

Performance Report

The Institute of Internal Auditors New Zealand

For the year ended

31 December 2024

The Institute of Internal Auditors New Zealand

Performance Report

For the year ended
31 December 2024

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Entity Information

Legal Name of Entity:	The Institute of Internal Auditors New Zealand
Other Name of Entity:	IIA NZ
Type of Entity and Legal Basis:	Incorporated Society as per the Incorporated Societies Act 1908
Registration Number	286440
The Institute Mission:	Advocating and promoting the practice of internal auditing.

The Institute is required to operate within the scope of its objectives. The following objectives outline the activities that the Institute may undertake.

The primary aims and objectives of IIA NZ are to encourage practising internal auditors to adopt the professional standards and the code of ethics.

IIA NZ fosters training, education, qualifications of its members, and provides professional communications keeping members informed of local practice updates.

Entity Structure:

IIA NZ is a membership organisation with over 600 individual members across New Zealand with three staff working 4-day weeks. The Board of Directors comprises up to 7 Directors elected by the membership annually. The Board has the ability to co-opt up to 3 additional Directors. The maximum number of Board members shall not exceed 10 in total.

Main Sources of the Entity's Cash and Resources:

Member subscriptions, provision of professional development training courses and hosting an annual conference.

Main Methods Used by the Entity to Raise Funds:

Member subscriptions and revenue from professional development courses and annual conference.

Entity's Reliance on Volunteers and Donated Goods or Services:

The Board and committee members are unpaid positions. Reliance of members to provide their time freely to pursue, assist, advocate and promote the profession and the office of IIA. A limited number of businesses provide meeting rooms to hold meetings and networking events free of charge, of which we are most grateful.

Additional Information:

The entity undertakes to promote the internal audit profession in the New Zealand territory by agreement with IIA Global. The standards and code of ethics are global standards and promoted in New Zealand as the benchmark measure of internal audit performance, credibility and reliability.

Contact details

Email/Website: www.ianz.org.nz

Statement of Service Performance

The Institute of Internal Auditors New Zealand

For the year ended
31 December 2024

Summary of Quantified Impact (2024):

IIA NZ Outputs	2024	2023	2022	2021
All training and events	194	135	77	30
Advocacy submission	3	1	2	2
Monthly newsletter	11	11	8	13
Situations Vacant Advertising	18	42	26	79

** All events included in the table above encompass a range of formats, including Networking Forums, online training and events (both local and international), facilitated training courses, and Special Interest Group sessions.

- 194 events delivered (↑43% from 2023)
- 133 attendees at Conference 2024
- 27 IA Awareness Month events
- Membership range: High of 813 (Jan) to 728 (Nov), as a consequence of government reforms
- Partnerships with 8/9 universities
- Increased our advocacy voice with 3 submissions
- Significant policy submissions and new advocacy materials developed
- Creation and implementation of the IIA NZ Mentorship Programme
- Creation and implementation of the IIA NZ Training Programme
- Confirmation of IIA NZ Training Programme partnership with Massey University
- Awarded Global IA Awareness Month Champion
- Expansion of Ambassador Programme

IIA NZ Strategy Pillars 2024 – 2028

STRATEGY PILLARS

1.

**MEMBERSHIP GROWTH
AND ENGAGEMENT**

GOAL: Foster a vibrant and engaged community of IA professionals.

2.

**PROFESSIONAL DEVELOPMENT
AND KNOWLEDGE SHARING**

GOAL: Provide comprehensive professional development opportunities and thought leadership.

3.

**INNOVATION AND
TECHNOLOGY INTEGRATION**

GOAL: Harness technology to drive organizational efficiency and member engagement.

4.

ADVOCACY AND LEADERSHIP

GOAL: Elevate the influence and visibility of IIANZ in the IA profession.

5.

**OPERATIONAL EXCELLENCE
AND SUSTAINABILITY**

GOAL: Ensure efficient operations and financial sustainability.

6.

**FINANCIAL HEALTH
AND GROWTH**

GOAL: Maintain financial stability and diversify revenue streams.

Statement of Service Performance

The Institute of Internal Auditors New Zealand

For the year ended
31 December 2024

Description of Medium and Long-Term Objectives

The Institute of Internal Auditors New Zealand (IIA NZ) is dedicated to advancing the Internal Audit profession by focusing on strategic objectives that promote growth, professional excellence, innovation, advocacy, operational efficiency, and financial sustainability.

1. Membership Growth and Engagement

In the medium to long term, IIA NZ aims to expand its membership base and strengthen member engagement by delivering value through initiatives such as the Mentorship Career

Development Programme, IIA NZ Training Programme, Ambassador Programme, and University Connect Programme. These initiatives are designed to foster a vibrant and inclusive community of Internal Audit professionals, encouraging participation across both New Zealand and the Pacific Islands.

2. Professional Development and Knowledge Sharing

The Institute remains committed to delivering comprehensive and accessible professional development opportunities. This is demonstrated through the significant increase in events delivered (up over 153% since 2022) and the introduction of the IIA NZ Training Programme in partnership with Massey University. These offerings ensure that members are equipped with up-to-date knowledge, practical skills, and pathways to certification.

3. Innovation and Technology Integration

Embracing innovation, IIA NZ is focused on leveraging digital tools and systems to enhance the member experience and improve operational processes. Initiatives such as the Quarterly Member Snapshot Report and the implementation of automated systems, including membership renewals and event management tools, reflect our commitment to ongoing digital transformation and service improvement.

4. Advocacy and Leadership

Through proactive advocacy efforts and strategic leadership, IIA NZ aims to elevate the voice and visibility of the Internal Audit profession. The Institute has prioritised policy development and strengthens relationships with key organisations such as the SFO, OAG, NZX, and Institute of Directors. These partnerships support the profession's contribution to good governance, risk management, and integrity in both public and private sectors.

5. Operational Excellence and Governance

Internally, IIA NZ is focused on achieving operational excellence by aligning with Global Internal Audit Standards and implementing robust governance frameworks. Recent activities have included a Board Strategy Day, development of a Board Skills Matrix and Annual Work Plan, and a implementation of a future Finance Officer/Treasurer roles to ensure clear oversight and effective fiscal decision-making.

6. Financial Health and Sustainability

To support long-term financial stability, the Institute is diversifying income streams and ensuring that key events such as Education Day and the Annual Conference and the new IIA NZ Training Programme delivered in partnership with Massey University contribute positively to the bottom line. By setting realistic profit targets and reviewing discount structures, IIA NZ is focused on building and then maintaining financial resilience while continuing to deliver value to members.

7. Global Alignment and Collaboration

In alignment with these goals, IIA NZ actively collaborates with The Institute of Internal Auditors (IIA) Global Headquarters to strengthen and leverage international resources. This partnership enables the sharing of best practices, access to global guidance, and participation in international initiatives. By integrating the Global Internal Audit Standards, IIA NZ ensures its members are supported in navigating the evolving audit landscape locally and globally.

Statement of Service Performance

The Institute of Internal Auditors New Zealand

For the year ended
31 December 2024

Key achievements against the Strategic Objectives

Strategic Objective	Key Activities (2024)
1. Membership Growth and Engagement	1. Expanded Ambassador Programme to underserved NZ regions.
	2. Increased participation in Tenure Pin Awards.
	3. Launched Member Snapshot for personalised engagement insights.
	4. Implemented automated membership renewals at the end of 2024, for the 2025 tenure year.
	5. Developed the new University Connect Programme to strengthen partnerships with 8 out of 9 NZ universities.
	6. Offered complimentary student memberships and launched "Day in the Life" video.
	7. Managed membership fluctuations (728 members as at 30 Nov 2024).
2. Professional Development and Knowledge Sharing	1. Delivered 194 events in 2024 (43% increase from 2023).
	2. Launched Massey University Training Programme.
	3. Ran Emerging Auditors Forum (quarterly hybrid, KPMG sponsored).
	4. Held Auditor-in-Charge Mentorship Forum (sponsored by Deloitte).
	5. Hosted Education Day with both foundational and advanced content.
	6. Delivered Ethics for Auditors workshops.
	7. Provided CIA Exam Q&A sessions and certification support.
3. Innovation and Technology Integration	1. Developed and launched Member Dashboard tool.
	2. Created Global IA Standards online resource hub.
	3. Implemented automated invoicing system for renewals.
	4. Planned CRM upgrade for 2025 to improve user experience.

Statement of Service Performance

The Institute of Internal Auditors New Zealand

For the year ended
31 December 2024

Strategic Objective	Key Activities (2024)
	Creation and implementation of the IIA NZ Training and Mentorship Programme and established a partnership with Massey University
4. Advocacy and Leadership	1. Delivered 27 events for Global IA Awareness Month.
	2. Won Global IA Awareness Month Champion Award.
	3. Established dedicated policy submission working group.
	4. Strengthened relationships with IoD, SFO, OAG, NZX, and TINZ.
	5. Developed advocacy resources (FAQs, factsheets, videos).
	6. Future development of the IIA NZ Pacific Islands Forum (June 2026).
	7. Supported Global IA Standards rollout through events and resource development.
5. Operational Excellence and Sustainability	1. Held Board Strategy Day to align with Global IIA expectations.
	2. Initiated Board Skills Matrix and Annual Work Plan.
	3. Drafted Financial Delegation Policy.
	4. Review of Finance Officer and Treasurer roles.
	5. Managed CRM limitations with manual workarounds.
6. Financial Health and Growth	1. Approved 10% fee increase and reduced discount tiers
	2. Set \$60,000 net profit target for 2025 Conference.
	3. Delivered 2024 Conference with 133 attendees and 7 integrated events.
	4. Diversified income through expanded training and new initiatives.

Statement of Financial Performance

The Institute of Internal Auditors New Zealand

For the year ended
31 December 2024

	<i>Notes:</i>	2024 Actual \$	2023 Actual \$
Income			
Membership fees and subscriptions		262,683	244,463
Revenue from commercial activities	13	202,997	242,078
Interest, dividends and other investment revenue		26,652	21,640
Other revenue		2,361	6,987
Total Income		494,692	515,168
Less Operating Expenses			
Employee remuneration and other related expenses		319,950	271,506
Expenses related to commercial activities	13	116,266	157,526
Other expenses related to service delivery	14	56,652	45,915
Other expenses	15	71,700	88,616
Total Expenses		564,569	563,563
Surplus / (Deficit) for the year		(69,877)	(48,395)

Statement of Movements in Total Funds

The Institute of Internal Auditors New Zealand

For the year ended
31 December 2024

	2024	2023
	\$	\$
Funds		
Opening Balance	451,412	499,807
Plus Movement for the Year		
Current Year Earnings	(69,877)	(48,395)
Total Movement for the Year	<u>(69,877)</u>	<u>(48,395)</u>
Total Funds	<u>381,535</u>	<u>451,412</u>

Statement of Financial Position

The Institute of Internal Auditors New Zealand

As at 31 December 2024

	Notes:	2024	2023
		\$	\$
Assets			
Current Assets			
Cash and short term deposits	8	487,827	467,084
Debtors and prepayments	9	3,522	25,911
Total Current Assets		491,349	492,995
Non Current Assets			
Property, plant and equipment	10	13,288	5,879
Total Non Current Assets		13,288	5,879
Total Assets		504,637	498,874
Liabilities			
Current Liabilities			
Creditors and accrued expenses	11	16,700	22,083
Employee costs payable		40,861	18,485
Deferred revenue		65,541	6,894
Total Current Liabilities		123,102	47,461
Total Liabilities		123,102	47,461
Net Assets		381,535	451,412
Accumulated Funds			
Accumulated surpluses or (deficits)		381,535	451,412
Total Accumulated Funds		381,535	451,412

Signed by:



Chairperson

Date: 22-April-2025

Signed by:



CEO

Date: 22-April-2025

Statement of Cash Flows

The Institute of Internal Auditors New Zealand

For the year ended 31 December 2024

Account	Notes:	2024	2023
		\$	\$
Cash Flows from Operating Activities			
Operating receipts (money deposited into the bank account)			
Membership fees and subscriptions		320,905	251,780
Gross sales from commercial activities		219,088	226,014
Interest, dividends and other investment receipts		27,409	20,824
Other cash received		8,083	10,596
Total receipts		575,485	509,215
Less operating payments (money withdrawn from you bank account)			
Employee remuneration and other related payments		297,274	253,494
Payments related to commercial activities		112,949	150,626
Other payments related to service delivery		56,376	53,781
Other payments		77,961	70,625
Total payments		544,560	528,526
Net Cash Flows from Operating Activities		30,925	(19,311)
Cash Flows from Other Activities			
Cash was provided from:			
Investment maturity (term deposits)		20,000	339,454
Total receipts		20,000	339,454
Operating payments (money withdrawn from you bank account)			
Investment purchase (term deposit)		100,000	300,000
Payments to acquire property, plant and equipment		10,394	2,621
Total payments		110,394	302,621
Net Cash Flows from Other Activities		(90,394)	36,833
Net increase/(decrease) in cash		(59,469)	17,522
Opening cash	8	161,886	144,365
Closing cash	8	102,417	161,886

Notes to the Performance Report

The Institute of Internal Auditors New Zealand

For the year ended 31 December 2024

1. Statement of Accounting Policies:

The financial statements are for The Institute of Internal Auditors New Zealand (IIA NZ) as a separate legal entity.

The IIA NZ is an incorporated society registered under the Incorporated Societies Act 1908. The financial statements have been prepared in accordance with generally accepted accounting practice. The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical cost basis have been used, with the exception of certain items for which specific accounting policies have been identified.

The financial statements are prepared in accordance with the XRB's Tier 3 (NFP) Standard. The IIA NZ is eligible to apply these requirements as it does not have public accountability and has total annual expenses of less than \$5,000,000. All transactions in the performance report are reported using the accrual basis of accounting. This performance report is prepared under the assumption that the entity will continue to operate for the foreseeable future. The entity commenced reporting under this framework on the 1st January 2024.

Financial information has been rounded to the nearest dollar.

There have been no changes in Accounting Policies. All policies have been applied on bases consistent with those used in previous years.

2. Accounts Receivable:

Receivables are stated at their estimated realisable value. An estimate is made for doubtful debts based on a review of all outstanding amounts at year-end. Bad debts are written off in the year in which they are identified.

3. Fixed Assets and Depreciation:

All fixed assets are recorded at cost less accumulated depreciation.

Depreciation of assets has been calculated to represent the useful life of assets.

The entity has the following asset classes:

Computer Software: 33% Straight Line

Office Equipment: 13-50% Diminishing value

4. Goods and Services Tax:

These financial statements have been prepared on a GST exclusive basis with the exception of Accounts Receivable and Accounts Payable. IIA NZ is registered for GST.

5. Income Tax:

IIA NZ taxation policy is for the treatments of all transactions to comply in full to all schedules and provisions legislated in the Income Tax Act 2007.

6. Revenue:

Revenue is recognised in the statement of financial performance in the period in which it is earned. Income received in advance at balance date for services not yet provided or where obligations have not been fulfilled is deferred and treated as income in advance.

Notes to the Performance Report
The Institute of Internal Auditors New Zealand
For the year ended 31 December 2024

7. Bank Accounts and Cash:

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 12 months or less.

8. Cash and short term deposits	2024	2023
	\$	\$
Bank		
ANZ Cheque Account	103,381	152,331
ANZ Call Account	5	9,556
Total bank	103,387	161,886
Short term deposits	380,000	300,000
Accrued interest	4,440	5,197
Total cash and short term deposits	487,827	467,084
Total bank (above)	103,387	161,886
Credit card (Note 12 below)	(970)	-
Net cash and equivalent (Statement of Cashflows)	102,417	161,886

9. Debtors and prepayments	2024	2023
	\$	\$
Debtors	1,220	21,074
Creditors in credit	773	-
Prepayments	1,530	4,837
Total debtors and prepayments	3,522	25,911

10. Fixed Assets:	2024	2023
	\$	\$
Computer Software		
Carrying amount at beginning of year	5,057	5,815
Less Depreciation	(505)	(758)
Total	4,552	5,057

<u>Office Equipment</u>		
Carrying amount at beginning of year	822	587
Plus additions	1,394	2,621
Less Disposals	-	(1,267)
Less Depreciation	(1,119)	(1,119)
Total	1,097	822

<u>Course Materials</u>		
Carrying amount at beginning of year	-	1,596
Plus additions	9,000	-
Less Depreciation	(1,361)	(1,596)
Total	7,639	-
Total Fixed Assets	13,288	5,879

Notes to the Performance Report
The Institute of Internal Auditors New Zealand
For the year ended 31 December 2024

11. Creditors and accrued expenses	2024	2023
	\$	\$
Creditors	5,962	4,474
Credit Card	970	-
GST Payable	2,561	1,053
Debtors in credit	1,207	1,556
Accrued expenses	6,000	15,000
Total creditors and accrued expenses	16,700	22,083

12. Taxation:	2024	2023
	\$	\$
Surplus/(loss) for the year ending 31-March	7,453	(8,401)
Loss brought forward	(319,283)	(310,882)
Net assessable surplus/(loss)	(311,830)	(319,283)

Tax payable	-	-
Deduct: Income tax paid	-	-
Terminal tax due / (refund due)	-	-

The Institute of Internal Auditors income tax year ends 31-March. This note is a reflection of the income tax position confirmed with the Inland Revenue.

The Institute of Internal Auditors is a non-profit body and as such is taxed only on income sourced from outside the circle of membership. Income tax is accounted for using the taxes payable method after taking full advantage of all deductions and concessions. No provision has been made for deferred taxation.

The Institute has \$311,830 of tax losses to carry forward at 31-March-2024 (2023: \$319,283).

13. Results from commercial activities:	2024	2023
	\$	\$
Conference income	153,845	137,363
Education income	49,152	104,715
Less Conference expenses	(95,311)	(113,365)
Less Education expenses	(20,955)	(44,161)
Net results from commercial activities	86,731	84,551

14. Other expenses related to service delivery:	2024	2023
	\$	\$
Affiliation membership	25,573	22,087
Global IIA Assembly Attendance	18,273	18,686
Website and membership database	12,807	5,141
Total other expenses related to service delivery	56,652	45,915

Notes to the Performance Report
The Institute of Internal Auditors New Zealand
For the year ended 31 December 2024

15. Other expenses:	2024	2023
	\$	\$
Accountancy Fee	2,941	3,185
Audit Fees	8,050	14,049
Bad debts	60	75
Board travel and meetings	6,025	2,225
Depreciation	2,985	3,472
Finance charges	3,857	3,154
IIA App	3,240	3,240
Insurance	3,496	3,446
Legal Fees	6,048	-
Prizes & Awards	3,006	5,011
Regional expenses	647	4,342
Strategic committee spend	8,545	1,565
General, minor assets & equipment	5,767	4,728
IT support and software subscriptions	6,502	16,115
Office and administration expenses	7,660	23,380
Domestic travel	2,870	630
Total other expenses	71,700	88,616

16. Related Parties:

Related party transactions require disclosure if on different terms and conditions to non-related parties, or if significant to the IIA.

Members of the IIA Board, being full members of the Institute, qualify as related parties.

IIA Board member transactions are all on the same terms and conditions as other members, thus not requiring additional disclosure.

Transactions in aggregate with individual Board members are also not of significance, thus not requiring additional disclosure.

17. Operating Lease Commitments:

Operating lease commitments at balance date are \$nil (2023: \$nil).

18. Contingent Liabilities:

At balance date contingent liabilities have been estimated at \$nil (2023: \$nil).

19. Capital Commitments:

Capital commitments at balance date are \$nil (2023: \$nil).

20. Going Concern:

The IIA has evaluated its going concern in consideration of it's 2024 and 2023 deficit. The IIA has no concerns in regard to its ongoing financial sustainability.

The Board evaluated a safe level of reserves for its going concern to be \$300,000.

21. Subsequent Events:

There were no events post balance date, which has had a significant impact on the information included in the Performance Report (2023: nil).



**INDEPENDENT ASSURANCE PRACTITIONER'S REVIEW REPORT
TO THE MEMBERS OF THE INSTITUTE OF INTERNAL AUDITORS NEW ZEALAND**

Report on the Performance Report

We have reviewed the accompanying performance report of The Institute of Internal Auditors New Zealand ("the Society") which comprises the entity information, the statement of service performance, the statement of financial performance, and statement of cash flows for the year ended 31 December 2024, the statement of financial position as at 31 December 2024, and the statement of accounting policies and other explanatory information.

Board's Responsibility for the Performance Report

The Board is responsible for the preparation and fair presentation of the performance report in accordance with the Tier 3 NFP Standard, and for such internal control as the Board determine is necessary to enable the preparation of a performance report that is free from material misstatement, whether due to fraud or error.

Assurance Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying performance report. We conducted our review in accordance with International Standard on Review Engagements (New Zealand) (ISRE (NZ)) 2400, *Review of Historical Financial Statements Performed by an Assurance Practitioner who is not the Auditor of the Entity* ("ISRE (NZ) 2400"), and our review of the entity information and the statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. Those standards require us to conclude whether anything has come to our attention that causes us to believe that the performance report, taken as a whole, is not prepared in all material respects in accordance with the Tier 3 NFP standard. Those standards also require that we comply with relevant ethical requirements.

A review of the performance report in accordance with ISRE (NZ) 2400 and ISAE (NZ) 3000 (Revised) is a limited assurance engagement. The assurance practitioner performs procedures, primarily consisting of making enquiries of management and others within the Society, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand) and ISAE (NZ) 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. Accordingly, we do not express an audit opinion on this performance report.

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that:

- a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are not suitable;
- b) the performance report does not present fairly, in all material respects the financial position of the Institute of Internal Auditors as at 31 December 2024, and the entity information, service performance, financial performance, and cash flows for the year then ended in accordance with the Tier 3 NFP Standard.

BDO Wellington Audit Limited

BDO WELLINGTON AUDIT LIMITED

Wellington

New Zealand

22 April 2025