

# Annual Report

Heart of the City Incorporated  
For the year ended 30 June 2024

Prepared by Grant Thornton New Zealand Limited

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## Independent Auditor's Report

### To the members of Heart of the City Incorporated

**RSM Hayes Audit**

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### Opinion

We have audited the special purpose financial statements (financial statements) of Heart of the City Incorporated (the Society) which comprise:

- the statement of financial position as at 30 June 2024;
- the statement of comprehensive revenue and expense for the year then ended;
- the statement of changes in net assets/equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements on pages 7 to 20 present, in all material respects, the financial position of the Society at 30 June 2024, and its financial performance and cash flows for the year then ended in accordance with the stated special purpose accounting policies.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We are independent of Heart of the City Incorporated 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, Heart of the City Incorporated.

### Emphasis of matter - Basis of accounting

We draw attention to Note 2 to the financial statements which describes the basis of accounting. The financial statements are prepared in a manner which aligns with the Public Benefit Entity Standards Reduced Disclosure Regime, with the exception of the non-presentation of key management personnel disclosures and the non-presentation of a statement of service performance and are intended solely for use by the members of the Society. As a result, these special purpose financial statements may not be suitable for another purpose. Our report is also intended solely for the members of the Society and should not be distributed to other parties. Our opinion is not modified in respect of this matter.



## Other information

The executive committee is responsible for the other information presented on pages 5 to 6 (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of executive committee for the financial statements

The executive committee is responsible, on behalf of the entity, for the preparation and presentation of the financial statements in accordance with the stated special purpose accounting policies, and for such internal control as the executive committee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the executive committee is responsible, on behalf of the society, 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 financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (New Zealand) 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. A further description of the auditor's responsibilities for the audit of the financial statements is located at the XRB's website at:

<https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-8/>

## Who we report to

This report is made solely to the executive committee, as a body. Our audit has been undertaken so that we might state to the members those matters 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 Heart of the City Incorporated and the members as a body, for our work, for this report, or for the opinions we have formed.



**RSM Hayes Audit**

21 October 2024

# Directory

## Heart of the City Incorporated For the year ended 30 June 2024

### Nature of Business

Promotes Inner City Business

### Address

Level 23, 151 Queen St, Auckland City, New Zealand, 1010

### IRD Number

63-827-452

### Incorporation Number

654431

### Incorporation Date

4 January 1995

### Chartered Accountant

Grant Thornton New Zealand Limited  
L4, 152 Fanshawe Street  
Auckland 1140

### Auditors

RSM Hayes Audit  
L1, 1 Broadway  
Newmarket  
Auckland

### Bankers

ASB Bank Limited  
138-142 Queen Street  
Auckland 1010

### Solicitors

Buddle Findlay  
PWC Tower  
188 Quay Street  
Auckland 1010

Haigh Lyon  
L14, 34 Shortland Street  
Auckland 1010

# Approval of Financial Report

## Heart of the City Incorporated For the year ended 30 June 2024

The Executive Committee is pleased to present the approved financial report including the historical special purpose financial statements of Heart of the City Incorporated for year ended 30 June 2024.

APPROVED

For and on behalf of the Executive Committee.

*Martin Snedden*

Martin Snedden (Oct 18, 2024 13:47 GMT+13)

Chairperson

Date 18/10/2024

*MJ Cockram*

Executive Committee Member

Date 18/10/2024

# Statement of Comprehensive Revenue and Expense

## Heart of the City Incorporated For the year ended 30 June 2024

	NOTES	2024	2023
<b>Revenue from Exchange Transactions</b>			
Partnership Income		10,000	-
Investment Income		92,925	66,443
<b>Total Revenue from Exchange Transactions</b>		<b>102,925</b>	<b>66,443</b>
<b>Revenue from Non-Exchange Transactions</b>			
Auckland Council - Targeted Business Rates Funding		5,084,907	4,845,376
Auckland Council - Other Funding		683,025	657,136
<b>Total Revenue from Non-Exchange Transactions</b>		<b>5,767,932</b>	<b>5,502,512</b>
<b>Total Revenue</b>		<b>5,870,857</b>	<b>5,568,955</b>
<b>Expenses</b>			
Accountancy		93,420	99,190
Advocacy		10,565	2,466
Audit Fees		26,684	25,327
Committee Expenses		29,503	28,537
Computer & Phone Maintenance		68,571	95,681
Depreciation, Amortisation & Loss on Disposal		74,658	141,783
Events, Sponsorship & Advertising		2,366,063	2,842,649
General Expenses		64,242	75,104
Insurance		25,429	21,870
Legal Fees		33,344	22,763
Members Communications		20,634	38,072
Project Costs		22,094	21,210
Recruitment Expense		21,520	37,030
Rent		159,593	120,074
Personnel Expenses		1,558,607	1,522,559
Safety		1,381,888	623,957
Subscriptions		40,501	5,516
Website and App Costs		26,943	27,270
<b>Total Expenses</b>		<b>6,024,258</b>	<b>5,751,057</b>
<b>Total Comprehensive Revenue and Expense</b>		<b>(153,402)</b>	<b>(182,103)</b>

The notes to the financial statements form part of and should be read in conjunction with the financial statements.

# Statement of Changes in Net Assets/Equity

## Heart of the City Incorporated For the year ended 30 June 2024

	2024	2023
<b>Accumulated comprehensive revenue and expense</b>		
Opening Balance	1,860,715	2,042,818
<b>Comprehensive Revenue and Expense for the Year</b>		
Surplus/(Deficit) for the Year	(153,402)	(182,103)
<b>Total Comprehensive Revenue and Expense for the Year</b>	<b>(153,402)</b>	<b>(182,103)</b>
<b>Total Accumulated comprehensive revenue and expense</b>	<b>1,707,313</b>	<b>1,860,715</b>
<b>Total Equity</b>	<b>1,707,313</b>	<b>1,860,715</b>

The notes to the financial statements form part of and should be read in conjunction with the financial statements.

# Statement of Financial Position

## Heart of the City Incorporated

As at 30 June 2024

	NOTES	30 JUN 2024	30 JUN 2023
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents		1,198,017	815,997
Short Term Deposits		239,641	231,616
Short Term Investments	5	1,382,623	1,311,378
Receivables from Exchange Transactions	6	16,028	34,178
GST Receivable		92,740	145,232
Rent Deposit Paid		-	25,755
<b>Total Current Assets</b>		<b>2,929,049</b>	<b>2,564,156</b>
<b>Non-Current Assets</b>			
<b>Property, Plant and Equipment</b>			
Property, Plant and Equipment	9	141,861	149,715
<b>Total Property, Plant and Equipment</b>		<b>141,861</b>	<b>149,715</b>
<b>Intangibles</b>			
Intangibles	10	41,737	34,424
<b>Total Intangibles</b>		<b>41,737</b>	<b>34,424</b>
<b>Total Non-Current Assets</b>		<b>183,598</b>	<b>184,139</b>
<b>Total Assets</b>		<b>3,112,647</b>	<b>2,748,295</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts Payable and Accruals		535,334	682,262
Income Received in Advance	12	870,000	184,025
Retentions		-	21,293
<b>Total Current Liabilities</b>		<b>1,405,334</b>	<b>887,580</b>
<b>Total Liabilities</b>		<b>1,405,334</b>	<b>887,580</b>
<b>Net Assets</b>		<b>1,707,313</b>	<b>1,860,715</b>
<b>Equity</b>			
Accumulated Comprehensive Revenue and Expense		1,707,313	1,860,715
<b>Total Equity</b>		<b>1,707,313</b>	<b>1,860,715</b>

The notes to the financial statements form part of and should be read in conjunction with the financial statements.

# Statement of Cash Flows

## Heart of the City Incorporated For the year ended 30 June 2024

	2024	2023
<b>Cash Flows from Operating Activities</b>		
Receipts from Council	6,486,417	4,460,012
Interest Received	90,892	64,782
Payments to Suppliers, Employees and IRD	(6,052,008)	(5,727,056)
<b>Total Cash Flows from Operating Activities</b>	<b>525,301</b>	<b>(1,202,261)</b>
<b>Cash Flows from Investing Activities</b>		
Proceeds from/(Payment for) Investments and Deposits	(79,270)	576,427
Payment for Property, Plant & Equipment	(64,011)	(93,819)
<b>Total Cash Flows from Investing Activities</b>	<b>(143,281)</b>	<b>482,608</b>
<b>Net Cash Flows</b>	<b>382,020</b>	<b>(719,653)</b>
<b>Cash Balances</b>		
Cash and cash equivalents at beginning of period	815,997	1,535,651
Cash and cash equivalents at end of period	1,198,017	815,997
Net change in cash for period	382,020	(719,653)

The notes to the financial statements form part of and should be read in conjunction with the financial statements.

# Notes to the Financial Statements

## Heart of the City Incorporated For the year ended 30 June 2024

### 1. Reporting Entity

Heart of the City Incorporated is an incorporated society registered under the Incorporated Societies Act 1908. Heart of the City Incorporated promotes inner city business in Auckland City.

These financial statements have been approved and were authorised for issue by the Board on the date indicated on page 6.

### 2. Statement of Compliance

Heart of the City Incorporated as an incorporated society is not required to report under the Public Benefit Entity International Public Sector Accounting Standards ("PBE IPSAS") and other applicable financial reporting standards as appropriate that have been authorised for use by the External Reporting Board for Not-For-Profit entities. However, it has chosen to voluntarily adopt accounting policies and disclosures that align with these standards in the preparation of these special purpose financial statements, with the exception of the presentation of key management personnel disclosures and a Statement of Service Performance.

The board considers that the accounting policies adopted in these special purpose financial statements are appropriate to give the users of the financial statements meaningful information about the performance and position of the organisation for the current year.

### 3. Summary of Accounting Policies

The significant accounting policies used in the preparation of these financial statements as set out below have been applied consistently to both years presented in these financial statements.

#### 3.1 Basis of Preparation

These financial statements have been prepared on the basis of historical cost, unless specified in the accounting policies below.

These financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period.

#### 3.2 Functional and Presentational Currency

The financial statements are presented in New Zealand dollars (\$), which is Heart of the City Incorporated's functional currency. All financial information presented in New Zealand dollars has been rounded to the nearest dollar.

#### 3.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to Heart of the City Incorporated and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. The following specific recognition criteria must be met before revenue is recognised.

#### Revenue from Non-Exchange Transactions

##### *Auckland Council Revenue*

Revenue from Auckland Council relates to funding provided to Heart of the City Incorporated for the purpose of promoting the inner city business area. Revenue from non-exchange transactions is recognised when any use or return conditions associated with the revenue has been met. If the use or return condition has not been met then an income in advance liability is recognised in the Statement of Financial Position.

## Revenue from Exchange Transactions

### *Partnership Income*

Marketing and Sponsorship funds are received from business partners in exchange for brand affiliation and exposure to various events throughout the year. These funds are recognised as revenue in the period the partnership agreement relates to, and the services have been delivered.

### *Interest revenue*

Interest revenue is recognised as it accrues, using the effective interest method.

## 3.4 Cash and Cash Equivalents

Cash and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## 3.5 Short Term Deposits

Short term deposits comprise bank term deposits which have a term of greater than three months and less than 12 months and therefore do not fall into the category of cash and cash equivalents.

## 3.6 Short Term Investments

Short term investments comprise deposits managed externally which have a term of less than 12 months. They are held for investment purposes rather than meeting short term cash commitments, and therefore do not fall into the category of cash and cash equivalents.

### 3.7 Financial Instruments

Financial assets and financial liabilities are recognised when Heart of the City Incorporated becomes a party to the contractual provisions of the financial instrument.

Heart of the City Incorporated derecognises a financial asset when contractual rights to the cash flow expire, or it transfers the rights to receive the contractual rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Heart of the City derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

#### Financial Assets

Heart of the City Incorporated classifies its financial assets at amortised cost.

##### *Amortised Cost*

Heart of the City Incorporated classifies its financial assets at amortised cost only if both of the following criteria are met:

- The asset is held within a business model with the objective of collecting the contractual cashflows, and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

These assets are subsequently measured at amortised cost using the effective interest method.

Heart of the City Incorporated's financial assets included cash and cash equivalents, short-term deposits, receivables from non-exchange transactions, receivables from exchange transactions and short-term investments.

##### *Interest income*

Interest income from financial assets at amortised cost is included in finance income using the effective interest rate method.

#### Financial Liabilities

Heart of the City Incorporated's financial liabilities include trade and other creditors (excluding GST and PAYE, employee entitlements, and deferred revenue).

All financial liabilities are initially recognised at fair value and are measured subsequently at amortised cost using the effective interest method.

### 3.8 Property, Plant, Equipment and Depreciation

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Where an asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit.

The costs of day-to-day servicing of property, plant, and equipment are recognised in the surplus or deficit as they are incurred.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and are adjusted if there is a change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset.

Depreciation is charged on a diminishing value or straight line basis over the useful life of the assets. Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life:

	Useful Life	Rate	Method
Office Equipment	2 - 6 Years	16% - 67%	DV
Computer Equipment	2 - 4 Years	25% - 67%	DV
Fittings & Furniture	4 - 10 Years	10% - 21.6%	DV
Promotional Assets	2 - 5 Years	20% - 48%	DV

### 3.9 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised on a diminishing value basis over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits or service potential embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

The amortisation expense on intangible assets with finite lives is recognised in surplus or deficit as the expense category that is consistent with the function of the intangible assets.

The amortisation periods for Heart of the City Incorporated assets are as follows:

	Useful Life	Rate	Method
Websites	2 Years	50%	DV
Trademarks	Indefinite	0%	-

### 3.10 Leases

Payments on operating lease agreements, where the lessor retains substantially the risk and rewards of ownership of an asset, are recognised as an expense on a straight-line basis over the lease term.

### 3.11 Employee Benefits

#### **Wages, salaries, and annual leave**

Liabilities for wages and salaries, and annual leave are recognised in surplus or deficit during the period in which the employee provided the related services. Liabilities for the associated benefits are measured at the amounts expected to be paid when the liabilities are settled.

Employee benefits expected to be settled within twelve months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

### 3.12 Income Tax

Due to its status as an Incorporated Society and under section CW40(1) of the Income Tax Act 2007, Heart of the City Incorporated is exempt from income tax.

### 3.13 Goods and Services Tax (GST)

Revenues, expenses and assets are recognised exclusive of GST except for receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the Inland Revenue Department is classified as part of operating cash flows.

### 3.14 Equity

Equity is the members' interest in Heart of the City Incorporated, measured as the difference between total assets and total liabilities. Equity is made up of the following components:

#### **Accumulated comprehensive revenue and expense**

Accumulated comprehensive revenue and expense is Heart of the City Incorporated's accumulated surplus or deficit since its formation.

#### 4. Significant Accounting Judgements, Estimates and Assumptions

The preparation of Heart of the City Incorporated's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

##### Judgements

In the process of applying Heart of the City Incorporated's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

##### Operating Lease Commitments

Heart of the City Incorporated has entered into a number of lease commitments.

Heart of the City Incorporated has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a substantial portion of the economic life of the assets, that it does not retain all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

##### Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Heart of the City Incorporated based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of Heart of the City Incorporated. Such changes are reflected in the assumptions when they occur.

- Useful Lives and Residual Values of Property, Plant and Equipment and Intangible Assets

##### Useful Lives and Residual Values

The useful lives and residual values of assets are assessed using the following indicators to determine potential future use and value from disposal:

- The condition of the asset
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset

The estimated useful lives of the asset classes held by Heart of the City Incorporated are listed in Note 3.8 and 3.9.

	2024	2023
<b>5. Short Term Investments</b>		
Private Wealth Advisers - On Call Deposit	1,382,623	1,311,378
<b>Total Short Term Investments</b>	<b>1,382,623</b>	<b>1,311,378</b>

These funds are treated as investments as they are not required for operational cashflow purposes.

	2024	2023
<b>6. Receivables from Exchange Transactions</b>		
Trade and Other Receivables	16,028	34,178
<b>Total Receivables from Exchange Transactions</b>	<b>16,028</b>	<b>34,178</b>

## 7. Related Parties

There were no related party transactions to report during the year (2023: \$Nil).

	2024	2023
<b>8. Operating Lease Commitments</b>		
Less than one year	184,149	209,148
Later than one year and no later than five years	440,554	536,331
Later than five years	-	88,372
<b>Total Operating Lease Commitments</b>	<b>624,703</b>	<b>833,851</b>

Operating leases relate to the following:

Description of Lease	Lessor	End of Commitment
<b>Buildings</b>		
151 Queen Street	Robt. Jones 151 Limited	01/04/2029
<b>Plant and Equipment</b>		
Pedestrian Cameras	Reveal	31/03/2025

	2024	2023
<b>9. Property, Plant &amp; Equipment</b>		
<b>Office Furniture &amp; Fittings</b>		
Cost	88,600	88,600
Accumulated Depreciation	(55,110)	(50,316)
<b>Total Office Furniture &amp; Fittings</b>	<b>33,490</b>	<b>38,284</b>
<b>Computer &amp; Office Equipment</b>		
Cost	123,994	113,888
Accumulated Depreciation	(100,353)	(87,479)
<b>Total Computer &amp; Office Equipment</b>	<b>23,641</b>	<b>26,409</b>
<b>Promotional Assets</b>		
Cost	275,817	484,379
Accumulated Depreciation	(191,087)	(399,357)
<b>Total Promotional Assets</b>	<b>84,730</b>	<b>85,022</b>
<b>Total Property, Plant &amp; Equipment</b>	<b>141,861</b>	<b>149,715</b>

Reconciliation of the carrying amount at the beginning and end of the period:

	2024	2023
<b>Property, Plant &amp; Equipment Reconciliation (Net Book Value)</b>		
<b>Office Furniture &amp; Fittings</b>		
Opening Balance	38,284	51,103
Additions	-	26,114
Disposals	-	(33,455)
Depreciation	(4,794)	(5,478)
<b>Total Office Furniture &amp; Fittings</b>	<b>33,490</b>	<b>38,284</b>
<b>Computer &amp; Office Equipment</b>		
Opening Balance	26,409	19,662
Additions	10,106	23,799
Disposals	-	-
Depreciation	(12,874)	(17,052)
<b>Total Computer &amp; Office Equipment</b>	<b>23,641</b>	<b>26,409</b>
<b>Promotional Assets</b>		
Opening Balance	85,022	124,702
Additions	47,686	16,500
Disposals	(7,231)	(4,293)
Depreciation	(40,747)	(51,887)
<b>Total Promotional Assets</b>	<b>84,730</b>	<b>85,022</b>
<b>Total Property, Plant &amp; Equipment Reconciliation (Net Book Value)</b>	<b>141,861</b>	<b>149,715</b>

	2024	2023
<b>10. Intangibles</b>		
Website	17,176	9,863
Trademarks	24,561	24,561
<b>Total Intangibles</b>	<b>41,737</b>	<b>34,424</b>

Reconciliation of the carrying amount at the beginning and the end of the period:

	2024	2023
<b>Intangibles Reconciliation (Net Book Value)</b>		
<b>Website</b>		
Opening Balance	9,863	19,726
Additions	16,325	-
Disposals	-	-
Amortisation	(9,012)	(9,863)
<b>Total Website</b>	<b>17,176</b>	<b>9,863</b>
<b>Trademarks</b>		
Opening Balance	24,561	24,561
Additions	-	-
Disposals	-	-
<b>Total Trademarks</b>	<b>24,561</b>	<b>24,561</b>
<b>Total Intangibles Reconciliation (Net Book Value)</b>	<b>41,737</b>	<b>34,424</b>

## 11. Categories of Financial Assets and Liabilities

The carrying amounts of financial instruments presented in the statement of financial position relate to the following categories of assets and liabilities:

	2024	2023
<b>Financial Assets at Amortised Cost</b>		
Bank & Cash	1,198,017	815,997
Short Term Deposits	239,641	231,616
Short Term Investments	1,382,623	1,311,378
Trade and Other Receivables	16,028	34,178
<b>Total Financial Assets at Amortised Cost</b>	<b>2,836,309</b>	<b>2,393,169</b>
	2024	2023
<b>Financial Liabilities at Amortised Cost</b>		
Trade Payables	535,334	682,262
Retentions	-	21,293
<b>Total Financial Liabilities at Amortised Cost</b>	<b>535,334</b>	<b>703,555</b>

## **12. Income Received in Advance**

Income Received in Advance is related to Other Council Funding of \$870,000 not yet applied to specified activities by 30 June 2024 (2023: \$184,025).

## **13. Contingent Liabilities**

The bank holds an \$89,000 guarantee in respect of the organisation's property leases, in case of default. There are no other contingent liabilities at balance date (30 June 2023: \$89,000).

## **14. Capital Commitments**

Heart of the City Incorporated had no capital commitments as at 30 June 2024 (30 June 2023: \$Nil).

## **15. Events After the Reporting Date**

The Board and management are not aware of any other matters or circumstances since the end of the reporting period, that have significantly or may significantly affect these financial statements.









# Heart of the City 2024 Financial Statements

Final Audit Report

2024-10-18

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