

HADASSAH-WIZO ORGANIZATION OF CANADA

Financial Statements

June 30, 2025

HADASSAH-WIZO ORGANIZATION OF CANADA

Financial Statements
For the year ended June 30, 2025

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Independent Auditors' Report

To the Members of Hadassah-Wizo Organization of Canada

Qualified Opinion

We have audited the financial statements of *Hadassah-Wizo Organization of Canada* (the "Organization"), which comprise the statement of financial position as at June 30, 2025, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at June 30, 2025, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Qualified Opinion

The Organization, in common with many not-for-profit organizations, derives revenue from various sources, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of revenues was limited to the amounts recorded in the records of the Organization and we were not able to determine whether any adjustments might be necessary to revenues, excess of revenues over expenditures, assets and net assets.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, 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.

Independent Auditors' Report, continued

Auditors' 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 auditors' 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 Canadian generally accepted auditing standards 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. As part of an audit in accordance with Canadian generally accepted auditing standards, 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 the Organization's internal control.
- ◆ 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 Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Organization 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, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Fruitman Kates LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Canada
November 13, 2025

Hadassah-Wizo Organization of Canada

Statement of Financial Position As at June 30, 2025


	General Fund 2025	Endowment Fund 2025	Total 2025	Total 2024
Assets				
Current				
Cash	\$ 1,042,299	\$ 2,632	\$ 1,044,931	\$ 1,792,063
Government remittances receivable	88,593	-	88,593	82,796
Short-term investments (note 3)	77,410	-	77,410	784,500
Prepaid expenses and sundry assets	38,909	-	38,909	64,439
Current portion of loans receivable (note 4)	152,247	-	152,247	125,501
Advances to Endowment Fund	177,633	-	177,633	269,378
	1,577,091	2,632	1,579,723	3,118,677
Long-term				
Loans receivable (note 4)	28,765	-	28,765	156,547
Investments (note 5)	-	17,164,440	17,164,440	14,680,307
Capital assets (note 6)	24,197	-	24,197	27,425
	52,962	17,164,440	17,217,402	14,864,279
	\$ 1,630,053	\$ 17,167,072	\$ 18,797,125	\$ 17,982,956

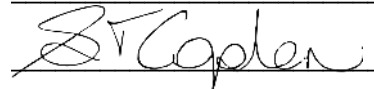
Hadassah-Wizo Organization of Canada

Statement of Financial Position
As at June 30, 2025

	General Fund 2025	Endowment Fund 2025	Total 2025	Total 2024
Liabilities and Net Assets				
Liabilities				
Current				
Accounts payable and accrued liabilities	\$ 166,256	\$ -	\$ 166,256	\$ 218,637
Deferred contributions (note 7)	95,916	689,972	785,888	909,794
Advances from General Fund	-	177,633	177,633	269,378
	262,172	867,605	1,129,777	1,397,809
Commitments and contingency (note 8)				
Net Assets	1,367,881	16,299,467	17,667,348	16,585,147
	\$ 1,630,053	\$ 17,167,072	\$ 18,797,125	\$ 17,982,956

Approved on behalf of the board


 _____ Director


 _____ Director

Hadassah-Wizo Organization of Canada

Statement of Operations For the year ended June 30, 2025

	General Fund 2025	Endowment Fund 2025	Total 2025	Total 2024
Revenue				
Donations	\$ 6,539,135	\$ 214,800	\$ 6,753,935	\$ 6,937,614
Investment income	39,572	830,728	870,300	1,178,164
Fair value adjustment of investments	-	637,949	637,949	80,227
Income from Endowment Fund	830,728	(830,728)	-	-
	7,409,435	852,749	8,262,184	8,196,005
Expenditures				
Projects (note 9)	4,212,260	-	4,212,260	5,355,742
Fundraising, education and donor relations (Schedule 1)	1,828,297	-	1,828,297	1,537,673
Administrative and general (Schedule 2)	1,132,814	-	1,132,814	1,077,256
Amortization	6,612	-	6,612	8,221
	7,179,983	-	7,179,983	7,978,892
Excess of revenues over expenditures	\$ 229,452	\$ 852,749	\$ 1,082,201	\$ 217,113

Hadassah-Wizo Organization of Canada

Statement of Changes in Net Assets For the year ended June 30, 2025

	General Fund 2025	Endowment Fund 2025	Total 2025	Total 2024
Balance, beginning of year	\$ 1,138,429	\$ 15,446,718	\$ 16,585,147	\$ 16,368,034
Excess of revenues over expenditures	229,452	852,749	1,082,201	217,113
Balance, end of year	\$ 1,367,881	\$ 16,299,467	\$ 17,667,348	\$ 16,585,147

Hadassah-Wizo Organization of Canada

Statement of Cash Flows For the year ended June 30, 2025

	2025	2024
Cash flows from (used in):		
Operating activities		
Excess of revenues over expenditures	\$ 1,082,201	\$ 217,113
Adjustments for		
Amortization	6,612	8,221
Gain on sale of investments	(97,692)	(277,836)
Fair value adjustment of investments	(637,949)	(80,227)
	353,172	(132,729)
Change in non-cash working capital items		
Government remittances	(5,797)	61,809
Prepaid expenses and sundry assets	25,530	115
Accounts payable and accrued liabilities	(52,381)	10,284
Deferred contributions	(123,906)	345,992
	196,618	285,471
Investing activities		
Loans receivable	101,036	-
Acquisition of capital assets	(3,384)	(7,770)
Proceeds on sale of investments	6,528,369	23,575,987
Purchase of investments	(7,569,771)	(23,362,002)
	(943,750)	206,215
Increase (decrease) in cash	(747,132)	491,686
Cash, beginning of year	1,792,063	1,300,377
Cash, end of year	\$ 1,044,931	\$ 1,792,063

Hadassah-Wizo Organization of Canada

Notes to Financial Statements
For the year ended June 30, 2025

1. General

Hadassah-Wizo Organization of Canada (the "Organization") is a charitable organization whose mission is to empower women and children by supporting education, healthcare, and social services across Israel and Canada.

The Organization is incorporated under the Canada Not-for-profit Corporations Act as a not-for-profit organization and is a registered charity under the Income Tax Act.

2. Significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant policies are detailed as follows:

(a) Fund accounting

Donation revenue and expenses related to program delivery, organization activities and administrative activities are reported in the General Fund. Endowment contributions are reported as revenue in the Endowment Fund. Investment income earned on the Endowment Fund is allocated to the General Fund when there are no restrictions imposed by contributors.

(b) Revenue recognition

The Organization follows the deferral method of accounting for contributions.

Unrestricted contributions are recognized as revenue in the year when they are received or become receivable, are measurable and collectability is reasonably assured.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred and collectability is reasonably assured.

Contributions in-kind are recognized at their fair market value.

The Organization recognizes investment income as earned. Any restricted investment income of the Endowment Fund is recognized as revenue in the year in which the related expenses are incurred.

(c) Contributed services

Members of the Organization's board of directors and others contribute their time or services without monetary compensation. Because of the difficulty of determining the fair value, contributed services are not recognized in the financial statements.

Hadassah-Wizo Organization of Canada

Notes to Financial Statements
For the year ended June 30, 2025

2. Significant accounting policies, continued

(d) Capital assets

Capital assets are recorded at cost. The Organization provides for amortization using the declining balance method at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates are as follows:

Office equipment	20%
Computer equipment	30%

(e) Impairment of long-lived assets

The Organization tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected undiscounted future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent carrying value exceeds its fair value.

(f) Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the statement of financial position date and the reported amounts of revenues and expenditures during the year. Actual results could differ from those estimates.

(g) Financial instruments

Measurement of financial instruments

The Organization initially measures its financial assets and liabilities at fair value. The Organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments quoted in an active market, which are measured at fair value.

Financial assets recorded at amortized cost include cash, short-term investments, and loans receivable.

Financial liabilities recorded at amortized cost include accounts payable and accrued liabilities.

Hadassah-Wizo Organization of Canada

Notes to Financial Statements
For the year ended June 30, 2025

2. Significant accounting policies, continued

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations.

3. Short-term investments

The short-term investments consist of guaranteed investment certificates that bear interest at the bank's prime rate minus 2.25% per annum (2024 - 2.25%) and mature between March and April 2026.

4. Loans receivable

The Organization advances funds as part of their Social Impact Investing program to Israeli businesses that benefit women and youth in the areas of education, healthcare, and social services. The loans receivable are unsecured, bearing interest at rates ranging from 3.0% to 3.2% per annum, and have various terms of repayment, maturing between January 2026 and August 2027.

Hadassah-Wizo Organization of Canada

Notes to Financial Statements
For the year ended June 30, 2025

5. Investments (Endowment Fund)

Investments consist of marketable securities and private investment funds, which are managed based on the investment policy of the Organization and Endowment Fund donors. All investments are carried at fair value. At year end, the Organization holds \$6,816,352 (2024 - \$6,746,626) in private investment funds, where the market value is provided by the investment fund manager.

Marketable securities include the following types of investments:

	2025	2024
Equities	\$ 4,470,925	\$ 3,173,304
Mutual funds / segregated funds	4,293,885	1,634,406
Fixed income	1,583,278	3,125,971
	\$ 10,348,088	\$ 7,933,681

6. Capital assets

	2025 Cost	2025 Accumulated amortization	2025 Net	2024 Net
Office equipment	\$ 367,501	\$ 358,124	\$ 9,377	\$ 10,363
Computer equipment	284,669	269,849	14,820	17,062
	\$ 652,170	\$ 627,973	\$ 24,197	\$ 27,425

Hadassah-Wizo Organization of Canada

Notes to Financial Statements
For the year ended June 30, 2025

7. Deferred contributions

	General Fund 2025	Endowment Fund 2025	Total 2025	Total 2024
Balance, beginning of year	\$ 194,109	\$ 715,685	\$ 909,794	\$ 563,802
Add: Restricted contributions	95,916	-	95,916	144,481
Add: Restricted investment income	-	469,142	469,142	938,752
Less: Amounts recognized as revenue during the year	(194,109)	(494,855)	(688,964)	(737,241)
	\$ 95,916	\$ 689,972	\$ 785,888	\$ 909,794

8. Commitments and contingency

The Organization has committed to operating leases for its premises and various software subscriptions:

	Premises	Software	Total
2025	\$ 123,000	\$ 68,000	\$ 191,000
2026	119,000	74,000	193,000
2027	118,000	80,000	198,000
2028	111,000	86,000	197,000
2029	81,000	68,000	149,000

The Organization has outstanding letters of credit amounting to \$42,650 (2024 - \$26,310), which are secured by \$42,910 held by the issuer and expire between November 2025 and April 2026.

Hadassah-Wizo Organization of Canada

Notes to Financial Statements
For the year ended June 30, 2025

9. Projects

	2025	2024
Healthcare	\$ 2,246,719	\$ 3,541,331
Education	1,331,901	1,184,920
Social services	567,000	521,771
Young Judea	66,640	107,720
	\$ 4,212,260	\$ 5,355,742

10. Financial instruments

The significant financial risks to which the Organization is exposed are the following:

(a) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Organization does not use derivative instruments to reduce its exposure to foreign currency risk.

As at year end, the Organization had a net asset balance of approximately 7,518,000 US\$ (2024 - 7,322,000 US\$) denominated in US dollars and approximately 728,000 NIS (2024 - 1,029,000 NIS) in Israeli shekels.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Organization is exposed to market risk on its investments, the carrying value of which will fluctuate with market conditions.

(c) Liquidity risk

Liquidity risk is the risk the Organization will have difficulty in meeting obligations associated with financial liabilities. Prudent management of liquidity risk implies retaining a sufficient level of liquidities, arranging for appropriate credit facilities and being able to liquidate market positions. The Organization believes that its recurring financial resources are adequate to cover all its expenditures.

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Notes to Financial Statements
For the year ended June 30, 2025

11. Life insurance policy

Certain donors have made the Organization a beneficiary of their life insurance policies. The donors have also committed to pay the annual premiums.

As at year end, the insured capital of these policies amounted to approximately \$923,000 (2024 - \$923,000).

12. Subsequent event

Subsequent to the year end, the Organization received a residential property located in Aurora, Ontario as a donation. The property was appraised at approximately \$5,560,000 at the date of donation. This transaction occurred after year end and, accordingly, has not been recognized in these financial statements. The property is expected to be sold by the Organization to support its charitable programs.

13. Internally restricted net assets

The Organization has internally restricted approximately \$327,000 (2024 - \$Nil) of the General Fund for future expenses. These internally restricted amounts are not available for other purposes without Board approval.

Hadassah-Wizo Organization of Canada

Schedule 1 - Fundraising, education and donor relations
For the year ended June 30, 2025

	2025	2024
Salaries and benefits	\$ 1,044,228	\$ 935,345
Fundraising and education	652,554	509,506
Rent and taxes	45,925	44,102
Newsletter	36,707	17,466
Printing	17,931	14,295
Donor relations	17,752	3,623
Prospect research and software	13,200	13,336
	\$ 1,828,297	\$ 1,537,673

Hadassah-Wizo Organization of Canada

Schedule 2 - Administrative and general For the year ended June 30, 2025

	2025	2024
Salaries and benefits	\$ 696,152	\$ 622,542
Computer expenses	148,814	128,524
Investment management fees	86,508	85,179
Rent, taxes and insurance	78,316	75,222
Bank and credit card fees	63,341	59,439
Professional fees	42,718	32,421
Office supplies and expenses	34,802	46,466
Telecommunication	14,460	15,871
Foreign exchange loss (gain)	(32,297)	11,592
	\$ 1,132,814	\$ 1,077,256