

General Purpose Financial Report

Heart Kids New Zealand Incorporated
For the year ended 30 November 2024

Prepared by MTM Accounting Limited

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Entity Information

Heart Kids New Zealand Incorporated For the year ended 30 November 2024

Nature of Business

Registered Charity

Registration Number

CC20102 / 256938

Date of Incorporation

23 July 1984

Registered Office

C/- MTM Accounting Ltd
Floor 3
191 Thorndon Quay
Wellington

Postal Address

PO Box 108 034
Newmarket 1149

Board Members

Ashlee McCormick
Donna Jujnovich
Nevan Harland
James Lawler
Samir Govind (appointed 18 May 2024)
Eleanor Koningham (appointed 18 May 2024)
Gina Cheung (appointed 18 May 2024) (resigned 18 Dec 2024)
Kevin Sharpe (appointed 18 May 2024) (resigned 20 Jul 2024)
Robyn Wickenden (resigned 19 Jan 2024) (reappointed 20 Jan 2025)
Katie McCrae (resigned 19 Jan 2024)
Steve Abley (term concluded 18 May 2024)
Arna Craig (resigned 2 Dec 2024)
Kim Conner (appointed 29 Jan 2025)

Auditor

BDO Hawke's Bay
Napier

Website

www.heartkids.org.nz

Approval of General Purpose Financial Report

Heart Kids New Zealand Incorporated For the year ended 30 November 2024

The Board Members are pleased to present the approved general purpose financial report including the historical financial statements of Heart Kids New Zealand Incorporated for year ended 30 November 2024.

APPROVED

For and on behalf of the Board.



Board Member

Date 14 April 2025



CEO

Date 14/04/2025

Statement of Service Performance

For the year ending 30 November 2024



OUR MAHI: Heart Kids New Zealand provides vital practical and emotional support for children, young people, and adults living with congenital and acquired childhood heart conditions, and their families. Our services include tailored family support in the community and hospital, resources to navigate life with a heart condition, and events that foster connection and resilience. By partnering with health professionals, businesses, education and community groups, we ensure that every heart family can access the support and information they need on their heart journey.

OUR COMMUNITY: Heart Kids New Zealand is proud to support a community of 13,683 members (2023: 13,037) across Aotearoa. This includes heart kids, teens, adults, prenatal cases, and families, including parents and siblings.

Our reach is nationwide, with a dedicated team of 7 full-time and 21 part-time staff (2023: 35 staff) working across our family support and national support teams. This ensures that we can provide tailored, timely support to our members wherever and whenever it is needed. Together, we are united in our mission to support all those impacted by congenital and acquired heart conditions.

OUR VISION: All people affected by congenital heart disease and heart disease acquired during childhood will feel supported, connected, informed and hopeful for the future.

OUR VALUES: Heart children and their families first; respect with compassion; education and empowerment; integrity at all times; passionate and professional; commitment to success.

OUR MISSION: Our mission is to provide lifelong support for all affected by the world's most common birth difference or heart disease acquired during childhood.

OUR PURPOSE: Heart Kids New Zealand is the compass to help our members, and their families navigate their heart journey throughout life.



HOW WE MAKE IT HAPPEN

The service performance criteria for the current year have changed from previous years performance reporting as a result of an ongoing review of the Heart Kids NZ strategic plan. The current year reporting is considered to be a better reflection of the focus on our impact and outcomes that are in alignment with the Society's vision, values, mission, and purpose.

This report on the Society's service performance summarises key measurable, service delivery outcome metrics, and all measures have been extracted from the Heart Kids NZ internal centralised database system. Regular performance reporting on the achievement of these metrics is utilized for operational service delivery monitoring. This reporting also provides evidential and measurable statistics, and form the basis for inputs to Heart Kids NZ strategic planning and the definition of future organisational goals, and summarises performance against the outcomes of "Family Support Services", "Community and Connection" and "Education and Resources". These outcomes reflect the core Heart Kids NZ mission - being to provide lifelong support for all who are affected by the worlds more common birth difference or heart disease acquired during childhood. The outcomes are also reflective of our vision - that all such affected people will feel supported, connected, informed and hopeful for the future.

The reporting periods covered in this report are:

Part-year 2023: 1 March 2023 – 30 November 2023

Full-year 2024: 1 December 2023 – 30 November 2024

The part-year reporting for 2023 is due to the implementation of a new client relationship database which limited reporting capabilities during that transition period.

	2024 12 Months	2023 9 months
Family Support Services		
Heart clients supported by community family support taituarā ¹	2933	2391
Heart clients supported by hospital family support taituarā ¹	342	279
<i>Note - the results for hospital and community support will include heart clients who have been supported in both hospital and in the community throughout the year</i>		
Practical support provided: ¹		
<i>Regional</i>		
– Maia Bears	8	0
– Vouchers	149	92
– Care Packages	236	179
<i>Hospital</i>		
– Maia Bears	152	150
– Vouchers	612	499
– Care Packages	97	103
Total:	1254	1023



	2024 12 Months	2023 9 Months
Community and Connection		
Regional events held ¹		
<i>Murmurs coffee groups</i>	185	180
<i>Family events</i>	36	27
Total:	221	207
Heart Kids Attendance at Summer Camp ²	78**	137*
<i>*2023 camp held across two locations (Canterbury & Auckland)</i>		
<i>** 2024 camp held at one location (Auckland)</i>		

Education and Resources

Clinics Including cardiac clinic attended by regional taituarā ¹	90	62
Cyclic collateral and educational material updated ²	3	1

Footnote:

1: New Indicators reported in 2024

2: Existing indicators from previous period, and measure for 2023 is for 12 months



Statement of Comprehensive Revenue and Expense

Heart Kids New Zealand Incorporated For the year ended 30 November 2024

	NOTES	2024	2023
Revenue			
Revenue from Exchange Transactions	5	2,632	3,938
Revenue from Non-Exchange Transactions	5	2,842,055	3,332,901
Total Revenue		2,844,688	3,336,839
Other Income			
Interest on Financial Assets not measured at fair value through surplus or deficit		31,442	25,839
Insurance Proceeds		38,333	-
Sundry Income		-	5,060
Total Other Income		69,776	30,899
Expenses			
Operating Expenses		2,610,875	2,700,583
Administration Expenses		677,165	586,339
Total Expenses		3,288,039	3,286,922
Surplus/(deficit) for the Year		(373,576)	80,816
Total Comprehensive Revenue and Expense for the Year		(373,576)	80,816

These Financial Statements are to be read in conjunction with the Notes to the Financial Statements.

Statement of Changes in Equity

Heart Kids New Zealand Incorporated For the year ended 30 November 2024

	SPECIAL PURPOSE RESERVES	ACCUMULATED REVENUE AND EXPENSE	TOTAL EQUITY
Statement of Changes in Equity			
2022/2023			
Balance as at 1 December 2022	36,165	1,677,788	1,713,953
Surplus / Total Comprehensive Revenue and Expense	-	80,816	80,816
Net Funds received (spent) for Special Purpose Reserves	239,145	(239,145)	-
Balance as at 30 November 2023	275,310	1,519,459	1,794,769
2023/2024			
Balance as at 1 December 2023	275,310	1,519,459	1,794,769
Surplus / Total Comprehensive Revenue and Expense	-	(373,576)	(373,576)
Net Funds received (spent) for Special Purpose Reserves	(10,093)	10,093	-
Balance as at 30 November 2024	265,217	1,155,976	1,421,193

These Financial Statements are to be read in conjunction with the Notes to the Financial Statements.

Statement of Financial Position

Heart Kids New Zealand Incorporated As at 30 November 2024

	NOTES	2024	2023
Assets			
Current Assets			
Cash and Cash Equivalents	7	896,150	1,229,233
Term Deposits		461,650	443,743
Recoverables (from non-exchange transactions)		185,023	200,251
Prepayments		167,807	125,610
Inventory		18,834	4,790
GST Receivable		32,928	24,902
Total Current Assets		1,762,392	2,028,530
Non-Current Assets			
Property, Plant and Equipment	9	25,179	49,948
Intangibles	10	24,498	78,765
Total Non-Current Assets		49,678	128,713
Total Assets		1,812,070	2,157,242
Liabilities			
Current Liabilities			
Payables (from exchange transactions)		101,199	90,598
Employee Entitlements		100,220	112,242
Revenue Received in Advance	8	189,458	159,633
Total Current Liabilities		390,877	362,474
Total Liabilities		390,877	362,474
Total Assets less Total Liabilities (Net Assets)		1,421,193	1,794,769
Equity			
Accumulated Revenue and Expense		1,155,976	1,519,459
Special Purpose Reserves	11	265,217	275,310
Total Equity		1,421,193	1,794,769

These Financial Statements are to be read in conjunction with the Notes to the Financial Statements.

Statement of Cash Flows

Heart Kids New Zealand Incorporated For the year ended 30 November 2024

	NOTES	2024	2023
Statement of Cash Flows			
Cash Flows to Operating Activities			
Receipts from Customers		52,196	7,450
Proceeds from Bequests		21,571	289,866
Proceeds from Donations and Fundraising Events		2,310,427	2,282,883
Grants Received		548,981	592,544
Interest Received		26,212	24,087
Payments to Employees		(1,487,894)	(1,509,080)
Payments to Suppliers		(1,786,669)	(1,734,271)
Total Cash Flows to Operating Activities		(315,176)	(46,521)
Cash Flows to Investing Activities			
Purchase of Property, Plant & Equipment		-	(11,612)
Purchase of Intangible Assets		-	(56,535)
Purchase of Investments - Term Deposits		(17,907)	(40,883)
Total Cash Flows to Investing Activities		(17,907)	(109,030)
Net Decrease in Cash Flows		(333,083)	(155,551)
Cash and Cash Equivalents			
Opening cash		1,229,233	1,384,784
Net change in cash for the period		(333,083)	(155,551)
Total Cash and Cash Equivalents	7	896,150	1,229,233

These Financial Statements are to be read in conjunction with the Notes to the Financial Statements.

Notes to the Financial Statements

Heart Kids New Zealand Incorporated For the year ended 30 November 2024

1. Reporting Entity

These financial statements presented are those of Heart Kids New Zealand Incorporated (the "Society"). The Society is an Incorporated Society established, registered and domiciled in New Zealand. The Society is incorporated under the Incorporated Societies Act 1908. On 23 November 2007 Heart Children NZ Incorporated (now the Society) together with its affiliated branches, was registered as a charitable entity under the Charities Act 2005. For the purpose of complying with generally accepted accounting practice in New Zealand ("NZ GAAP"), the Society is a public benefit entity ("PBE").

2. Basis of Preparation

Statement of Compliance

These financial statements have been prepared in accordance with the Charities Act 2005 and NZ GAAP. The Society has opted to report in accordance with, and these financial statements comply with, Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR").

These financial statements were authorised for issue by the Board on 14 April 2025.

Basis of Measurement

These financial statements have been prepared under the historical cost convention except as noted otherwise below.

Functional and Presentation Currency

These financial statements are presented in New Zealand dollars (\$NZD), which is the Society's functional currency and presentation currency, rounded to the nearest dollar. There has been no change in the functional currency of the Society during the year.

Accounting policies

The accounting policies detailed in the following notes have been applied consistently to all periods presented in these financial statements and have been applied consistently by the Society.

Use of Estimates and Judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Judgements

Judgements made in applying accounting policies that have had the most significant effects on the amounts recognised in the financial statements include the following:

Revenue recognition - exchange versus non-exchange revenue

A judgement was made regarding the classification of revenue received by the Society. It was determined all revenue except for merchandise sales is non-exchange revenue because there is no direct exchange of fair value for these revenue streams. Merchandise sales are classified as exchange revenue.

Assumptions and Estimation Uncertainties

There are no significant assumptions or estimates made by the Society in these financial statements.

3. Significant Accounting Policies

The significant policies of the Society are detailed below.

Revenue

Revenue is recognised when the amount of revenue can be measured reliably, and it is probable that economic benefits will flow to the Society. It is measured at the fair value of consideration received or receivable.

The Society receives revenue from both exchange and non-exchange transactions. An exchange transaction is defined as a transaction in which one entity receives assets or services (or has liabilities extinguished) and directly gives approximately equal value to another entity in exchange.

A non-exchange transaction is a transaction in which the Society receives an asset (such as cash) but does not provide approximately equal value in return. The following specific recognition criteria in relation to the Society's revenue streams must also be met before revenue is recognised.

Revenue From Exchange Transactions

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable and net of returns.

Revenue is recognised when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.

Revenue From Non-Exchange Transactions

Revenue from non-exchange transactions is usually recognised when the associated asset (such as cash) is received, or the Society becomes entitled to that asset. However, where a non-exchange transaction has an associated condition (which is a requirement to return assets that have not been used for the purposes specified by the other party to the transaction, a liability is recognised and revenue is recognised (and the liability extinguished) as the conditions are met.

Donations, Events, Fundraising and Bequests

Donations, events, fundraising and bequests do not ordinarily have associated conditions and are consequently recognised when received, or when the Society becomes entitled to them.

Grants

Grant revenue is recognised when it is received unless there are stipulations attached to the inflow of resources received which create a liability (i.e. present obligation) rather than the recognition of revenue.

Stipulations that are 'conditions' specifically require the Society to return the inflow of resources received if they are not utilised in the way stipulated, resulting in the recognition of a non-exchange liability that is subsequently recognised as non-exchange revenue as and when the conditions are satisfied.

Stipulations that are 'restrictions' do not specifically require the Society to return the inflow of resources received if they are not utilised in the way stipulated, and therefore do not result in the recognition of a non-exchange liability, which results in the immediate recognition of non-exchange revenue.

Employee Benefits

Short-Term Benefits

Short-term employee benefit liabilities (wages, salaries, annual leave entitlements) are recognised when the Society has a legal or constructive obligation to remunerate employees for services provided and that are expected to be settled wholly within 12 months of reporting date. They are measured on an undiscounted basis and expensed in the period in which employment services are provided.

Defined Contribution Plans

Defined contribution plans (such as Kiwisaver) are post-employment benefit plans under which the Society pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in surplus or deficit in the periods during which services are rendered by employees.

Financial Instruments

(a) Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Society becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. At initial recognition, an entity may measure short term receivables and payables at the original invoice amount if the effect of discounting is immaterial. The Society derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Society neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

(b) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

- it is held within a management model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, ‘principal’ is defined as the fair value of the financial asset on initial recognition. ‘Interest’ is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g., liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Society considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Society considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Society’s claim to cash flows from specified assets (e.g., non-recourse features).

Financial assets – Subsequent measurement and gains and losses

Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in surplus or deficit. Any gain or loss on derecognition is recognised in surplus or deficit.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost and are subsequently measured using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in surplus or deficit. Any gain or loss on derecognition is also recognised in surplus or deficit.

*(c) Derecognition***Financial assets**

The Society derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Society neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Society derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Society also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in surplus or deficit

(d) Impairment of non-derivative financial assets

The Society recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost. The Society measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Society considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Society's historical experience and informed credit assessment and including forward-looking information.

The Society assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Term Deposits

Term Deposits comprise short term deposits which have original maturities greater than three months from acquisition.

Inventories

Inventory is initially measured at cost, except items acquired through non-exchange transactions which are instead measured at fair value as their deemed cost at initial recognition.

Inventories are subsequently measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle and includes expenditure incurred in the production or conversion costs and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Payables (from exchange transactions)

These amounts represent unsecured liabilities for goods and services provided to the Society prior to the end of the financial year which are unpaid. As these amounts are usually paid within 30 days, they are carried at face value.

Property, Plant and Equipment

Recognition and measurement

Items of property, plant and equipment are initially measured at cost, except those acquired through non-exchange transactions which are instead measured at fair value at initial recognition.

Items of property, plant and equipment are subsequently measured using the cost model, which means items are measured at cost (or fair value for items acquired through non-exchange transactions) less accumulated depreciation and impairment.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in surplus or deficit.

Subsequent expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Society. Ongoing repairs and maintenance is expensed as incurred.

Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets that have a useful life that is different from the remainder of those assets, are depreciated separately.

Depreciation is recognised in surplus or deficit over the estimated useful lives of each component of an item of property, plant and equipment.

The major depreciation rates are as follows:

Ward 23B Equipment (held at Starship Hospital) 14%- 30% Diminishing Value

Furniture and Fittings 0%- 39.6% Diminishing Value

Plant and Equipment 20%- 80.4% Diminishing Value

Motor Vehicle 26% Diminishing Value

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Intangible Assets

Recognition and Measurement

Intangible assets are initially measured at cost, except those acquired through non-exchange transactions which are instead measured at fair value at initial recognition.

Intangible assets are subsequently measured using the cost model, being cost (or fair value for items acquired through non-exchange transactions) less accumulated amortisation and impairment.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent Expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Society. Ongoing maintenance is expensed as it is incurred.

Amortisation

Amortisation is recognised in surplus or deficit over the estimated useful lives of each intangible asset.

The straight line amortisation rates are:

Website Development 40%

Database Development 40%

Trademarks 29.4%

Impairment of Non-Financial Assets (excluding Prepayments and Inventory)

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The Society conducts an annual internal review of asset values, which is used as a source of information to assess for any indicators of impairment. External factors, such as changes in expected future processes, technology and economic conditions, are also monitored to assess for indicators of impairment.

If any indication of impairment exists:

- If the asset is a cash-generating asset (i.e. an asset held with the primary objective of generating a commercial return), an estimate of its recoverable amount is calculated.
- If the asset is a non-cash-generating asset, an estimate of its recoverable service amount is calculated.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount/recoverable service amount.

The recoverable amount/recoverable service amount is the higher of an asset's fair value less costs to sell and value in use. Value in use for a cash-generating asset is determined by estimating future cash flows from the use and ultimate disposal of the asset and discounting these to their present value using a pre-tax discount rate that reflects current market rates and the risks specific to the asset. Value in use for a non-cash-generating asset is its depreciated replacement cost.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Impairment losses directly reduce the carrying amount of assets and are recognised in surplus or deficit. Non-financial assets that have been impaired are reviewed for possible reversal of the impairment at each reporting date.

Goods and Services Tax (GST)

The Society is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

Income Tax

Heart Kids New Zealand Incorporated is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

Comparatives

Some comparatives have been reclassified, where necessary, in order to achieve consistency in the disclosure with the current year. Details of comparatives that have been reclassified are included in the relevant note.

4. Financial instruments categories

The following tables are comparisons of carrying amounts of the Society's financial assets and liabilities in each of the financial instrument categories:

	2024	2023
Financial Assets at Amortised Cost		
Cash and Cash Equivalents	896,150	1,229,233
Recoverables (from non-exchange transactions)	185,023	200,251
Term Deposits	461,650	443,743
Total Financial Assets at Amortised Cost	1,542,822	1,873,227

	2024	2023
Financial Liabilities at Amortised Cost		
Payables (from exchange transactions)	101,199	90,598
Total Financial Liabilities at Amortised Cost	101,199	90,598

	2024	2023
5. Revenue		
Revenue from Exchange Transactions		
Merchandise Sales	2,632	3,938
Total Revenue from Exchange Transactions	2,632	3,938
Revenue from Non-Exchange Transactions		
Bequests	21,571	289,866
Donations and Fundraising	2,301,329	2,447,911
Grants	519,156	592,846
COVID -19 Grant	-	2,277
Total Revenue from Non-Exchange Transactions	2,842,055	3,332,901

	2024	2023
Included in Revenue from Non-Exchange Transactions are major grants from:		
Aotearoa Gaming	15,128	-
BlueSky Comm	-	5,500
Catalytic Foundation	5,000	10,000
E B Milliton Charitable Trust	5,230	-
Eastern & Central Co	5,000	-
Foundation North	-	21,560
Four Winds	18,000	5,520
Grassroots Trust	8,450	6,285
Healthcare Otago	-	10,000
JM Thompson Trust	40,000	-
Keith Laugesen Trust	5,000	-
Kiwi Gaming	10,000	9,429
Lindsay Foundation	20,000	39,850
Lottery National Community Grants	70,000	70,000
Mackenzie Charitable Trust	5,000	-
Milestone Foundation	15,000	-
Newmans Own Foundation	21,257	60,547
Nikau Foundation	-	5,000
NZ Community Trust	-	10,000
NZ Toy Distributors	14,723	23,793
ProCare Charitable Trust	-	29,000
Rata Foundation	20,000	20,000
Rotorua Trust	10,000	-
Sargood Bequest	5,000	5,000
TECT Community Trust	5,000	-
The Lion Foundation	135,000	160,000
The North and South Trust	5,250	-
Thomas George Macarthy Trust	7,894	-
TOI Foundation	13,738	6,690
Trust House Foundation	8,000	5,000

	2024	2023
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6. Expenses

Employee benefit expenses, included within total expenses, comprise:

Personnel Costs

Personnel Costs	1,445,084	1,459,875
Kiwisaver Contributions	35,923	34,402
Total Personnel Costs	1,481,007	1,494,277

	2024	2023
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Expenditure by Portfolio (Excluding Personnel Costs)

Family Support Services	113,555	125,887
Events	112,047	166,672
Awareness and Fundraising	895,223	892,597
Services	9,043	21,150
Administration	677,165	586,339
Total Expenditure by Portfolio (Excluding Personnel Costs)	1,807,032	1,792,645

During the year the Society reassessed the classification of costs by portfolio and determined that some costs were better represented as part of Awareness and Fundraising expenditure. As a result, an amount of \$818,683 has been reclassified from the Services portfolio to the Awareness and Fundraising portfolio for the comparative year.

	2024	2023
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Total Expenses

Total Personnel and Portfolio Expenses	3,288,039	3,286,922
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	2024	2023
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7. Cash and Cash Equivalents

Cash on Hand	-	200
Cash at Bank Available on Demand (National Office)	505,861	709,345
Cash at Bank Available on Demand (Branches)	390,289	519,688
Total Cash and Cash Equivalents	896,150	1,229,233

	2024	2023
8. Revenue Received in Advance		
ANZ NZ Staff Foundation	11,900	-
Central Lakes Trust	5,855	-
Charities Aid Foundation	13,609	8,811
Eastern & Central Co	-	5,000
Foundation North	12,360	3,440
Keith Laugesen Trust	-	5,000
Newmans Own Foundation	-	21,257
NZ Community Trust	10,000	-
NZ Toy Distributors	35,907	50,630
Pub Charity Ltd	20,000	-
Rata Foundation	19,132	20,000
Rotorua Trust	-	10,000
TECT Grant	7,500	-
The Care Foundation	17,405	-
The North and South Trust	-	5,250
Thomas George Macarthy Trust	-	7,894
WEL Energy	5,000	-
Other	30,789	22,351
Total Revenue Received in Advance	189,458	159,633

The amounts recorded in revenue received in advance represent grants received by the Society, with conditions attached, where the conditions have not been met at balance date.

9. Property, Plant & Equipment

	Ward 23B Equipment	Plant & Equipment	Furniture & Fittings	Motor Vehicle	Total
Cost					
Balance as at 1 December 2023	11,556	219,298	9,924	14,304	255,082
Additions	-	-	-	-	-
Disposals	-	(63,688)	(5,459)	-	(69,147)
Balance as at 30 November 2024	11,556	155,610	4,465	14,304	185,935
Accumulated Depreciation					
Balance as at 1 December 2023	11,276	178,558	5,285	10,015	205,134
Depreciation	40	19,675	186	1,115	21,016
Disposals	-	(61,810)	(3,584)	-	(65,394)
Balance as at 30 November 2024	11,316	136,423	1,887	11,130	160,756
Net Book Value					
As at 1 December 2022	328	41,159	5,880	13,149	60,571
As at 30 November 2023	280	40,740	4,639	4,289	49,948
As at 30 November 2024	240	19,187	2,578	3,174	25,179

10. Intangible Assets

	Website Development	Database Development	Trademarks	Total
Cost				
Balance as at 1 December 2023	17,331	99,739	2,000	119,070
Additions	-	-	-	-
Disposals	-	-	-	-
Balance as at 30 November 2024	17,331	99,739	2,000	119,070
Accumulated Amortisation and Impairment				
Balance as at 1 December 2023	8,176	30,129	2,000	40,306
Amortisation	6,555	47,712	-	54,267
Disposals	-	-	-	-
Balance as at 30 November 2024	14,731	77,841	2,000	94,573
Net Book Value				
As at 1 December 2022	8,687	41,969	-	50,536
As at 30 November 2023	9,155	69,610	-	78,764
As at 30 November 2024	2,600	21,898	-	24,498

11. Equity

Special Purpose Reserves

The special purpose reserves consist of funds received by the Society that have been specified for a particular use. Amounts included within the special purpose reserves include:

	2024	2023
Special Purpose Reserves		
Calliope Fun Run Proceeds	-	3,143
HK Bay of Plenty Jesse's Health Scholarship	6,072	7,072
HK Canterbury - fund for family support in regions with no branch	-	4,950
HK Mending Broken Heart Book	5,000	5,000
Camp	-	1,000
Private Donation for Hospital Heart Kids Register	15,000	15,000
Bequest for Coagu Check Machines	239,145	239,145
Total Special Purpose Reserves	265,217	275,310

Jesse's Health Scholarship - HK BOP Branch. Funds from a fundraiser organised by Jesse's dad have been put aside for scholarships to enable HK BOP to improve the health and wellbeing on HK in the region. During the year two scholarships of \$500 each were approved and paid (2023: nil).

A donation of \$5,000 was received to assist with the ongoing production of the book Mending a Broken Heart.

The \$15,000 donation for Hospital Heart Kids register is funds held until Starship Hospital is ready to proceed with this register.

A \$239,145 bequest was received to provide CoaguChek Machines or Other Equipment to children with heart defects.

12. Operating Lease Commitments

The Society does not currently have any operating leases (2023: nil).

13. Related Party Transactions

Key Management Personnel Remuneration

Key management personnel includes executive employees and the Board. The Board perform their duties in an honorary capacity. The aggregate remuneration of key management personnel and the number of individuals (determined on a full time equivalent basis), receiving remuneration is as follows:

		2024			2023	
	No. of Individuals (FTE'S)	Remuneration \$	Other Compensation \$	No. of Individuals (FTE'S)	Remuneration \$	Other \$
Executive Employees	2.96	\$511,829	\$25,000	3	\$389,334	-

14. Commitments and Contingencies

There were no capital commitments or contingencies as at 30 November 2024 (2023: nil).

15. Events Subsequent to Balance Date

There were no events that have occurred after the balance date that would have a material impact on the Financial Report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HEART KIDS NEW ZEALAND INCORPORATED

Opinion

We have audited the general purpose financial report of Heart Kids New Zealand Incorporated ("the Society"), which comprise the financial statements on pages 8 to 25, and the service performance information on pages 5 to 7. The complete set of financial statements comprise the statement of financial position as at 30 November 2024 the statement of comprehensive revenue and expense, statement of changes in net assets/equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the accompanying general purpose financial report presents fairly, in all material respects:

- the financial position of the Society as at 30 November 2024, and (of) its financial performance, and its cash flows for the year then ended; and
- the service performance for the year ended 30 November 2024, in accordance with the Society's service performance criteria,

in accordance with Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit of the financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the service performance information in accordance with the ISAs and New Zealand Auditing Standard (NZ AS) 1 *The Audit of Service Performance Information (NZ)*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the General Purpose Financial Report section of our report. We are independent of the Society in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, 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 opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Society.

Officers' Responsibilities for the General Purpose Financial Report

Those charged with governance are responsible on behalf of the Society for:

(a) the preparation and fair presentation of the financial statements and service performance information in accordance with Public Benefit Entity Standards RDR issued by the New Zealand Accounting Standards Board;

PARTNERS: CONSULTANT:

Glenn Fan-Robertson
David Pearson

Heather Hallam

Lisa Townshend

Michael Nes

(b) service performance criteria that are suitable in order to prepare service performance information in accordance with Public Benefit Entity Standards RDR; and

(c) such internal control as those charged with governance determine is necessary to enable the preparation of the financial statements and service performance information that are free from material misstatement, whether due to fraud or error.

In preparing the general purpose financial report those charged with governance are responsible for assessing the Society'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 those charged with governance either intend to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the General Purpose Financial Report

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole, and the service performance information are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and NZ AS 1 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 or collectively, they could reasonably be expected to influence the decisions of users taken on the basis of this general purpose financial report.

A further description of the auditor's responsibilities for the audit of the general purpose financial report is located at the XRB's website at

<https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-14/>

This description forms part of our auditor's report.

Who we Report to

This report is made solely to the Society's members, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's members, as a body, for our audit work, for this report or for the opinions we have formed.

BDO Hawke's Bay

BDO Hawke's Bay
Napier
New Zealand
14 April 2025