



2024 FINANCIAL REPORT

Net Deficit for the Year

The Net Deficit for the year is \$373,576, a decrease of \$454,392 on last year's surplus of \$80,816.

\$373,576

Net Deficit

Total Assets

Assets for Heart Kids NZ Inc total \$1,812,070 a decrease of \$345,172 from \$2,157,242 last year.

\$1,812,070

Total Assets

Total Liabilities

Liabilities for Heart Kids NZ Inc total \$390,877 an increase of \$28,403 from \$362,474 last year

\$390,877

Total Liabilities

Total Equity

Total Heart Kids NZ Inc Equity (Assets less Liabilities) amounts to \$1,421,193 a decrease of \$373,576 from \$1,794,769 last year

\$1,421,193

Total Equity

Tēnā koutou katoa,

Noted on the next pages are a summary of the financial results for the year ending 30 November 2024 prepared from the financial statements that have been audited.

Financial Statements

During 2024, MTM Accounting were, and continue to be, contracted to deliver our accounting service, preparation of the year-end financial statements and participation in the audit process with BDO. MTM Accounting have also strengthened our financial internal controls and report to the Board monthly.

Operating Performance

Operating Revenue

The Board would like to take the opportunity to thank all those Organisations (Corporate and Funding Providers) and individuals who have supported Heart Kids NZ Inc. Heart Kids NZ Inc does not receive any government funding and is dependent on this ongoing support.

The table below provides a breakdown of the Revenue for Heart Kids NZ Inc for the past two years and the percentage make up of each revenue stream against total income

Overall total income has decreased by 13.5% from 2023 as we see the effect of the downturn in the economy, momentum lost whilst there was a change in senior leadership positions and subsequent changes we have made to our event and fundraising activities. We received a substantial bequest in 2023, which accounts for 50% of the difference to 2024.

Financial Year	2024		2023	
Merchandise Sales	2,633	0.09%	3,938	0.12%
Interest Income	31,422	1.08%	25,839	0.77%
Donations	347,601	11.93%	296,882	8.82%
Grants	519,156	17.81%	592,846	17.60%
Bequests	21,571	0.74%	289,866	8.61%
Events and Fundraising	1,953,727	67.04%	2,151,029	63.87%
Covid-19 Subsidies	-	0.00%	2,277	0.07%
Insurance Proceeds	38,333	1.32%	-	0.00%
Other Revenue	-	0.00%	5,060	0.15%
Total Revenue	2,914,463	100%	3,367,737	100%

The key revenue highlights for the 2024 year are:



Donations have increased from \$297k to \$348k (17% on last year) with a large contribution being the Supercheap campaign.



Events and Fundraising activities have decreased from \$2,151k to \$1,954k due to fundraising activities not receiving as much support from the community.



Grants decreased \$74k (12% on last year) due to several of our major grants being reduced, and the shortfall not made good by 11 new grants totalling \$118k. There is now more competition for philanthropic funds, and this is reflected in our reduced income from this area.



Bequests have decreased as we received a large bequest in 2023. Due to the nature of bequests income, these are not predictable.

Total Expenses

Total expenses have increased by 0.03%.

Personnel costs decreased by \$13k (0.9%) as we filled vacant roles through the year. Vacancies have been mitigated by increasing existing employee hours and aligning wages to retain existing employees. All expenses are being carefully monitored and managed at National Support Team.

Balance Sheet

Financial Year	2024	2023
Current Assets	1,762,392	2,028,530
Current Liabilities	390,877	362,474
Current Net Position	1,371,515	1,666,056
Non Current Assets	49,678	128,713
Total Equity	1,421,193	1,794,769

The balance sheet continues to show a stable position.

Current Assets

The Current Assets have decreased since last year as accumulated cash funds have been used to fund operations this year.

Current Liabilities

The Current Liabilities have increased from last year with an increase in the Accounts Payable, and Revenue Received in Advance (grants received with conditions attached, where the conditions have not been met at balance date). Employee Entitlements has decreased as staff turnover meant leave provisions were paid out.

Conclusion

Despite the financial challenges of 2024, driven by economic conditions known as "the cost-of-living crisis" and the decrease in government funding for social and health sectors—which has led more organizations to compete for funding in areas traditionally relied upon by Heart Kids—Heart Kids NZ Inc remains in a reasonably sound financial position. This resilience is noteworthy given the series of difficult financial years the organisation has faced since the onset of the Covid-19 pandemic.

The Board remains aware that judicious management of resources is essential in order that Heart Kids remains resilient.

Ngā mihi

Robyn Wickenden
Chair Finance, Risk & Audit Sub-committee
12 April 2025