

Financial Statements

ZERO2HERO INC

ABN 29 964 779 934

For the year ended 31 December 2024

Prepared by Oakstone Advisory

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Board Directors' Report

ZERO2HERO INC

For the year ended 31 December 2024

Directors' Report

The Board of Directors submit the financial report of the Zero2Hero Inc for the financial year ended 31 December 2024.

Board Members

The name of each member of the committee during the year and if different, at the date of the report:

Paul Larsen

Ashlee Harrison

Leigh Dyson

Jodie Perram

Kaine Grigg

Neil Sadler

Stephen Daly

Zaheer Mohamed

Leah Reid

Registered Office

Address: 96 Outram Street
WEST PERTH WA 6005
Email: admin@zero2hero.com.au
Website: zero2hero.com.au

Significant Changes

As at the reporting date, the charity has no significant changes to disclose.

Principal Activities

The principal activities of the association during the financial year were:

Mental Illness Awareness and Education.

Operating Result

The surplus of the charity for the financial year amounted to \$265,185 (2023: \$54,578 Surplus).

Subsequent Events

There are no items, transactions or events of a material and unusual nature likely, in the opinion of the Directors of the charity, which has arisen to significantly affect the operations of the charity, the results of those operations, or the state of affairs of the charity, in future financial years.

Performance Measures

At the start of each financial year, management establishes a set of performance measures to align with the charity's strategic goals. These measures include both financial and operational targets, such as overall revenue, fundraising performance, and income derived from corporate partnerships. Additionally, performance is assessed through the delivery and reach of school-based programs, attendance at events, the effectiveness of marketing and communications, and the ongoing professional development and training of staff. These benchmarks provide a clear framework for evaluating progress and impact throughout the year.

Signed in accordance with a resolution of the Board of Directors:

Ashlee Harrison

Director

Date / /

Statement by Members of the Board of Directors

ZERO2HERO INC

For the year ended 31 December 2024

The board has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Board of Directors the financial report as set out on pages 6 to 13:

1. Presents a true and fair view of the financial position of Zero2Hero Inc as at and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Zero2Hero Inc will be able to pay its debts as and when they fall due.
3. The financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

This statement is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Board of Directors by Ashlee Harrison in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2022*.

Ashlee Harrison - Director & Responsible Person

Dated:

Statement of Financial Position

ZERO2HERO INC

As at 31 December 2024

	NOTES	31 DEC 2024	31 DEC 2023
Assets			
Current Assets			
Cash and Cash Equivalents	3	533,322	1,250,056
Bonds Paid		9,925	11,357
Deposits Paid		4,093	5,000
Other Current Assets	4	1,000,000	-
Prepayments		94,252	80,215
Trade Debtors	5	87,375	17,870
Total Current Assets		1,728,967	1,364,497
Non-Current Assets			
Fixed Assets	6	295,726	65,755
Intangibles	7	22,866	31,876
Other Non-Current Assets	8	37,750	-
Total Non-Current Assets		356,342	97,631
Total Assets		2,085,309	1,462,128
Liabilities			
Current Liabilities			
Accrued Costs	9	11,000	8,869
GST Payable		55,405	70,207
Income in Advance		898,498	877,711
Lease Liability	12	77,229	-
PAYG Withholding Payable		36,192	20,948
Provisions	10	57,410	55,999
Superannuation Payable		51,515	30,787
Trade Creditors	11	76,188	33,426
Total Current Liabilities		1,263,437	1,097,949
Non-Current Liabilities			
Lease Liability	12	170,819	-
Provisions	10	21,688	-
Total Non-Current Liabilities		192,507	-
Total Liabilities		1,455,944	1,097,949
Net Assets		629,365	364,179
Member's Funds			
Retained Surplus		629,365	364,179
Total Member's Funds		629,365	364,179

The accompanying notes form part of these financial statements.

Statement of Profit or Loss and Other Comprehensive Income

ZERO2HERO INC

For the year ended 31 December 2024

	NOTES	2024	2023
Income			
Revenue	13	3,625,177	2,890,398
Total Income		3,625,177	2,890,398
Gross Surplus		3,625,177	2,890,398
Other Income			
Income Recouped		12,740	63,345
Interest Income		13,037	-
Total Other Income		25,777	63,345
Expenditure			
Administration Costs		253,271	348,552
Audit Fees		10,000	11,000
Depreciation and Amortisation		33,974	35,982
Right of Use Asset			
Amortisation of ROU Asset		36,257	-
Interest Expense on ROU Asset		2,661	-
Total Right of Use Asset		38,918	-
Fundraising Costs		1,314,582	1,106,630
Insurance		35,048	30,937
Interest		-	92
Program Delivery Costs		1,699,976	1,365,973
Total Expenditure		3,385,768	2,899,165
Current Year Surplus/ (Deficit)		265,185	54,578
Other Comprehensive Surplus for the Year		265,185	54,578

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

ZERO2HERO INC

For the year ended 31 December 2024

	2024	2023
Equity		
Opening Balance as at 1 January 2024	364,179	309,601
Increases		
Surplus/ (Deficit) for the Year	265,185	54,578
Total Increases	265,185	54,578
Closing Balance as at 31 December 2024	629,365	364,179

The accompanying notes form part of these financial statements.

Statement of Cash Flows

ZERO2HERO INC

For the year ended 31 December 2024

	NOTES	2024	2023
Cash Flow Statement			
Operating Activities			
Receipts from Donors & Other Fundraising		3,589,198	3,226,153
Payments to Suppliers & Employees		(3,238,075)	(2,957,559)
Interest Received		13,037	-
Total Cash In Flows / (Out Flows) from Operating Activities	14	364,160	268,594
Investing Activities			
Proceeds from Sale of Property, Plant & Equipment		-	273
Acquisition of Plant & Equipment		(43,144)	(46,467)
Outflow from Investment of Property		(37,750)	-
Total Cash In Flows / (Out Flows) from Investing Activities		(80,894)	(46,194)
Financing Activities			
Loans Granted / (Repaid)		-	-
Total Cash In Flows / (Out Flows) from Financing Activities		-	-
Net Increase/ (Decrease) in Cash Held		283,266	222,401
Cash at the Beginning of the Financial Year		1,250,056	1,027,655
Cash at the End of the Financial Year		1,533,322	1,250,056

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

ZERO2HERO INC

For the year ended 31 December 2024

1. Basis of Preparation

These are special purpose financial statements that have been prepared for the purposes of complying with the Australian Charities and Not-for-profits Commission Act 2012 and Western Australian legislation of the Associations Incorporation Act 2015, the Charitable Fundraising Act 1991 and associated regulations. The Officers have determined that the accounting policies adopted are appropriate to meet the needs of the members of Zero2Hero Incorporated.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for-profit oriented entities.

Material accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2. Summary of Material Accounting Policies

Fixed Assets

Fixed assets exceeding \$300 on an individual itemised basis are capitalised to the statement of financial position and depreciated over their effective life. The assets are recorded at cost.

Intangible Assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Website

Significant costs associated with the development of the website are deferred and amortised over the period of their expected benefit.

Impairment of Non-Financial Assets

At the end of each reporting period the charity determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

Cash and Cash Equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Trade and Other Receivables

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Revenue and Other Income

Revenue is recognised when the charity is entitled to it unless otherwise specified below.

All revenue is stated net of the amount of goods and services tax (GST).

Rendering of Services

Revenue in relation to rendering of services is recognised depends on whether the outcome of the services can be measured reliably. If this is the case then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period. If the outcome cannot be reliably measured then revenue is recognised to the extent of expenses recognised that are recoverable.

Donations

Donations and gifts that are non-reciprocal in nature are recognised as revenue in the year in which it has been received.

Other Income

Other income is recognised on an accruals basis when the charity is entitled to it.

Volunteering Services

The incorporated association has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

Income Received in Advance

Where the charity is not entitled to income received due to the timing of an event (such as a Cape to Cape trek registration taken in a year prior to the trek occurring) income will be recognised in the statement of financial position as 'Income in Advance'.

The Chevron Sponsorship is recognised as income upon satisfaction of specific KPIs in relation to the payment. The income will be recognised in the statement of financial position as 'Income in Advance' until those KPIs are met.

The Channel 7 Telethon Grant is recognised as income upon satisfaction of specific KPIs in relation to the payment. The income will be recognised in the statement of financial position as 'Income in Advance' until those KPIs are met.

Current and Non-Current Classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the incorporated association's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the incorporated association's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Right-of-Use Assets

The entity recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the charity recognises the lease payments on a straight-line basis over the term of the lease.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

Lease Liability

Lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by incremental borrowing rate.

Income Tax

As the incorporated association is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Contingencies and Commitments

As at the reporting date, the charity has no material contingencies or commitments to disclose.

Subsequent Events

As at the reporting date, the charity has no material subsequent events to disclose.

Critical Judgement and Estimates*Accounts Receivable*

Management has applied critical estimates in assessing the expected uncollectable portion of accounts receivable. These estimates are based on historical experience with debtors, including regular donors and corporate partners, and are reviewed annually for accuracy.

	2024	2023
3. Cash & Cash Equivalents		
Bank Accounts	516,480	1,248,226
Third Party Holdings Accounts	16,842	1,830
Total Cash & Cash Equivalents	533,322	1,250,056
	2024	2023
4. Other Current Assets		
Term Deposits	1,000,000	-
Total Other Current Assets	1,000,000	-
	2024	2023
5. Trade Debtors		
Accounts Receivable	97,986	82,860
Sundry Debtors	3,039	-
Less: Provision for Bad & Doubtful Debt	(13,650)	(64,990)
Total Trade Debtors	87,375	17,870
	2024	2023
6. Fixed Assets		
Computer Equipment		
Computer Equipment	56,715	42,131
Less Accumulated Depreciation on Computer Equipment	(46,011)	(34,061)
Total Computer Equipment	10,705	8,070
Office Equipment		
Office Equipment	51,791	43,642
Less Accumulated Depreciation on Office Equipment	(23,227)	(18,844)
Total Office Equipment	28,564	24,798
Leasehold Improvements		
Leasehold Improvements	4,265	4,265
Less Accumulated Depreciation on Leasehold Improvements	(4,265)	(3,287)
Total Leasehold Improvements	-	978
Motor Vehicle		
Motor Vehicles at Cost	40,706	40,706
Less Accumulated Depreciation on Motor Vehicles at Cost	(16,774)	(8,797)
Total Motor Vehicle	23,932	31,909
Right of Use Asset		
Right of Use Asset - 96 Outram Street, West Perth	245,813	-
Less Accumulated Amortisation on Right of Use Asset - West Perth	(13,287)	-
Total Right of Use Asset	232,526	-
Total Fixed Assets	295,726	65,755

	2024	2023
7. Intangibles		
Intangibles - Intellectual Property	3,250	3,250
Less Accumulated Depreciation on Intellectual Property	(650)	(325)
Capitalised Website Development	34,060	34,060
Less Accumulated Depreciation on Website Development	(13,794)	(5,109)
Total Intangibles	22,866	31,876

	2024	2023
8. Other Non-Current Assets		
Bank Guarantee	37,750	-
Total Other Non-Current Assets	37,750	-

	2024	2023
9. Accrued Costs		
Audit Fees Accrued	11,000	8,800
Sundries	-	(69)
Total Accrued Costs	11,000	8,731

	2024	2023
10. Provisions		
Current Liabilities		
Provision for Annual Leave	55,619	51,500
Provision for Time in Lieu	1,791	3,156
Provision for Super Guarantee Charges	-	1,343
Total Current Liabilities	57,410	55,999
Non-Current Liabilities		
Provision for Long Service Leave	21,688	-
Total Non-Current Liabilities	21,688	-
Total Provisions	79,098	55,999

	2024	2023
11. Trade Creditors		
Accounts Payable	23,477	33,426
Sundry Creditor	52,711	-
Total Trade Creditors	76,188	33,426

	2024	2023
12. Lease Liability		
Current Liabilities		

	2024	2023
Lease Liability - 96 Outram Street, West Perth (CL)	77,229	-
Total Current Liabilities	77,229	-
Non-Current Liabilities		
Lease Liability - 96 Outram Street, West Perth (NCL)	170,819	-
Total Non-Current Liabilities	170,819	-
Total Lease Liability	248,048	-
	2024	2023

13. Revenue

Donations	1,542,452	1,446,000
Fundraising	797,520	766,631
Program Delivery	999,435	667,494
Grant Funding	285,258	10,000
Fundraising Revenue - General	512	-
Gain / (Loss) on Disposal of Assets	-	273
Total Revenue	3,625,177	2,890,398
	2024	2023

14. Reconciliation of Cash Flows from Operating Activities to Surplus / (Deficit)

Net Surplus/ (Deficit)	265,185	54,578
Adjustments for Items not Related to Operating Activities & Non - cash Items		
Depreciation	70,231	35,982
Gain on Disposal of Assets	-	(273)
Total Adjustments for Items not Related to Operating Activities & Non - cash Items	70,231	35,709
Changes in Operating Assets		
Accrued Costs	2,131	(26,549)
Bonds Paid	1,432	(932)
Deposits Paid	907	7,000
GST	(14,803)	33,131
Income in Advance	20,787	271,764
PAYG Withholding Payable	15,244	(51,238)
Prepayments	(14,037)	(13,962)
Provisions	23,099	(47,820)
Sundry Creditors	-	-
Superannuation Payable	20,727	(2,080)
Trade Creditors	42,762	8,074
Trade Debtors	(69,505)	920
Total Changes in Operating Assets	28,743	178,307
Net Cash Provided by Operating Activities	364,160	268,594

Auditor's Report

ZERO2HERO INC

For the year ended 31 December 2024