	34,111	125,203	7,354,411

Note 3 - Fixed assets (Cont.)

* On August 30, 2009, a lease agreement was signed between the Holon Municipality (the landowner) and the Association, according to which real estate with an area of approximately 930 square meters, known as Block 7342, Plot 193, at 16 Haviva Reik Street, Holon, was allocated. The lease period is for 25 years, with an option to extend for two additional periods of up to 10 years each. The Association paid the municipality capitalized lease fees for the entire lease period. The parties signed a development agreement, according to which the Association was given permission to build a building on the land that would serve as a daycare for children recovering from heart surgery. The Association constructed the building in accordance with the provisions of the agreement, and other provisions of the law.

Note 4 - Accrued expenses and other current liabilities

	As of December 31	
	2024	**2023**
Employees and institutions	405,825	375,394
Provision for vacation and convalescence	362,494	286,894
Accrued expenses	68,110	88,333
	836,429	750,621

Note 5 - Net Employee benefit liabilities

Pursuant to the labor laws and the labor agreements that are in force, the Association is required to pay severance pay to employees who are dismissed or who resign from their work in certain circumstances. The Association's liability for the termination of employee-employer relationships for its employees, which is calculated based on the number of years of services and in accordance with the salary components, which, in management's opinion, entitle the employees to receive severance pay, is covered for the most part by the purchase of policies in insurance companies and/or a pension fund. The amount of the liability for severance pays, which is recorded in the balance sheets, expresses the balance of the liability that is not covered by the insurance policies and/or the pension fund.

Note 6 - Net Assets

Net assets

A. Unrestricted net assets for use in activities

The management decided to designate out of the assets for which there is no restriction the following amounts according to the designation as follows:

	As at December 31	
	2024	2023
A fund to increase activity according to a strategic plan	3,000,000	3,000,000
A fund to establish a training and simulation center	3,750,000	3,000,000
Fund for renovation and renewal of the children's home	250,000	1,000,000
Fund for the establishment of an additional children's home	4,000,000	3,000,000
Fund for the establishment of a clinics floor	3,500,000	-
A fund to establish a department for congenital heart defects in adults	500,000	-
Total	15,000,000	10,000,000

B. Restricted net assets

- Projects related to activity on the African continent - In the years 2023 and 2024, donations totaling NIS 3,874,000 and NIS 3,643,000 were received respectively, and NIS 3,441,000 and NIS 3,874,000 were released respectively. See also note 13.

- Projects for emergency campaigns in connection with the Iron Swords War - In the reporting year, the remeining donation of NIS 1,500,000 received last year, was realized.

- Other donations received in 2023 in the amount of NIS 374,530 for the purchase of an ultrasound were also realized in the reporting year.

Note 7 - Construction of a children's hospital at the initiative of the association:

As part of the effort, the Association is investing in the Wolfson Medical Center, where most of the Association's activities take place, and with the aim of improving, expanding and upgrading the cardiac system at the medical center, the Association purchased medical equipment for the following departments:

	As at December 31	
	2024	**2023**
Operating rooms	159,202	812,467
Training and Simulation Center	1,199,431	1,469,923
Intensive Care	376,043	203,282
The Heart Institute and Imaging System	725,870	63,651
Other equipment	33,860	18,530
	2,494,406	**2,567,853**

Note 8 - Operating expenses

	Year ended December 31	
	2024	**2023**
Salaries and social benefits	2,527,362	2,482,802
Medical expenses	8,735,126	10,262,054
Flights for patients	2,235,478	1,454,948
Overseas medical delegations	2,107,240	615,500
Training for doctors and medical teams	1,120,990	1,618,593
Equipping of centers of excellence abroad	394,832	285,889
Food for patients	372,367	365,731
Transportation of patients	333,870	415,785
Insurance	223,962	94,390
Maintenance of the children's home and a vehicle	201,706	123,486
Municipal taxes and electricity	193,936	191,067
Student activities	9,781	39,870
Surveys and research expenses	3,500	3,500
Depreciation	459,079	460,200
	18,919,229	18,413,815

Note 9 - Advertising and public relations expenses

	Year ended December 31	
	2024	2023
Salaries and social benefits	409,462	550,613
Advertising and public relations	239,283	148,641
Events	37,244	42,588
Marketing campaigns	5,829	56,070
Travelling	72,218	156,352
Website	1,121	1,644
	765,157	955,908

Note 10 - Administrative and general expenses

	Year ended December 31	
	2024	2023
Salaries and social benefits	1,785,252	1,757,500
Legal, audit and professional fees	229,885	153,528
Bookkeeping	156,831	154,058
Motor vehicle expenses	94,792	107,638
Office and other expenses	80,309	97,710
Rent and maintenance	13,205	23,193
Communications	42,294	34,832
Municipal taxes, electricity and insurance	28,587	32,145
Travelling, hosting, refreshments and gifts	20,764	19,722
Depreciation	51,009	51,133
	2,502,928	2,431,459

Note 11 - Net Financing Income

	Year ended December 31	
	2024	2023
Bank fees and other	(25,809)	(31,653)
Exchange rate differences	323,780	(433,243)
Profit (loss) from securities - financial trust funds	661,036	(315,266)
Income from deposits	297,255	293,339
	1,256,262	(486,823)

Note 12 - Agreement with UIAC the United Israel Appeal in Canada

Agreement with UIAC the United Israel Appeal in Canada

On May 20, 2020, an agreement was signed with UIAC – the United Israel Appeal in Canada, pursuant to which the UIAC will donate an amount of 8 million dollars over a period of 5 years for projects that are managed by the Association, financing the purchase of equipment for the new Children's Hospital at the Wolfson Medical Center, medical procedures for children, medical delegations and training for doctors. The agreement places a duty on the Association to provide reports to the UIAC on the progress of the projects, as set forth in the agreement. The agreement may be cancelled by either of the parties, with notification being given three months in advance. In the event of the cancellation of the agreement, funds received and not yet spent, will be repaid to the UIAC.

In the years 2021-2024, amounts of NIS 241 thousand, NIS 338 thousand, NIS 1,087 thousand and NIS 2,107 thousand respectively, were received for the training of doctors from abroad and childcare and were recorded in the income donations section.

In addition, in the years 2021-2022, amounts of NIS 6,318 thousand and NIS 1,258 thousand were received, respectively, for the purchase of equipment for the new children's hospital in Wolfson and were recorded in the revenue section for equipping the children's hospital in Wolfson.

Save a Child's Heart in Memory of Dr. Ami Cohen
Notes to the Financial Statements (in NIS)

Note 13 - Agreement with a Philanthropic Foundation

On December 15, 2021, an agreement was signed with a philanthropic foundation according to which the foundation will donate a total of 5 million dollars over 5 years to projects managed by the Association related to Africa starting in January 2022.

Each year the foundation will contribute a total of 1 million dollars for the project. The first payment was received at the end of December 2021 and recorded in the report on the changes in net assets in the section of assets for which there is a restriction, and which was released in 2022. Similar conduct continued in the years 2022 through 2024.

The agreement imposes on the Association the obligation to provide reports on the progress of the projects every year as specified in the agreement. These reports were sent to the fund. The foundation may cancel the agreement if the Association has violated the terms of the agreement and has not corrected the violation within 30 days of receiving a written notification from the foundation. In this case, the fund may stop the payments and/or ask for their part to be returned.

Note 14 - Agreement with the Ministry of Health of the Ivory Coast:

On November 25, 2022, the Association signed an agreement with the Ministry of Health of the Ivory Coast, according to which the Association together with the Menomdin Foundation, Mitrali Cote d'Ivoire and Promedic will work to promote the field of pediatric heart surgery at the Heart Center of the Ivory Coast through the treatment of children with heart disease in Israel and the Ivory Coast and the training of medical teams in the Ivory Coast through medical delegations and medical training in Israel.

The agreement is for a period of 5 years, the scope of activity is 840,000 EUR per year with the Ministry of Health of the Ivory Coast bearing half of the costs and the Association and its partners jointly, bearing the second half of the costs.

Note 15 - Agreement with the Ted Arison Family Foundation:

At the beginning of 2023, an agreement was signed between the Arison Foundation, the Association, Wolfson Hospital and the Ministry of Health. According to the agreement, the foundation will contribute a total of 10 million dollars to establish an emergency medicine center for children in the Wolfson Medical Center complex. As a part of the agreement, there is a commitment by Wolfson Hospital to continue providing the Association the same services while maintaining the same conditions of cooperation that exist today for 10 years from the day of the center's operation and subject to the best of Wolfson Hospital's ability in accordance with the law and regulations that obligate it as a government hospital.
During 2024, a first milestone of 3,000,000 dollars was received.

Note 16 - Events during the reporting period:

On October 7, 2023, a surprise attack by a terrorist organization in the Gaza Strip began on the State of Israel, which led to the start of the "Iron Swords" war, which is still ongoing as of the publication date of this report (hereinafter: "the war"). Following the war, the Association's activity was immediately affected on various levels:

- Palestinian children stopped coming (from Gaza).
- Flying patients from abroad - a significant increase in flight prices and a decrease in the number of flights to Israel.

In addition to this, the Association anticipates various consequences that will affect the Association in the years to come:

- A challenge to fly children from abroad and back.
- Logistical preparation is required due to the change in the mix of patients, which involves additional expenses.

As of the time the financial statements were compiled, no substantial change was found in the scope of fundraising for 2025. At the same time, considering the prevailing uncertainty, it is difficult to estimate the scope of fundraising in 2026.