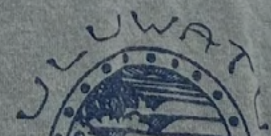




celebrating
25
YEARS
1998 - 2023

**WIEMU HAKARAIA (9)
BONE MARROW RECIPIENT**



ALIVE AND THRIVING

THANKS TO THE SELFLESS GENEROSITY OF DONORS AND THEIR WHĀNAU



12 JOHN MOYLE,
PLASMA RECIPIENT



18 MIKYLA WINCHCOMBE,
BLOOD RECIPIENT



34 WIREMU HAKARAIA,
BONE MARROW RECIPIENT



38 BERNIE MCDOUGALL,
HEART TRANSPLANT RECIPIENT

WILL YOU JOIN OUR WHĀNAU OF LIFESAVERS?



SCAN NOW TO CHECK IF YOU'RE ELIGIBLE TO DONATE!

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Presented to the House of Representatives pursuant to section 150 of the Crown Entities Act 2004

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TIROHANGA WHAKAMURI

THE YEAR IN REVIEW

It has been another year of growth and challenge for Te Ratanga Toto O Aotearoa | New Zealand Blood Service (NZBS)¹ as we continue negotiating the most transformative period in our history.

The year started on a celebratory note, with July 1 marking NZBS's silver anniversary and presenting an opportunity to reflect on the immense contributions made by donors, staff, volunteers, and supporters over 25 years.

Since the organisation's inception, more than 610,000 donors have gifted more than 3.1 million whole blood donations and 865,000 plasma donations, helping more than 544,000 people.

We've come a long way since 1998, but our life-saving mission has only solidified and expanded with time and the addition of Organ Donation New Zealand (ODNZ), the National Heart Valve Bank, and the New Zealand Bone Marrow Donor Registry (NZBMDR) to our NZBS whānau.

This year, donors have generously gifted more than 217,500 units of life-saving blood or plasma, our ODNZ team has facilitated the donation of almost 200 organs from 71 donors, and our NZBMDR team has enabled 54 bone marrow transplants.

GROWING OUR LIFESAVING WHĀNAU

In February, we made the biggest-ever change to our donation criteria when we lifted the vCJD 'mad cow' restriction. Finally, we were able to welcome donors who had previously been excluded because they had lived in the United Kingdom, France, or the Republic of Ireland for six months or more between 1980 and 1996. More than 15,000 people pre-registered their interest in donating and more than a third have so far gone on to donate or book appointments with us – providing a welcome boost to our donor numbers.

Overall, this year we've seen a healthy increase in our number of whole blood donors, with our panel up by more than 8,000 people compared with last year. While pleasing, this is a trajectory that must steepen and gain pace to support the ongoing need for blood and blood products.

BUILDING FOR THE FUTURE

With demand across all areas of our operation only growing, our extensive programme of work to redevelop and future-proof our facilities, systems, and equipment has also continued unabated. This year we opened long-awaited, fit-for-purpose donor centres in Tauranga and Hamilton, a new mobile venue in West Auckland, and made significant progress on Stage 1 of our biggest-ever infrastructure undertaking, our 4,000m² Highbrook facility.

We introduced new Aurora machines for plasma collection, rolled out the ISBT 128 international standard for labelling and identifying medical products of human origin, and began the switch from air freight to sea freight for transporting our plasma to Australia for fractionation - a change that delivers environmental, financial, and other benefits.

At the end of January, we also launched our new Donor Relationship Management system. This was not without its challenges and our teams have worked hard since its launch to iron out the unanticipated issues we encountered.

All these projects have required significant time and energy of our staff - sometimes alongside their business-as-usual activities - to ensure safe, high-quality products and services for New Zealanders. We recognise their hard work and dedication throughout the year.

NAVIGATING CHALLENGE

This year we have again wrestled with the challenge of meeting the growing demand for plasma and plasma-derived products. We have continued planning and implementing new strategies to boost our productivity and grow our plasma donor panels - work that will further intensify in the year ahead. Ultimately, the number of people who donate plasma in New Zealand must increase if we are to keep pace with demand and stay within reach of our goal of self-reliance for plasma.

We also faced a difficult period near the end of the year, with some staff belonging to the PSA and APEX unions taking industrial action in support of their claims for increased pay. The action impacted our operations (our collections dropped by 20 per cent over that time) and we faced significant financial challenge. However, we were pleased to ultimately be able to settle both claims and most importantly, to ensure equity for our people and pay parity for those of our staff working in comparable roles to their Te Whatu Ora counterparts.

It has been an exceptionally busy year of change and transformation for New Zealand Blood Service. The selfless contributions of our donors, and the skill and commitment of our staff, have again been critical in helping to save and improve the lives of New Zealanders; for that, we extend our sincere and heartfelt thanks.

Fiona Pimm
Fiona Pimm
 Board Chair

Sam Cliffe
Sam Cliffe
 Chief Executive



THIS YEAR'S 25TH ANNIVERSARY CELEBRATIONS featured a commemorative book, pins for staff, chocolates for donors, a celebration day with cake for staff around the motu, and a commemorative video documenting 25 years of NZBS – launched by way of a 'popcorn premiere'. A very special evening event hosted by Governor General Her Excellency the Rt Hon Governor Dame Cindy Kiro at Government House Auckland also brought together donors, recipients, and staff who have served NZBS since its inception. Together, these activities were recognised with a Silver Award in the Internal Communications category of the 2024 Public Relations Institute of New Zealand (PRINZ) Awards in May.





25

YEARS

1998 - 2023

CELEBRATING 25 YEARS OF LIFESAVING WORK THIS JULY

Thank you for being part of the NZBS legacy

GIVE BLOOD. GIVE PLASMA. GIVE HOPE

 Book now
  0800 448 325
  nzblood.co.nz

¹ New Zealand Blood Service (NZBS) was established in 1998 under the New Zealand Public Health and Disability Act 2000 (replaced by the Pae Ora Healthy Futures Act from July 1, 2022). In 2019, the Organ Donors and Related Matters Act was passed, and Organ Donation New Zealand (ODNZ) was subsequently integrated into New Zealand Blood Service in 2020. As a result, New Zealand Blood Service's legal name became New Zealand Blood and Organ Service. However, the organisation continues to operate as New Zealand Blood Service (NZBS). Where 'New Zealand Blood Service' and 'NZBS' appear in this report, they refer to the work of New Zealand Blood and Organ Service.

TŌ MĀTOU TŪMANAKO ME NGĀ WHANONGA PONO
OUR PURPOSE, VISION
AND VALUES

OUR PURPOSE

To ensure the health needs of people in New Zealand are supported by the availability of safe and appropriate blood, blood products, tissues and related services.

OUR VISION

To be recognised for excellence in meeting the needs of donors, patients, our staff, and the wider healthcare community.

OUR SHARED VALUES

We strive to achieve our vision and purpose in accordance with our shared values and driving principle of safety:

SAFETY IS OUR CORNERSTONE
KO TE HAUMARU TĀ MĀTAU MĀTAPONO TAKETAKE



OUR SHARED VALUES:

KIA TAU KI TE TIHI
STRIVING FOR EXCELLENCE

TE MAHI NGĀTAHI
TEAMWORK

TE PONO ME TE TIKA
INTEGRITY AND RESPECT

TE WHAKAWHITIWHITI WHAKAARO I
RUNGA I TE MĀHARAHARA
OPEN COMMUNICATION

TE HAUMARU HOKI TE KATOA
SAFETY FOR ALL

These values have been co-designed by staff, volunteers, blood donors and patients. Behind each value is a set of behaviours that guide the way we treat each other and conduct our business. They inspire us, motivate us and drive us to provide the very best service to the New Zealand public.

NGĀ TAU

NZBS IN NUMBERS

 **THE ONLY BLOOD SERVICE IN NEW ZEALAND**

MORE THAN
900
TOTAL STAFF

 **FOUNDED IN 1998**

1940
 **OUR OLDEST DONOR**

2008
 **OUR YOUNGEST DONOR**

10  **DONOR CENTRES ACROSS THE MOTU**

122,201

ACTIVE BLOOD AND PLASMA DONORS* AS AT 30 JUNE 2024

350
MOBILE PLASMA DRIVES AT 10 LOCATIONS



1185
MOBILE BLOOD DRIVES AT 321 SEPARATE LOCATIONS



4,233
AVERAGE NUMBER OF DONATIONS PER WEEK



93,749 PLASMA UNITS
2,789 PLATELET UNITS
42 GRANULOCYTE UNITS

123,565
WHOLE BLOOD UNITS COLLECTED IN 2023/24

AROUND 4  **WONDERFUL VOLUNTEERS NATIONALLY**



3 MANUFACTURING SITES
6 BLOOD BANKS
3 SPECIALIST LABORATORIES

* Figure includes active donors who have gifted plasma during the 23/24 year but who may have subsequently been 'deferred'. This is when a donor becomes ineligible to donate, either temporarily or permanently.

MAHERE HEI KAIORA TANGATA

HOW TO SAVE A LIFE

IT'S AS EASY AS 1-2-3

1. Check you are eligible to donate by viewing the eligibility criteria on our website: nzblood.co.nz.
2. Eligible? Great! You can [make an appointment at nzblood.co.nz](http://nzblood.co.nz), via the NZ Blood Donor app, or by calling 0800 GIVE BLOOD (0800 448 325).
 - [App for Android](#)
 - [App for Apple](#)
3. You can donate **blood** at our donor centres or attend a mobile blood drive in your area.

You can donate **plasma** at one of our donor centres or, if based in Auckland, at one of six mobile plasma drive locations available.

Platelet donors require special machines, so you can donate at one of our four donor centres that collect platelets: Epsom Donor Centre, Hamilton Donor Centre, Wellington Donor Centre, and Christchurch Donor Centre.

WHAT HAPPENS TO YOUR DONATION?

- In our laboratories, blood is spun in centrifuges to separate the red blood cells, platelets and plasma. Our scientists test every donation for infectious diseases and identify the blood type.
- Plasma can be made into two fresh blood components – Fresh Frozen Plasma (FFP) or Cryoprecipitate. It can also be made into blood products. Some of the plasma we collect is sent to CSL Behring in Australia, where it is processed and separated out to make up to 11 lifesaving blood products (see page 11). These are then returned to New Zealand for use in patients here.
- Blood and blood products are stored until they are needed. The shelf life and temperature requirements are different for each blood component:
 - Red blood cells are stored in refrigerators at 6°C for up to 35 days. They are used to treat people with chronic anaemia caused by problems such as kidney failure and cancer, and for acute blood loss resulting from trauma or surgery.
 - Platelets are stored at room temperature for up to seven days. They are used to control bleeding following cardiac surgery and trauma, and to treat some blood diseases and cancer.

CAN I DONATE?

You may be able to donate blood from the age of 16 until your 71st birthday if you are in good health and weigh more than 50kg

Before booking your appointment, check our key eligibility criteria:

- 1 / You must be in good health at the time you donate.
- 2 / If you have recently had a tattoo, you must wait three months from the date of the procedure before you can donate.
- 3 / If you have recently travelled overseas, a stand-down period may apply. Please check the online travel tool on our website nzblood.co.nz to check your eligibility.

ELIGIBILITY CRITERIA ARE SUBJECT TO CHANGE.

FOR ADDITIONAL ELIGIBILITY CRITERIA, VISIT OUR WEBSITE: Nzblood.co.nz



THE MADNESS IS OVER!

In February, we were at last able to lift the donation restriction for people who had lived in the United Kingdom, France, or the Republic of Ireland for six months or more between 1980 and 1996.

Alongside blood services in countries like Australia, the US, and Canada, New Zealand first introduced the restriction as a precautionary measure due to concerns about the potential transmission of 'mad cow' - variant Creutzfeldt-Jakob (vCJD) - disease through blood and plasma transfusions.

There is now a large body of peer-reviewed scientific evidence to show the risk of acquiring the disease this way is miniscule, supporting the decision to remove the restriction.

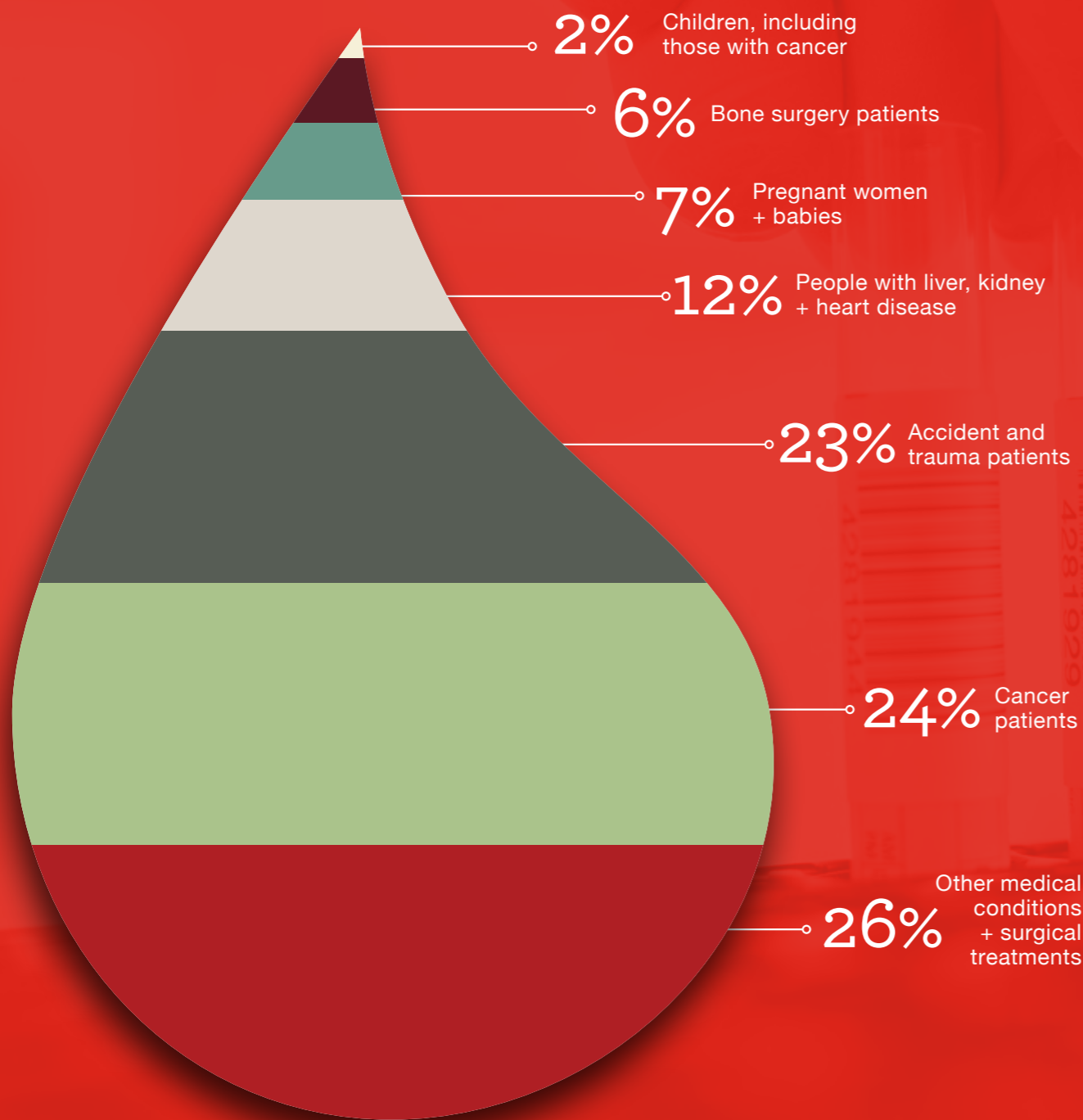
GIVE BLOOD. GIVE PLASMA. GIVE HOPE.



KO WAI E HIAHIA TŌKU TOTO?

WHO NEEDS MY BLOOD?

RED BLOOD CELLS ONLY LAST 35 DAYS AND HELP A VARIETY OF PATIENTS, WITH PARTICULAR CARE TAKEN TO ENSURE BLOOD TYPE COMPATIBILITY.



WAI ĀWHEO

LIQUID GOLD

PLASMA IS THE LIQUID PART OF OUR BLOOD. WE CALL IT 'LIQUID GOLD' BOTH BECAUSE OF ITS COLOUR AND BECAUSE OF ITS VALUABLE LIFESAVING PROPERTIES.

YOU CAN GIVE PLASMA EVERY

2 WEEKS

93,749
UNITS OF PLASMA
COLLECTED IN 2023/24

21,904
PLASMA DONORS
IN 2023/24

90 MINUTES
TOTAL APPOINTMENT
TIME TO GIVE PLASMA
(APPROX.)

DEMAND FOR PLASMA IS
GROWING BY MORE THAN
10% EVERY YEAR

Plasma

Plasma makes up more than half the volume of blood in our bodies and contains proteins and antibodies. Plasma's proteins can be transformed into a number of specialised blood components and products.

Fresh Frozen Plasma (FFP)

This is plasma that has been frozen and carefully thawed for use. It is used to replace clotting factors when a patient is bleeding after major surgery or a serious accident.

Cryoprecipitate

Plasma that has been specially treated to produce a concentrated dose of clotting factors. It is mostly used for treatment of trauma patients and during cardiac and transplant surgery.



WHAKAORANGIA TĀNGATA HOW PLASMA SAVES LIVES

Plasma is used to treat people who have lost a lot of blood due to accidents or other trauma, and patients who have severe bleeding during surgery. It can treat up to 50 illnesses and is also used to create up to 11 lifesaving products that help to:



Boost the immune systems of people who have low levels of antibodies.



Control some autoimmune disorders where the patient's immune system is attacking their own tissues.



Provide special clotting factor concentrates for some people with haemophilia and other bleeding disorders.

With plasma being used to treat an increasing number of life-threatening conditions, demand for this 'liquid gold' is growing by more than ten per cent every year.

To guarantee surety of supply for New Zealanders now and into the future, we need many more people to become plasma donors, and existing donors to donate more often if they can.



Fractionated blood products.

DID YOU KNOW?

If you feel fatigued by giving blood, then you may be a great candidate for giving plasma. This is because your blood cells are returned to your bloodstream as part of the donation process!

LEARN MORE ABOUT WHETHER YOU CAN DONATE PLASMA BY:

CALLING
0800 448 325

VISITING
[NZBLOOD.CO.NZ/GIVE-PLASMA](https://www.nzblood.co.nz/give-plasma)

OR ASKING US NEXT TIME YOU'RE IN DONATING BLOOD!



SCAN ME



PROTHROMBINEX™-VF (FACTORS II, IX & X)

Used in patients who require reversal of anticoagulant therapy, and for preventing and treating bleeding in patients deficient in one or more of the II, IX or X clotting factors.



NORMAL IMMUNOGLOBULIN

Provides antibodies to help protect people against hepatitis A, measles and other viruses - for example, when travelling overseas to high risk areas, or if active immunisation is not possible or appropriate.



ALBUMEX®4

Replaces albumin in people who lose this protein due to severe burns or have very low albumin levels for other reasons. Also used to replace plasma during plasma exchange treatments, and may be used to treat shock due to blood loss.



HYPERIMMUNE GLOBULINS

Provides temporary protection against a specific infection, such as chickenpox, tetanus or hepatitis B.



BIOSTATE® (FACTOR VIII & VON WILLEBRAND FACTOR)

Contains blood clotting factor VIII and von Willebrand factor, two proteins that are essential for normal clotting. It is used in people with haemophilia A, and to provide von Willebrand factor for some people with very low function of this protein. The treatment is used to prevent bleeding during surgery or after injury.



ALBUMEX®20

Given to critically ill patients with a very low level of albumin in their blood due to factors such as extensive burns or acute blood or plasma loss.



PRIVIGEN NZ®, HIZENTRA NZ®, PRIVIGEN® & HIZENTRA®

Used to treat some immune deficiencies by replacing antibodies that provide protection against many infections. Also used to treat patients with overactive immune systems that can lead to some autoimmune disorders. They are often used when other treatments are not effective.

RH(D) IMMUNO- GLOBULIN-VF (ANTI-D)

Given to RhD negative women during pregnancy or after childbirth, this treatment prevents the mother from producing antibodies if her baby is RhD positive (i.e. incompatible with her own blood group). Without treatment, complications can arise for the baby (and for the mother's future babies), ranging from jaundice to serious anaemia or even death.

PLASMA: THE LIFESAVING GIFT A RECIPIENT WANTS EVERYONE TO KNOW ABOUT

For John Moyle, the road to recovery from cancer was paved not just with medical treatment, but with the generosity of plasma donors.

Now, he's advocating for others to pay it forward.

Born and bred in Dunedin, John owns a supermarket in Green Island with his wife and has always been an active member of the community. A testicular cancer diagnosis at age 39 came as a shock, but John successfully completed chemotherapy and was ready to put the experience behind him.

However, a sudden outbreak of rashes and muscular weakness on his honeymoon led John's doctors to wonder if perhaps something else was going on.

"They told me I had developed a neurological condition called dermatomyositis which attacks your immune system," John says. "The weird thing is, I got it after the cancer. For most people it's the other way around."

John tried various drugs to manage the condition – more chemo drugs, steroids – but they made him sick, and his doctors didn't want him on high doses of steroids for too long. So, they recommended John begin regular intravenous immunoglobulin (IVIg) transfusions, a decision that would have a marked impact on his life.

IVIg is prepared from plasma donated by thousands of people, to make a concentrated and diverse collection of antibodies called immunoglobins, which help defend against infections and disease. The immunoglobins are transfused intravenously and the process takes around five hours.

"These transfusions have kept my immune system functioning for the past 13 years," John says.

"Rain or shine, I make my way over to the hospital every four weeks. It's not an appointment I can afford to miss."

When the dermatomyositis was at its worst, John explains how he had to fully retreat from his community work and stay in bed all day – something that is very hard to do when you are the president of a cricket club,

on several boards of trustees and run the day-to-day operations of a busy supermarket.

"The IVIG helped bring me back to Earth and keep things running at a good level," he says.

"I don't like the term 'living my best life' but I do try and live well. When you experience stuff like cancer or neurological conditions and you don't know how long you're going to be here, you sometimes go and do stuff that makes people look at you like you're crazy.

"But you have to make the most of it. Sometimes we get hung up on things rather than experiences. I won't be thinking about material things when I go – I'll be thinking about the people I've met, the good times I've had, and all the generous donors that allow me to live a 'normal' life."

John says his main goal now is to see his kids become adults.

Despite surviving dermatomyositis and cancer of the throat and testicles, John is raising four children who were – almost unbelievably – all born after and during his various diagnoses.

"That just shows you how resilient the body is!" he laughs.

Demand for plasma is growing in New Zealand by more than 10 percent per year and that is being driven by need for IVIG products.

These are used to help patients with low levels of antibodies, either due to illness such as infections, or cancers of the white blood cells and bone marrow, as well as some autoimmune disorders. Many patients who rely on IVIG transfusions require lifetime treatment on a regular basis, some as frequently as once a week.

Currently, there are around 17,500 plasma donors in New Zealand and on average they donate four times per year. Plasma donors can donate every two weeks.

"Getting people to donate, especially young people, is so crucial because it then becomes a regular occurrence, says John.

"Plasma, especially, is used now more than ever. Blood is still used for many things, but the plasma part of it is used for transfusions and I think the importance of it is still relatively unknown to people.

"Because of the IVIG transfusions - and because of the silent support I receive from thousands of people I'll never even meet - I've been able to live a normal life.

"I'm so thankful for that."

"THESE TRANSFUSIONS HAVE KEPT MY IMMUNE SYSTEM FUNCTIONING FOR THE PAST 13 YEARS. RAIN OR SHINE, I MAKE MY WAY OVER TO THE HOSPITAL EVERY FOUR WEEKS. IT'S NOT AN APPOINTMENT I CAN AFFORD TO MISS."



Thanks to the generosity of plasma donors, John Moyle can receive four-weekly treatments that enable him to make the most of life, including a recent trip to Greece.

NGĀ PĀNUI HIRAHIRA O TE KAITIAKI O TE KAITUKU

DONOR SERVICES HIGHLIGHTS

Donor Services comprises four interdependent functions: Marketing and Communications – to build brand awareness and increase donor panels and understanding through campaigns and media; Donor Relations – to maintain a sustainable donor population and retain existing donors through relationship development and appointment-scheduling to achieve collection targets; Administration – to welcome our donors and patients and support the wider Donor Services team; Collections – to collect whole blood, plasma, and platelets while ensuring donor health is protected and maintained.

Whole blood collections were up marginally this year, with 123,565 units collected compared with 121,117 last year. Plasma collections, however, were down again, with 93,749 units collected compared with last year's 101,448.

At the same time, demand for plasma continues to grow significantly - by more than 10 per cent in the last year. The decrease in units collected reflects a drop over time in how frequently our plasma donors donate and a smaller than needed number of plasma donors.

SUSTAINING AND GROWING OUR DONOR PANELS

New donor relationship management system

We launched our state-of-the-art donor relationship management system DRM365 on January 29, replacing our previous system that had reached the end of its life. Offering a substantial upgrade in capabilities, the custom-built platform will enhance our ability to engage effectively with donors.

As can be expected with a project of this magnitude, there were various challenges. However, our dedicated team has made remarkable progress in resolving these issues, working tirelessly to integrate the system into our daily operations. DRM365's introduction represents our ongoing commitment to strengthening our relationships with donors and improving the experiences they have with us.

The madness is over

February 29 saw the biggest ever change to our donor deferral criteria, when we were at last able to lift the restriction on people who had lived in the in the UK, Republic of Ireland, or France for six months or more between 1980 and 1996. The restriction had initially been introduced due to concerns about the potential

transmission of 'mad cow' - variant Creutzfeldt-Jakob (vCJD) - disease through blood and plasma transfusions.

A co-ordinated programme of activities was planned to raise awareness of the changes and encourage those previously affected by the restrictions to check their eligibility and register their interest in becoming donors.

The response was swift and strong, with approximately 15,500 people reaching out to understand more about the change and their ability to donate. More than a third (~4,500) went on to donate or schedule appointments to donate, leading to a significant and welcome increase in our whole blood donor panel.

SUCCESSFUL ZOSTER CAMPAIGN

We also had an excellent response to the campaign we launched in September calling for people to donate plasma if they had recently recovered from chickenpox or shingles.

Around four weeks after infection, people who have recovered from these illnesses tend to have high levels of the antibodies that are protective against the virus that causes them (Varicella-Zoster).

Their plasma can be used to make Zoster Immunoglobulin, a product that helps people for whom chickenpox or shingles could be life-threatening, including babies, non-immune pregnant women, and non-immune people who are immunosuppressed.

The campaign targeted both donors and medical professionals, with a collection target of 220 litres of plasma by May (each donor yields around 0.48L of plasma). Ultimately, 450 litres were collected by the end of May.

NATIONAL BLOOD DONOR WEEK

National Blood Donor Week is one of the most significant communication events for New Zealand Blood Service. A special occasion that typically aligns with World Blood Donor Day on June 14, it is a time when we recognise and acknowledge the vital contributions donors make to New Zealanders' wellbeing. This year, due to the potential impact of industrial action, we rescheduled the week and will celebrate it between August 12 and 18.

OUR PEOPLE

This year we welcomed a new National Marketing and Communications Manager to New Zealand Blood Service, the first change in this role for 17 years. Shane Paramore has brought a wealth of experience from the pharmaceutical industry, with a specialised focus in virology and oncology. He has worked in diverse health economies, including in New Zealand, the United Kingdom, and Singapore.

Meanwhile, we bid farewell to long-standing Nurse Education Manager Lisa Hurley after almost a decade with us.

Our Collections Teams work at our fixed and mobile sites and have continued to deliver a high-quality donor experience in the face of various challenges this year.

Similarly, our Administration Teams have continued their outstanding support of our donors. They are typically the first people donors encounter when visiting our centres and consistently receive overwhelmingly positive feedback.

Our Donor Relations Teams have also continued the critical task of working to retain existing donors and recruit new ones. Our donors' generosity is legendary but the task of finding more donors remains challenging despite hard work and innovative approaches.

OUR PLACES

New Waikato Hub and Hamilton Donor Centre

Around 22 months after the construction of our new Waikato Hub began, the impressive 1886m² facility was officially blessed by local iwi Tainui and opened on August 14.

Around 60 people attended the event, including staff, local donors and recipients, and Hamilton Mayor Paula Southgate.

With large windows, cityscape views and a bright, modern interior, the three-level facility is a far cry from the old Hamilton Donor Centre which was first opened on the Waikato Hospital site in March 1989.

With a fit-out cost of more than \$4.5 million, the Hub is also 938m² bigger than its predecessor and accommodates Administration, Logistics, Clinical, Donor Relations, HR, and National Office staff.

The easy-access site is future-equipped, with the capacity to

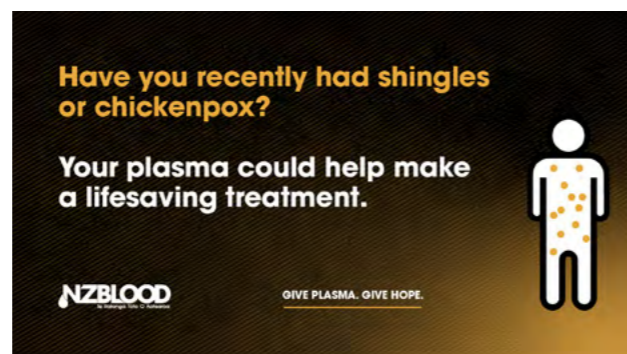
double the number of donor couches to 24 and offers greater flexibility in the number of available appointments. It also has more on-site donor parking.



Staff and guests gather for the official blessing and opening of the new Waikato Hub on August 14.



Tom Davies (left) and Koro Amai were the first donors to gift plasma when the new Hamilton Donor Centre opened its doors on August 14. It was Tom's 501st donation and Koro's 295th.



Long-awaited opening of new Tauranga Donor Centre

On April 8 we also celebrated the official opening of our new Tauranga Donor Centre, including a formal blessing led by Tamati Tata, kaumātua from the local Ngāi Tamarāwaho hāpu.

The new Tauranga facility, which cost \$2.4 million, has 15 beds - up from nine at the previous centre. It also offers a more spacious, functional, and modern environment for our donors and staff, as well as 15 onsite parking spaces for donors, up from five.

Henderson mobile venue offers new opportunity for plasma collection in Auckland

Then, on June 6, we opened the doors and welcomed donors to our new mobile venue at 289 Lincoln Road in Henderson.

This venue will allow us to reach more potential plasma donors in Auckland, where we currently have the smallest number of plasma donors relative to the eligible population - around 0.53 per cent.

In other New Zealand Blood Service centres, at least twice as many eligible people donate plasma.

This is a one-year pilot to see how well the new site works. If the results are positive, we will seek a Medsafe licence to establish a permanent location in Henderson as part of our strategy to meet the growing demand for plasma products in New Zealand.



The new Tauranga Donor Centre occupies Level 1 of 93 Cameron Road.



Tauranga staff, pictured with NZBS CEO Sam Cliffe, ready to welcome donors to the modern new centre.



New Lynn's Jacqui Stringer was the Henderson venue's first donor and is delighted to now be able to donate closer to home.



Murray Wright was the first donor to give blood at the new Tauranga Donor Centre; it was his 48th donation.



Some special treats awaited the first donors to visit the new Henderson mobile venue when it opened on June 6



Richard Dijk was the first donor to give plasma at the new Tauranga Donor Centre - the donation was his 200th.

OUR TECHNOLOGY

A phased rollout of the Aurora plasmapheresis system took place from December 2023 to April 2024, replacing the equipment we previously used to collect plasma from donors. Donor and frontline staff feedback has been very positive, with the process being more comfortable than the old technology and a little faster. This was one of the biggest changes in Donor Services' technology ever and for it to have gone as well as it did is a testament to all involved in its planning and delivery.



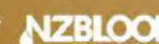
OUR YEAR IN CAMPAIGNS



Lifesaving plasma treats over 50 illnesses.

Pauline saves cats, but the plasma she donates twice a month saves thousands of lives. Pauline is an ordinary person with extraordinary kindness. Are you?

Don't wait! Demand for plasma is high and growing. Book to donate now at nzblood.co.nz/plasma



Going on holiday this Xmas and NY?

To ensure we keep up with demand over summer, please donate **blood or plasma** before you go.

GIVE BLOOD. GIVE PLASMA. GIVE HOPE.

Book now 0800 448 325 nzblood.co.nz

Make donating part of your 2024 routine.

GIVE BLOOD. GIVE PLASMA. GIVE HOPE.

Book Now nzblood.co.nz

Team up to save lives this year!

GIVE BLOOD. GIVE PLASMA. GIVE HOPE.

Book now 0800 448 325 nzblood.co.nz/groupgiving

This Valentine's fall in love with saving lives.

GIVE BLOOD. GIVE PLASMA. GIVE HOPE.

Book now

The madness is over!

The 'mad cow' blood donation rule in NZ has changed.

FIND OUT MORE

GIVE BLOOD. GIVE PLASMA. GIVE HOPE.

New Zealand Blood Service needs people who have recently had shingles or chickenpox to donate plasma. Find out more.

0800 448 325 nzblood.co.nz/shingles

GIVE PLASMA. GIVE HOPE.

Group donations of plasma save even more lives.

Hoidi and her teammates give lifesaving plasma simultaneously every month. They're all ordinary people with extraordinary kindness. Are you?

Don't wait! Demand for plasma is high and growing. Book to donate now at nzblood.co.nz/plasma

GIVE BLOOD. GIVE PLASMA. GIVE HOPE.

Plasma is used to make 11 lifesaving treatments.

Every day Harry collects rubbish, and gives lifesaving plasma twice a month. Harry is an ordinary person with extraordinary kindness. Are you?

Don't wait! Demand for plasma is high and growing. Book to donate now at nzblood.co.nz/plasma

GIVE BLOOD. GIVE PLASMA. GIVE HOPE.

MEET MIKYLA: THE DONOR RELATIONS CO-ORDINATOR WHO GOT A SECOND CHANCE AT LIFE

As a New Zealand Blood Service donor relations co-ordinator, Mikyla Winchcombe speaks from experience when she says blood donors save lives.

That's because they played a part in saving her life.

It wasn't that long ago that she needed blood and platelets, as well as a stem cell transplant, following an unexpected cancer diagnosis.

The year was 2021. Mikyla was a fit and healthy 21-year-old with the world at her feet.

But one day in November that all changed.

Mikyla noticed she had a sore throat and was feeling slightly off. Given she was about to head abroad to visit her partner Matt in the UK, she decided to heed her mum's advice to visit the doctor and request a blood test.

What followed next came completely from left of field.

Mikyla was told she had acute myeloid leukaemia, a cancer that affects bone marrow and blood. She was told 86 percent of the cells in her body were cancerous.

"That was when my world changed," she recalls. "I needed to start treatment immediately."

Over the next eight months, Mikyla underwent four rounds of chemotherapy and a lengthy stay at Waikato Hospital. Each round of chemo lasted three to five weeks and she was not allowed out due to being severely immuno-compromised.

Every two to three days she underwent a red cell or platelet transfusion. In total, she required more than 70 units of red cells and platelets.

"For people with leukaemia and other blood cancers, it's amazing what a blood transfusion can do to help them fight their diagnosis. It can give them energy and that bit of drive to keep them going," says Mikyla.

However, so aggressive was her cancer that she also required a stem cell transplant in June 2022. Thirty potential matches were found via the international bone marrow registry (read more about bone marrow donation on page 36) and it was a donor from Germany that was the best match at 99.9 percent.

Now in remission – she heard that sweet-sounding 'r-word' for the first time in October 2022 – Mikyla is now engaged to Matt and the happy couple have moved into their own place together. Life is good.

And for almost two years, she has also been working at New Zealand Blood Service as a donor relations co-ordinator based in Hamilton.

It's an "incredible role" that allows her to give back by sharing her story to raise awareness and ensure there are enough people rolling up their sleeves to meet the ever-increasing demand for blood and blood products.

More than a quarter of red cells issued to hospitals in Aotearoa are used to help people such as Mikyla undergoing treatment for cancer.

From needing blood herself to now promoting the need for blood, she has a simple message for New Zealand's whānau of donors.

"Because of all the amazing donors out there, I've gotten a second chance at life.

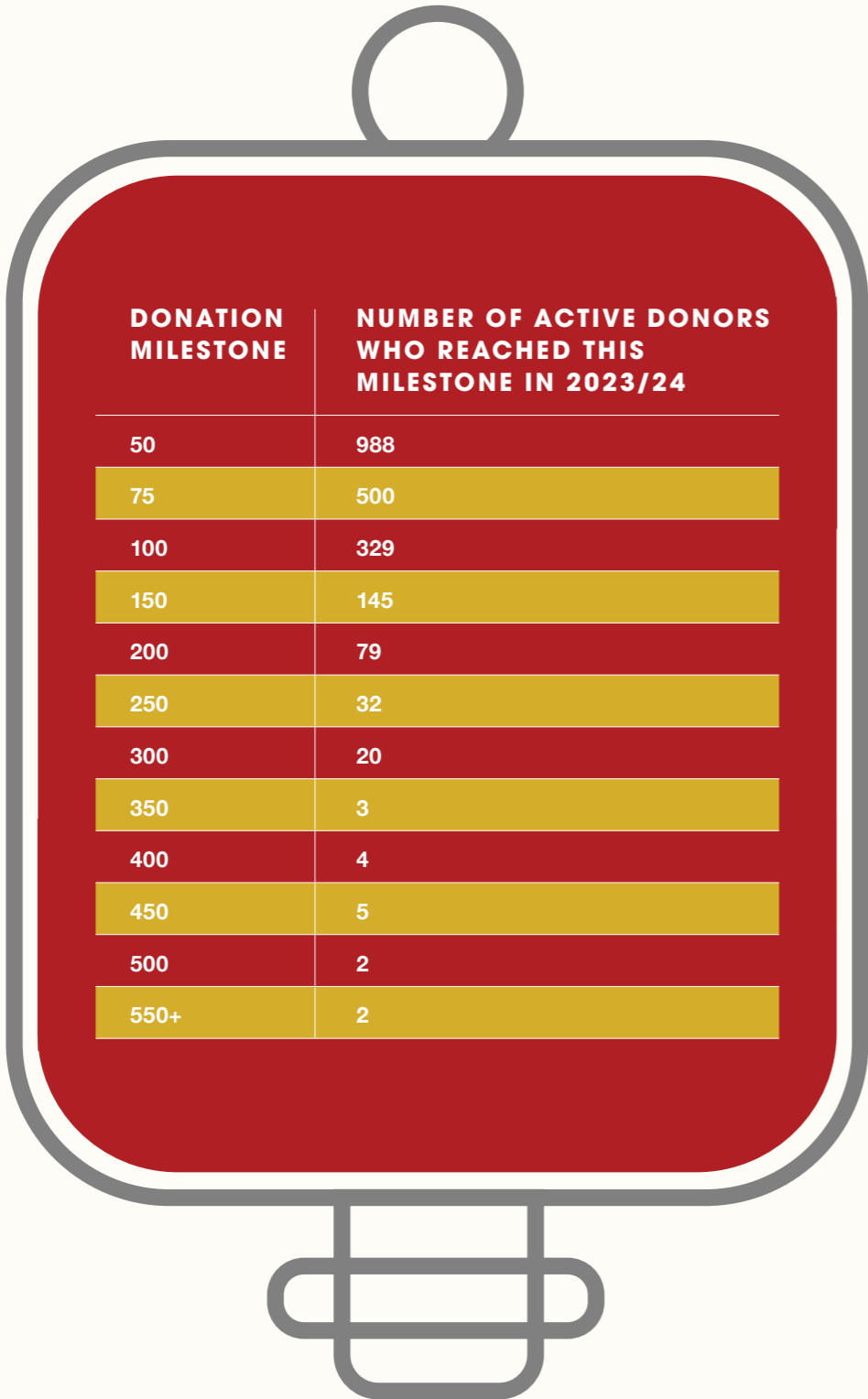
"To all of you, thank you for your kindness and your selflessness. You're the reason that I, as well as so many other New Zealanders, are still alive today."

“FOR PEOPLE WITH LEUKAEMIA AND OTHER BLOOD CANCERS, IT’S AMAZING WHAT A BLOOD TRANSFUSION CAN DO TO HELP THEM FIGHT THEIR DIAGNOSIS. IT CAN GIVE THEM ENERGY AND THAT BIT OF DRIVE TO KEEP THEM GOING”
- MIKYLA



OUR MILESTONE DONORS

New Zealand Blood Service is grateful to every single person who makes a life-changing or lifesaving blood or plasma donation. And among our lifesaving whānau are our 'milestone donors', those people who have donated blood and/or plasma up to 450 times or more!



John Hawke reached his 500th donation in April.



Renee Spijkerman made it to 100 donations in June.



David Cushing clocked up 300 donations in February.



Justin Familoe ticked off 250 donations in March.



Michael Spitzer achieved 400 donations in February.

BILL'S 50-PLUS YEARS OF GIVING - FIRST BLOOD, NOW TIME

It's been more than 50 years since Bill Birbeck started donating blood in Tauranga as a 24-year-old and, while he can no longer donate, he is still contributing to New Zealand Blood Service.

"I had been a blood donor and then my doctor said I probably shouldn't be giving blood anymore so, since I'd retired, I thought I'd volunteer instead!"

That was more than a decade ago, and Bill has been regularly volunteering at the Epsom Donor Centre in Auckland ever since.

"I do four hours every Tuesday evening, making sure the donor refreshments are stocked up, cleaning down tables, helping donors with cups of coffee, and looking after anyone who might not be feeling a hundred per cent after their donation."

He's been around long enough to witness changes at the donor centre too.

"When I started out the centre was downstairs and was okay, but now it's upstairs and so nice and modern!"

Bill says it's the social interaction that comes with volunteering that makes it so enjoyable.

"I often see the same people every fortnight, so you get to know their preferences and a few of them I've become friendly with so we sit and have a chat when they're in."

Bill can't recommend volunteering highly enough.

"It's a great thing – you get a lot of enjoyment out of it and the more you give the more you get."



NGĀ PĀNUI HIRAHIRA O TE KAITIAKI O TE TOTO

TECHNICAL SERVICES HIGHLIGHTS

The Technical Services Directorate is responsible for Donation Accreditation Testing (blood grouping and screening every blood donation for infectious diseases); Component Processing (manufacturing whole blood, plasma and platelet products, freezing plasma for clinical use and fractionation); Cellular Therapy and Tissue Banking (specialised stem cell processing, serum eye drops, washed cells, managing the national skin, bone and heart valve banks); Operating six National Blood Banks; the National Reference Laboratory and the New Zealand Transplantation and Immunogenetics Laboratory (NZTIL - cross-matching organ donors and recipients).

OPERATING IN A GROWTH ENVIRONMENT

New Zealand Blood Service operates six of the country's largest blood banks while providing support services to Te Whatu Ora and private blood banks under NZBS's Clinical Oversight Programme. Many of our blood banks provide a 24/7 service and are key responders in emergency situations. We have seen a steady increase in demand for our services and the products we issue, especially red cells, plasma and platelets. This growth includes support for transplant patients undergoing either solid organ, tissue, or stem cell transplants.

FUTUREPROOFING OUR FACILITIES TO MEET DEMAND

In the face of this demand, Technical Services has this year continued to upgrade its laboratories and manufacturing facilities, helping ensure New Zealand Blood Service is well placed for the future.

Stage 1 construction of our Highbrook facility was complete by year-end, with commissioning and qualification activities underway. Highbrook will house NZBS's national warehouse and is where plasma destined for Australia will be frozen and stored. In Melbourne, this plasma is fractionated by CSL Behring into up to 11 life-changing and lifesaving products which are then returned for use here in New Zealand patients. Staff will migrate across to the new site in the first half of 2024/25.

The design of Highbrook's cleanroom facilities to support current and future Cellular Therapy and Tissue Banking (CTTB) operations has also progressed this year and will continue into 2024/25. During the next 12 months we expect to complete the design of this highly technical facility, with construction forecast to start in the following financial year.

Highbrook will enable NZBS to consolidate its manufacturing operations in the North Island and, as a first step in this direction, our Waikato component processing facility was closed in late 2023.

Right: Highbrook is New Zealand Blood Service's biggest-ever infrastructure investment and will house the organisation's national warehouse, and cellular therapy and tissue banking operations, plus a large freezing and storage facility for plasma collected in the Northern Region. It will support NZBS to grow and diversify in scope into the future.



Highbrook features a quarantine freezer (left) and four blast freezers (right), which will ultimately become eight, enabling 672 units of plasma to be frozen at a time. Currently, the Epsom-based operation has just two freezers which blast-freeze 84 plasma units within an eight-hour freezing cycle.

EQUIPMENT UPGRADES

As well as our facilities, we have also upgraded several key pieces of equipment. New Arrowsmith and Grant freezers have been installed in Christchurch and Auckland, allowing us to retire our older plasma-freezing equipment.

We have also upgraded our blood-group testing equipment, our Neo analysers, and installed additional analysers; this has increased the testing capacity of our Donation Accreditation laboratories, where every donation is tested for infectious diseases.

DEVELOPING OUR TEAM

Our operational teams are largely comprised of registered medical laboratory professionals – scientists and technicians. To maintain their registration, each staff member needs to complete an annual competency programme, recertifying them for the tasks they perform. This year we redesigned the Annual Competency Review Programme, shifting to a stronger, evidence-based assessment that focuses on aspects of work that are new, changed, high-risk or problematic. Competencies are selected annually through a collaborative process and reflect the dynamic nature of the work and the changing environment staff operate in.

We also supported more than 100 Technical Services staff to participate in national and international conferences and meetings. As well as supporting their personal development, attendance at these events has helped to build our organisational capability, provide opportunities for shared learning, and to forge strong professional networks across our industry.

Of note was the New Zealand Institute of Medical Laboratory Science's (NZIMLS) South Pacific Conference. This was held in Auckland this year, enabling us to send a strong cohort who presented their work and met with other professionals from both private and public organisations.



New plasma freezers have been installed in Auckland & Christchurch.



One of the new Neo analysers being installed at NZBS's Epsom site in August.

GIFTING A MIRACLE IN THE MIDST OF LOSS

Lynley and Richard Scott didn't hesitate to donate the heart valves of their baby daughter Emma when she sadly died from a genetic disorder at just 11 weeks old.

Although it couldn't cure their grief, the couple knew it could be the miracle that another family was waiting for.

Lynley and Richard were no strangers to genetic disorders. Their first child Andrew was born four years earlier with severe haemophilia, a lifelong genetic blood clotting disorder. So, when Emma arrived well and without haemophilia, the couple was hugely relieved.

But in a cruel twist of fate, a couple of months later Emma was diagnosed with a rare, but unrelated, genetic condition called Spinal Muscular Atrophy (SMA).

Sadly, her prognosis was poor and when she contracted a chest infection, doctors were unable to save her.

As a nurse who'd previously worked in ICU, Lynley knew that Emma wouldn't be able to donate organs, but she was unaware tissue donation was still an option.

"It was Richard who asked the question about what she could donate, and it was at that point they mentioned heart valves," Lynley explains. "It was explained that because the valves were so small, they were so precious. For the child who needed them they were going to be a last resort.

"Nothing could change our grief. But by donating her valves I knew that someone else wasn't going to be in the same position that we were in."

Richard adds, "As parents of a child with haemophilia you're always hoping that there will be a cure or something like a miracle, so we knew that's what we were giving to someone else."


Ten months after the donation, Richard and Lynley received a card saying one of Emma's heart valves had been successfully transplanted. News of a second successful transplant arrived a few years later.

For the couple, the knowledge that Emma's donation saved not one but two children, is something they will always hold dear.


"NOTHING COULD CHANGE OUR GRIEF. BUT BY DONATING HER VALVES I KNEW THAT SOMEONE ELSE WASN'T GOING TO BE IN THE SAME POSITION THAT WE WERE IN."




TECHNICAL SERVICES IN NUMBERS

16,173 


DIAGNOSTIC SAMPLES TESTED BY NZBS'S BLOOD BANKS & REFERENCE LABORATORY (16,193)

787 


STEM CELL UNITS ISSUED NATIONWIDE (734)

 **217,000**

UNITS OF PLASMA PROCESSED FOR FRACTIONATION

 **556**


STEM CELL DONATIONS PROCESSED INTO 931 UNITS READY FOR ISSUE (478)

 **41**

HEART DONATIONS RESULTING IN 89 CARDIOVASCULAR HOMOGRAFTS BEING BANKED AND 55 IMPLANTED (28)

98,000 cm² 

OF SKIN ALLOGRAPHS ISSUED (246,973CM²)

873 

AUTOLOGOUS AND ALLOGENEIC BONE DONATIONS RECEIVED 562 ISSUED

4,304 

HLA-B27 TESTS*** COMPLETED BY OUR NEW ZEALAND TRANSPLANTATION AND IMMUNOGENETICS LABORATORY (4132)


*** HLA-B27 is a blood test to look for a protein – human leukocyte antigen B27 - that is found on the surface of white blood cells. The test helps to assess the likelihood of the person being tested having an autoimmune disorder associated with the presence of HLA-B27. Autoimmune disorders occur when the immune system mistakenly targets the body's own cells and tissues.

9,677 

COMPATIBILITY TESTS COMPLETED FOR ORGAN TRANSPLANTS BY OUR NEW ZEALAND TRANSPLANTATION & IMMUNOGENETICS LABORATORY

2,100,000 

MANDATORY AND DISCRETIONARY TESTS ON DONATED PRODUCTS (2,039,710)


2,964 

TESTS COMPLETED BY NZTIL AHEAD OF HAEMOPOIETIC STEM CELL (HPC) TRANSPLANTS


 **4**

MMA TESTS**

** MMA stands for methylmalonic acid. An MMA test measures the amount of this substance in the blood. It is most often used to diagnose a Vitamin B12 deficiency, but can also be used to diagnose methylmalonic acidemia, a rare genetic disorder.

163,500 

PRE-TRANSFUSION TEST SAMPLES RECEIVED BY NZBS'S BLOOD BANKS AND REFERENCE LABORATORY (158,104)

 **48**

DIFFERENT BLOOD COMPONENTS MANUFACTURED

 **182,000**

COMPONENTS AND PRODUCT VIALS ISSUED BY NZBS BLOOD BANKS

Figures in brackets show the comparative total for the 2022/23 year.



TE ARA TOITŪTANGA SUSTAINABILITY

OUR COMMITMENT TO SUSTAINABILITY

New Zealand Blood Service remains committed to decreasing its environmental impact and reducing its carbon emissions while continuing to deliver safe, quality, products and services.

Throughout the year, we have continued refining our strategic approach to sustainability, with a four-pillar ambition to:

- Become a carbon-zero organisation
- Become a sustainability leader in the blood service sector
- Embed sustainability into the core of our business
- Create a community of staff who think and act 'sustainability' both at work and at home

To achieve this ambition, NZBS has set five guiding objectives:

- **Carbon Neutral Government Programme**
We are committed to the Carbon Neutral Government Programme and helping New Zealand to achieve its target of becoming net zero by 2050.
- **Sustainable resource use**
We will ensure that materials and resources are being effectively and efficiently used to create a sustainable business model for zero-carbon blood services by 2050.
- **Ethical supply chain practices**
We will work positively and proactively across our supply chain operations to ensure there are no modern slavery or other poor employer practices in our activities.
- **Collaborative partnerships**
We will partner with government, other organisations, and iwi, collaborating to create a truly sustainable model through systemic change.
- **Responsible supplier practices**
We will work with our suppliers to understand their commitment to ethical, responsible and sustainable business practice, and their adherence to the Government's Supplier Code of Conduct.

AIR TO SEA FREIGHT

This year we have begun the transition from using air freight to using sea freight for transporting our plasma for fractionation to CSL Behring in Australia. We will move fully to sea freight in the first half of 2024/25.

- ✓ Sea freight uses half the fuel per unit of cargo than air freight
- ✓ Ships are more fuel-efficient than aircraft
- ✓ Unlike aircraft, which emit other pollutants and gases at high altitudes (such as nitrogen oxides and contrails), sea freight does not contribute to these non-CO₂ climate impacts.



ACTION PLAN

Our commitment to sustainability throughout 2023/24 has been expressed across the following six areas:

Electric/hybrid vehicles

NZBS leases its entire vehicle fleet. As each lease comes up for renewal, vehicles have been switched for more energy efficient options where appropriate.



Travel

We have continued and increased our use of video conferencing (e.g. Microsoft Teams) in place of face-to-face meetings so our level of domestic air travel is no greater than required to maintain service.

Waste

We have conducted waste audits to identify how we can reduce what we send to landfill, increase our recycling practices, and work with our suppliers to reduce non-recyclable packaging.

Energy

We have worked with our landlords, and build and redevelopment partners, to make our existing and new buildings as energy efficient as possible.



Freight

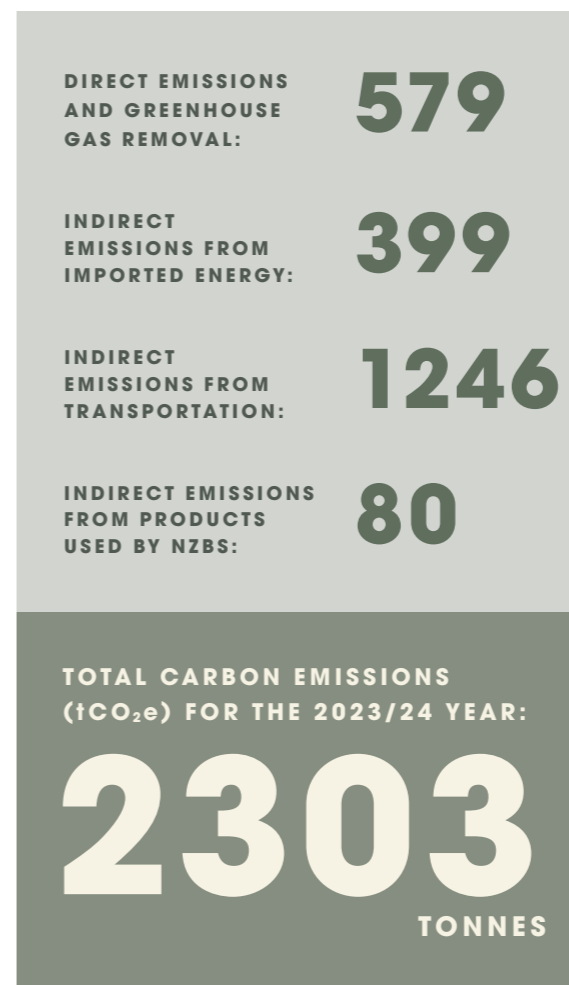
Collaborating with our contracted freight companies, we have made inroads on reducing emissions generated when transporting products.

Refrigerants

Where appropriate and feasible, as part of our upgrade/replacement programmes, NZBS has switched to lower Global Warming Potential (GWP) gas-containing items for its refrigeration plants and equipment.

BEYOND EMISSIONS

NZBS's sustainability approach extends beyond simply capturing our carbon emissions and reducing our carbon footprint. It takes a long-term view across our interdependent ecosystems - our workforce, our business operations, the communities we serve, and our strategic partnerships - to achieve sustainable outcomes.



NB: These numbers are subject to change after audit by Toitu Envirocare. Any significant change will be stated in the NZBS 2024/25 annual report.

CARBON NEUTRAL GOVERNMENT PROGRAMME TIMELINE

2023

In December, we submitted our first carbon emissions reporting to the programme.

2025

NZBS is planning to offset carbon emissions with carbon credits to achieve net-zero emissions.

2030

NZBS has the ambition of reducing its gross emissions by 42 per cent from the FY22/23 base year and offsetting its remaining emissions with carbon credits to achieve net-zero emissions.

2050

NZBS has an ambition of achieving zero emissions.

HE PŪRONGO HOU TŌ TE RŌPŪ HAUORA UPDATE FROM THE CLINICAL TEAM

The Clinical Team is a multi-disciplinary group that works to provide medical, nursing and scientific advice and expertise within NZBS and across the New Zealand health sector. Involved in the support and delivery of all NZBS products and services, the team also comprises Organ Donation New Zealand (ODNZ) and the New Zealand Bone Marrow Donor Registry (NZBMDR). We aim to ensure clinical safety in all that we do and to improve our services through innovation and development. These are some of our highlights from the year.

A YEAR OF HISTORIC CHANGE

The year has been an exceptionally busy one for the Clinical Team, with progress made across multiple areas and some significant highlights resulting from years of research and planning.

Key among those highlights was being able to at last lift the 'mad cow' vCJD¹ donor deferral criteria on February 29. This meant that for the first time in more than two decades, we could welcome donors who had previously been excluded because they had lived in the United Kingdom, France, or the Republic of Ireland for six months or more between 1980 and 1996.

The change also demonstrates our commitment to modifying our processes where it is clinically safe to do so, something that is vital to growing our lifesaving community of donors.

REDUCING BARRIERS TO DONATION

Our focus on reducing barriers to donation and making our eligibility criteria more inclusive has also continued

across other areas this year. As an example, we have worked with the University of Auckland and the Burnett Foundation on the university-led Sex and Prevention of Transmission (SPOTS) study, which asked 3,000 men who have sex with men (MSM) about their experiences and preferences around blood donation.

We know that donor eligibility criteria relating to gender-based sexual activity, while necessary to ensure a safe blood supply in the past, have contributed to the stigma faced by MSM in New Zealand. We are committed to change and to introducing individualised risk assessments when screening potential blood and plasma donors – a more inclusive approach that would enable men in single-partner relationships with other men to donate.

SPOTS has given us valuable insights into the safe sex practices of MSM in Aotearoa, including supportive evidence that moving to individualised risk assessments won't compromise the safety and quality of the blood we supply to patients.

Since the study's community report was published in February², we've been using its findings to help inform a Medsafe submission proposing change. If approved, we aim to progress the modifications needed to our testing

programme to facilitate the change in the coming year. Enacting the change may still take some time, but we've made a significant step towards achieving it this year.

STRENGTHENING CLINICAL GOVERNANCE

This year we made significant headway in formalising a clinical governance structure within New Zealand Blood Service.

Our new Clinical Governance Committee convened for the first time in April, chaired by NZBS Chief Medical Officer Dr Sarah Morley. It is the organisation's overarching clinical governance body, with three sub-committees also established this year:

- Organ and Tissue
- Blood, Plasma and Laboratories, and
- Therapeutics and Patient Services

Endorsed by NZBS's Executive Leadership Team and Board, these committees have been established to further enhance quality and safety at New Zealand Blood Service. Their intent is to ensure we are delivering a safe, efficient, best-practice service that also engages both staff and consumers when designing or implementing change.

NURSING LEADERSHIP AND INNOVATION

Inaugural Nurse and Donor Technician Strategy

On June 19 we were delighted to launch New Zealand Blood Service's inaugural Nursing and Donor Technician Strategy.

Our nurses and donor technicians make up around a third of the NZBS workforce and perform unique, highly specialised work across a range of settings.

The four-year strategy, the result of many months of collaboration with staff and input from nurse leaders here and overseas, features six agreed priorities:

- Embodiment of an inclusive culture
- Promoting health and wellbeing of colleagues
- Maximising professional contribution of nursing and donor technicians
- Creating a workforce ready for the future
- Recruitment and retention of nurses and donor technicians
- Delivering safe, effective, and compassionate care.

The drive and leadership of NZBS Chief Nurse Jacqui Wynne-Jones was crucial in bringing the strategy to fruition.

Clinical quality improvements

Across the organisation, our nurses and donor technicians have this year worked on several clinical quality initiatives to reduce harm. These have included:

- A Vein Grading Pilot Project aimed at improving the donor experience and reducing rates of phlebotomy injury by undertaking a thorough vein assessment, and
- An 'Orange Dot' Pilot Project designed to reduce phlebotomy injury by minimising the number of times a needle is manipulated once in the donor's arm. A donor whose needle has already been repositioned once has an orange dot applied to their arm so that staff know not to manipulate the needle further.

WHAT IS THERAPEUTIC APHERESIS?

From the Greek language and meaning to 'take away', apheresis is what we do at our donor centres when we collect plasma and platelets. We draw whole blood from the donor and after separating and collecting ('taking away') the plasma and platelets we return the rest back to the donor.

In the case of therapeutic apheresis, we use the same method to treat patients by taking away the problematic component in their blood, or to collect lifesaving stem cells. NZBS performs seven different therapeutic apheresis procedures.

WHAT IS THERAPEUTIC VENESECTION?

Therapeutic venesection (removing a quantity of blood from a person's body via their vein) is a simple way to reduce the number of red blood cells in a person's blood. It is very effective in treating certain blood conditions. It is used, for example, to reduce the iron levels of people who have Haemochromatosis, a genetic condition where the body absorbs too much iron.



¹Variant Creutzfeldt-Jakob disease (vCJD) is a rare, fatal brain disease that occurs in people. It has been linked to eating meat from cows infected with bovine spongiform encephalopathy (BSE). BSE is sometimes called "mad cow disease." vCJD was first reported in the United Kingdom in 1996. Worldwide, there have been 233 people reported to have vCJD since its discovery. Most cases occurred in the United Kingdom in the late 1990s and early 2000s

²Blood donation and views about blood donor policy among gay, bisexual, takatāpui and other men who have sex with men in Aotearoa New Zealand: Community Report

A review of hand hygiene processes to ensure we are following WHO best practice guidelines has also been undertaken and, in a newly established role, our Donor Health Care Clinical Nurse Specialist has begun a literature review looking at vasovagal episodes (a sudden drop in heart rate or blood pressure during donation). This work will help to inform best practice and identify steps to reduce their incidence.

This year we were also fortunate to have Catherine Howell OBE, former National Health Service Blood and Transplant Chief Nurse, perform a Therapeutic Services Review at NZBS. She made a range of recommendations and, as a result, we have begun planning ways to change and improve our clinical care delivery across our therapeutic apheresis and venesection services.

Workforce and professional development

The past 12 months have seen our Professional Development and Recognition Programme (PDRP) flourish, with Nursing Council re-approval of the programme, greater engagement in PDRP across all sites and at all levels, and the introduction of the ePortfolio.

We've worked hard to not only support and develop our existing staff, but to foster a future workforce pipeline. This has involved:

- Consulting with external training providers and senior NZBS nurses, with a view to introducing nursing undergraduate student pilot programmes in the first half of the next financial year.
- Establishing relationships with funders and external programmes to support Nursing Entry to Practice (NeTP) and Enrolled Nurse Support into Practice (ENSIPP) programmes within our Collections teams.
- Working with the Nursing Council of New Zealand on

developing competencies for Internationally Qualified Nurses (IQNs) now that the removal of Competency Assessment Programmes has shifted IQN education and orientation responsibilities to the employer.

In addition to the new Donor Health Care Clinical Nurse Specialist role mentioned on the previous page, we've also introduced a new Lead Transfusion Nurse Specialist position; based in Palmerston North this is a national role that not only supports our network of Transfusion Nurse Specialists but provides education and clinical and quality support for hospitals.

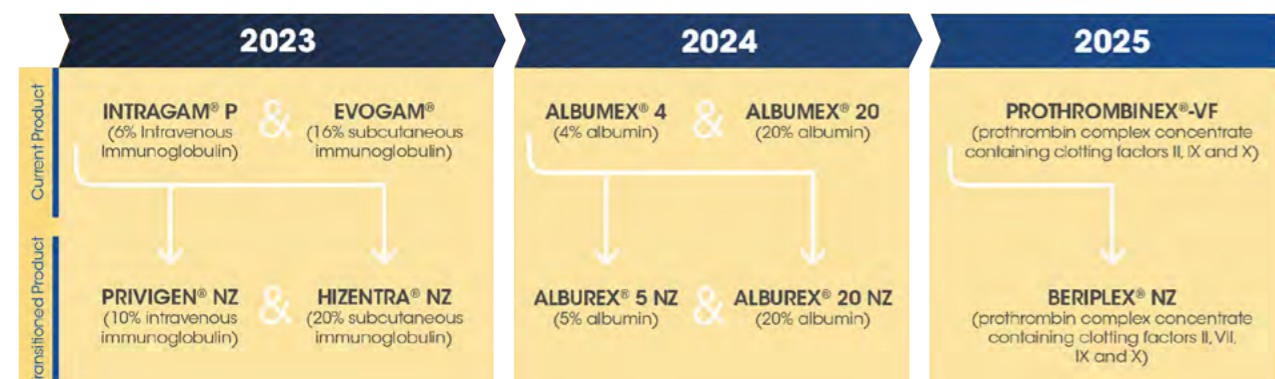
MANAGING CHANGES TO NEW ZEALAND'S PLASMA PRODUCTS

The Clinical Team has continued its work with blood banks and clinicians nationally this year to introduce and embed changes to our domestic plasma products.

The changes impact thousands of patients and a dedicated project manager has led this work alongside a team of our expert nurses, doctors, and scientists to ensure they happen safely and effectively.

The changes have been necessary because our Australia-based plasma product manufacturer, CSL Behring, is investing in new manufacturing facilities and aligning their manufacturing processes globally. As a result, five of New Zealand's critical domestic plasma products are changing, and the new products will be rolled out between 2023 and 2025. To date, Privigen® NZ and Hizentra® NZ have replaced Intragam® P and Evogam® respectively, with the Albumex® products being next to change.

An online hub, educational resources, comprehensive communication, and training campaigns have been delivered to patients and healthcare professionals to support them through the transition.



Five of New Zealand's domestic plasma products will change between 2023 and 2025.

NEW ZEALAND BONE MARROW DONOR REGISTRY

NEW ZEALAND BONE MARROW DONOR REGISTRY MARKS FIRST YEAR WITH NZBS

The New Zealand Bone Marrow Donor Registry (NZBMDR) celebrated its first anniversary with New Zealand Blood Service in December and has continued its lifesaving work over the past 12 months.

NZBMDR works with registries around the world to find unrelated volunteer donors for New Zealand patients requiring a bone marrow or stem cell transplant, and who do not have a suitable family donor. This co-operation significantly improves the odds of finding matches than any one registry would be capable of when acting alone. They also recruit volunteer donors from across Aotearoa who are willing to donate their bone marrow to a matched patient here or overseas.

Between 1 July 2023 and 30 June 2024, searches were conducted for 104 patients. Of those, 54 patients went on to

have transplants and four patients had a second infusion of donor cells.

The number of donor work-ups and stem cell collections was up on previous years; 19 New Zealanders generously donated their stem cells, with half of those collections going to help people overseas. Fifty-eight products were also imported from eight different countries to help patients here, including three umbilical cords.

The team has continued its efforts to recruit new donors to the Registry this year, via a combination of cheek-swabbing and collecting blood samples at NZBS donor centres.

In April, the team was able to sign up 47 new potential donors at The Ultimate Koha - a blood drive event arranged and hosted by Trust Teina, a charitable trust with a vision of saving more Māori and Pasifika lives by growing the bone marrow and organ donor registries in New Zealand. Having an ethnically diverse registry of donors is vital to increasing the chances of finding a suitable match for people in need of cells or a transplant.



Pio Terei of Trust Teina with the New Zealand Bone Marrow Donor Registry's Search Coordinator Paulette Tasker (left) and Donor Coordinator Judith Lawrence at The Ultimate Koha event.



NZBS Chief Nurse Jacqui Wynne-Jones (right) with Ministry of Health | Manatū Hauora Chief Nurse Lorraine Hataraka at the launch of the Nursing and Donor Technician Strategy.



Staff came together virtually and in person for the strategy's launch.

PERFECT DONOR MATCH GIFTS WIREMU CHANCE AT LONG, HEALTHY LIFE

Wiremu Hakaraia (Ngā Puhī, Ngāti Pāoa) is a typical nine-year-old boy - he's cheerful, chatty, energetic, and loves Lego, swimming, and his four-year-old sister Frankie.

But for Wiremu and his whānau, the last few years have been anything but typical.

In February 2021 Wiremu came home from school with an unusually high temperature. He tested negative for COVID-19 and wasn't showing any other symptoms, but mum Rachel kept him home for a couple of days to be safe.

Things settled over the coming days and the family resumed their usual routines. But when Wiremu complained of a sore neck before bed one evening, Rachel and David, Wiremu's dad, discovered a sizeable lump on his neck.

An A&E visit revealed lymphadenitis, an infection in his lymph nodes that required drainage and antibiotics. But shortly afterward, Wiremu became violently ill – a red flag that triggered a return to hospital. The alarm was officially raised.

He was seen by the paediatrics team and new pharmaceutical treatments were tested, but all proved ineffective or inconclusive.

Finally, after a lengthy period of trial and error, one clinician noticed some overlap between Wiremu's symptoms and those of a very rare congenital disorder, chronic granulomatous disease (CGD). They tested for it and the diagnosis was confirmed.

Rachel vividly remembers being told over the phone that she and David should come in for an update, and the dread she felt from what it might imply.

Those fears were warranted; without treatment CGD wreaks havoc on the body's immune function, resulting in near-constant battles with infections and bowel disease. Those who suffer from it can live until at least their 40s but rarely survive to old age without treatment.

The best-known treatment is a bone marrow transplant but finding a compatible bone marrow donor can be a daunting task - especially if, as was the case for Wiremu, there is no suitable donor in the immediate family.

Rachel and David describe this as the hardest time in the whole process. The waiting, wondering, being in and out of hospital...all the while having to push their young son to take bitter medicines and swallow tablets the size of his thumb. Until a match was found, Wiremu was on a battery of medications to bolster his immune system and mitigate infection risks.

But in the background, the New Zealand Bone Marrow Registry (NZBMDR) team were taking things global in the hunt for a donor for Wiremu. Rachel and David never let themselves doubt for a moment that a match for their son would be found, and their hope and faith were ultimately rewarded.

Around a year after Wiremu's diagnosis, the reciprocal relationships NZBMDR holds with similar registries internationally resulted in a match being found, in the US. A woman there shared Wiremu's tissue type and had a similar ethnic make-up.

Wiremu was admitted to Starship Children's Hospital the whānau relocated to temporary accommodation in Auckland so they could stay close while he undertook tests in preparation for admission.

But when Wiremu contracted glandular fever it delayed his transplant, and the decision was eventually taken to return home since even the regimented quarantine couldn't guarantee a clean bill of health. The family would conduct viral testing at home instead.

Within a few months Wiremu's tests came back clear enough to proceed and the whānau once again rushed to Starship where his bone marrow infusion took place.

Wiremu would stay in Auckland for 100 days for observation and further tests, but at the end of it all, the best news: there were no signs of illness, the transplant had worked.

Now, some two years later, you would never know this was a boy who spent two years in and out of hospital. He recounts his favourite part of the experience (jelly cups) and least favourite (missing his friends and family).

Rachel still feels a pang of fear every time Wiremu spikes a temperature or comes home with a cough but, two years on, the feeling is less intense.

She's allowing herself to relax in the knowledge that her son really has been cured. She marvels at how unlucky Wiremu was to be born with this illness, but how equally lucky he was to find his perfect donor match and have a fighting chance at a long and healthy life.

“SHE MARVELS AT HOW UNLUCKY WIREMU WAS TO BE BORN WITH THIS ILLNESS, BUT HOW EQUALLY LUCKY HE WAS TO FIND HIS PERFECT DONOR MATCH AND HAVE A FIGHTING CHANCE AT A LONG AND HEALTHY LIFE.”



ORGAN DONATION

ORGAN DONATION NEW ZEALAND FACILITATES 200 LIFESAVING TRANSPLANTS.

Organ Donation New Zealand (ODNZ) has had a busy year and continued to grow, alongside the volume of work it undertakes.

During the year 71 different whānau graciously agreed to donate their loved ones' organs, facilitating nearly 200 lifesaving organ transplants.

This is an increase on donation numbers from the previous year, when 61 organ donation operations took place.

There was also a marked increase in tissue-only donations, including 161 donations of skin, heart valves and eye tissues: an increase of approximately 60 per cent on the year prior. These tissues are used to perform multiple life-changing procedures, enabling heart valve replacements and the restoration of vision and repair of eye damage following trauma or tumours. These tissue donations positively impacted the lives of hundreds of recipients.

CELEBRATING THREE YEARS WITH NEW ZEALAND BLOOD SERVICE

On November 30, ODNZ marked three years with New Zealand Blood Service. Fittingly, the date coincided with the annual 'Thank You Day' event held to acknowledge donors, whānau, and staff who make this work possible.

Organ Donation New Zealand's relationship with NZBS has greatly benefitted both organisations, with each strengthening the other by sharing resources and ideas. While there are unique challenges and processes NZBS and ODNZ each navigate, both share core values that define their work: encouraging and empowering New Zealanders to give, and to help one another.

GROWING THE ODNZ TEAM TO SAVE MORE LIVES

An increase in operating budget enabled ODNZ to continue recruitment and expand its operations during 2023/24.

Four new donor coordinators and a new medical specialist joined the small and dedicated team. We also welcomed a new senior communications

advisor, who will play a crucial role in spearheading future campaigns, events, and updates about ODNZ's work.

This extra capability across the team supports its work to boost donation numbers, by raising public awareness and providing education to staff in donation hospitals throughout New Zealand.

Over the last 12 months ODNZ has also worked closely and collaboratively with transplant services to increase the scope of donations. One particularly important change was removing the age limit for donation after circulatory death (DCD). A key factor influencing this change was the introduction of state-of-the-art perfusion machines.

By providing oxygenation to donated organs, these machines allow more time for the transplant teams to make assessments and decisions, which can ultimately provide more time for organ transportation. The timeframes for transplants can often be measured in hours, so every additional minute is invaluable. These extensions can also benefit organs travelling to and from Aotearoa as part of an Australia and New Zealand agreement, leading to further life-saving interventions.

GIVING THANKS TO THOSE WHO GIFT LIFE

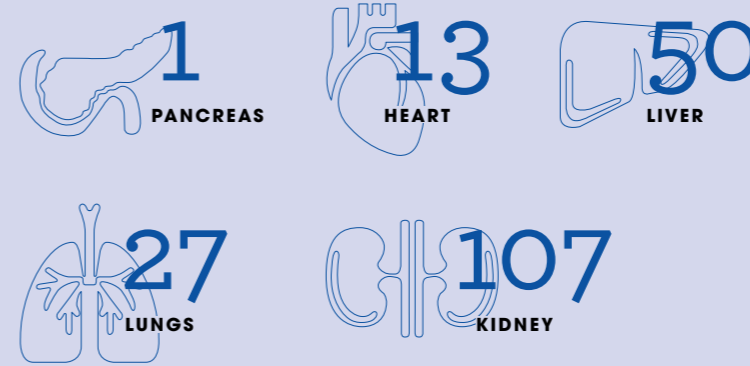
ODNZ held three thanksgiving services in Dunedin, Wellington and Auckland this year. These events offer a safe space for donor families, recipients, and health professionals working in donation or transplantation, to share their cherished stories. During the services, transplant recipients lit candles in acknowledgment of their donors and whānau, while donor whānau were presented with plants, symbolising growth and remembrance.

HAVING THE CONVERSATION TODAY

ODNZ continues to encourage all New Zealanders to have the conversation with their whānau and loved ones about organ donation. Everyone is different, but thinking now about whether you would want to be a donor, and sharing your wishes, will mean that in the event of your death, those close to you will know what to do.

ODNZ once again extends its heartfelt gratitude to all who have joined them on their very special and rewarding journey.

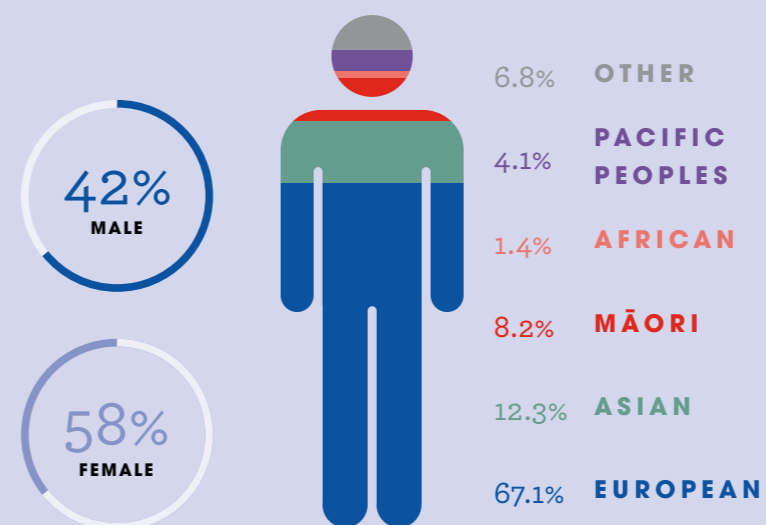
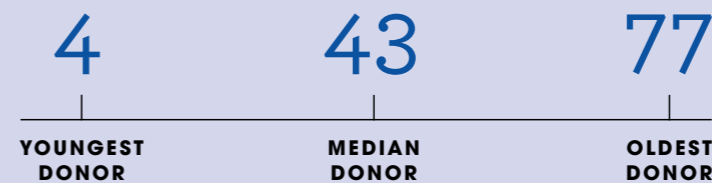
ORGANS DONATED THIS YEAR:



TISSUE FROM ORGAN DONORS:



TISSUE-ONLY DONATIONS:



THINKING ABOUT BEING A DONOR?

Thinking about whether you would want to be a donor, or not, and having a conversation with your family or whānau, will mean that in the event of your death, they will know what to do.

To learn more about Organ Donation New Zealand, and how to have that conversation, visit the [ODNZ website](http://www.donor.co.nz) www.donor.co.nz



SCAN ME

FAMILY ETERNALLY GRATEFUL THAT TWINS STILL HAVE THEIR MUM

Less than two years ago, Bernie McDougall lay in a coma in ICU, her life hanging in the balance.

Following multiple cardiac arrests, Bernie was hooked up to a breathing machine with doctors unable to stabilise her life-threatening heart rhythms.

For more than a decade the mum to twin girls had been living with a rare auto-immune condition called cardiac sarcoidosis. Over time it had caused increasing heart failure, a condition where the heart stops pumping properly.

Six months earlier Bernie had been approved for a heart transplant but was still too fit to need it. That day she was placed on the list, only now, the need for a donor heart was extremely urgent.

With a matching organ often taking months to find, the prospects looked bleak.

"Then, at about 11 o'clock I got a call. And this was the miracle of it all," Bernie's husband, Matt Townsend, recalls. "It was the cardiologist, and he said, 'you won't believe this, but we have a donor and they're a really good match!'"

Even with the miracle heart however, the nightmare journey wasn't over for the family.

After complications during the 10-hour surgery, Bernie was placed in an induced coma and Matt was told to prepare for the worst. A difficult conversation with the twins followed, but the girls refused to give up hope.

"They were incredible," says Matt. "They said, 'Mum's still here. And we're going to assume that she's going to be okay. That's the way that we want to think about this!'"

Bernie proved to be the fighter her daughters knew her to be. After nearly two weeks in the coma, a further two weeks in ICU, and two months in the transplant recovery unit Hearty Towers, Bernie finally made it home.

The family is eternally grateful for the incredible gift they received.

"My girls still have a mum. They need me and I get to be here for them," says Bernie.

"That's the biggest thing," Matt adds. "It's just such an incredible gift, such an important thing for people to want to do and an incredible thing to be able to receive. And the fact it happened that night, it's just amazing."

THE FAMILY IS ETERNALLY GRATEFUL FOR THE INCREDIBLE GIFT THEY RECEIVED.

"MY GIRLS STILL HAVE A MUM. THEY NEED ME AND I GET TO BE HERE FOR THEM," SAYS BERNIE.



TE HANGARAU MATIHIKO ME TE PENAPENA PĀRONGO

DIGITAL TECHNOLOGY & INFORMATION MANAGEMENT

NZBS's Digital Technology and Information Management team ensures that fit-for-purpose technology and information systems are in place across the organisation. This includes providing and maintaining safe, secure, and robust digital solutions to support both the organisation's operational activities, and the staff who perform them.

ISBT 128 GLOBAL STANDARD FOR INTERNATIONAL LABELLING SUCCESSFULLY INTRODUCED

After many months of hard work and planning, June 30 saw the successful introduction of the ISBT 128 international standard for labelling at New Zealand Blood Service. NZBS performed this work on behalf of the wider health sector and has joined other blood services globally in the standard's use.

ISBT 128 is used to code and label medical products of human origin, including blood, cells, tissue, milk, and organs. It ensures the highest levels of accuracy for safety and efficiency, benefitting donors and patients worldwide. It also supports the transportation of products internationally and provides more detailed information about how a product is manufactured.

Importantly, the move to 128 standard ensures those hospitals involved in patient trials can continue their work.¹

PARTNER-DELIVERED BLOOD MANAGEMENT SYSTEMS

Blood management encompasses the processing, testing, and distribution of blood and blood products, and the collection, processing, storage, and distribution of tissues and stem cells.

New Zealand Blood Service uses several systems to support this work, including at hospital blood banks. These Blood Management Systems (BMS) are critical to NZBS operations, so ensuring they remain stable and functional is a consistent priority. In February, we moved these systems off servers, opting instead for a partner-delivered, cloud-based model. This was a very important first step in our work to ensure this vital infrastructure continues supporting day-to-day business operations, while also being adaptable to change.

NEW DONOR RELATIONSHIP MANAGEMENT SYSTEM LAUNCHED - DRM365

In January, New Zealand Blood Service introduced a new Donor Relationship Management System, DRM365. This replaced its DRM Touch predecessor, which was becoming dated after almost two decades of solid service.

The organisation uses DRM365, alongside several other systems and platforms, to enable donor bookings, appointment scheduling, donor communications and engagement, donor

feedback and management, and as a gateway for donors to access the NZBS website and mobile app.

The change to DRM365 represented the first significant move away from static legacy systems to more modern technology for managing donor relationships.

The changes to date have removed several technical and business challenges and given donors access to a more contemporary system.

While DRM365's introduction caused some temporary disruption for donors and the organisation, it is a sophisticated and robust system that will ultimately provide far greater flexibility and functionality, both for donors and for NZBS.

INFORMATION MANAGEMENT AND SECURITY

During the past 12 months NZBS has been working to deliver the Information Management Strategy introduced last year.

This has involved ongoing collaboration with Te Rua Mahara o te Kāwanatanga Archives New Zealand to enhance our compliance with the Public Records Act, as well as introducing information management policies and procedures, making considerable progress on updating NZBS's Disposal Authority, and implementing an enterprise content management system.

Our work in this area aims to ensure clear methods for accessing, maintaining, using, and sharing information.

Over the past year, in conjunction with industry partners, we've also maintained a strong focus on information and cyber-security across NZBS.

DIGITAL DIRECTION

Our digital direction has continued to evolve around six themes:

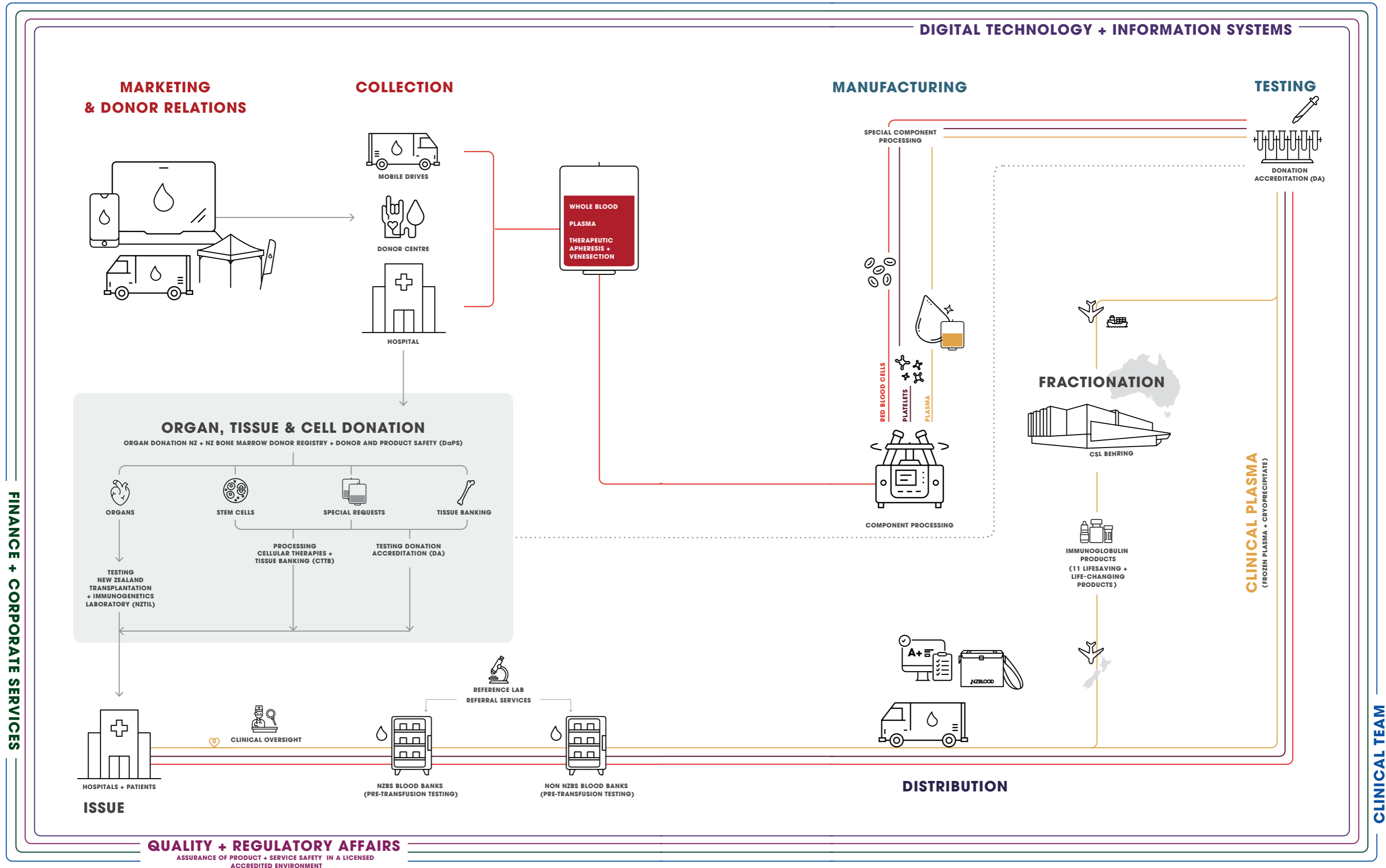
- Donor experience
- Employee experience
- Patient experience
- Connected partnerships
- Better insights
- Safe, secure, and considerate.

These themes support our continuous efforts to deliver excellence in meeting the needs of donors, recipients, patients, our staff, the wider healthcare community and, more broadly, the New Zealand public.



¹The Foundation for the Accreditation of Cellular Therapy (FACT) has a mandatory requirement for the ISBT 128 standard to be in place.

AN OVERVIEW OF NZBS



TE NOHO MATATAPU ME TE MAHI WHAKARITE

QUALITY, REGULATORY AFFAIRS AND PRIVACY

New Zealand Blood Service must comply with national legislation and international accreditation standards to ensure products and services are delivered safely for donors, patients, recipients, and their whānau across New Zealand. This is achieved using a comprehensive internal Quality Management System (QMS) that is supported by the Quality and Regulatory Affairs Team. Quality business partners based at the main NZBS sites support day-to-day operations, while a team of specialists provides expertise on development work and projects. A Regulatory Affairs and Audit Team supports compliance. Each Quality function helps NZBS's operational teams to work effectively within a complex compliance environment.

NEW QUALITY AND REGULATORY AFFAIRS STRATEGY

Inspire. Collaborate. Assure.

This year, the QRA team launched a three-year strategy to support staff in understanding their roles in ensuring safety and compliance. Ultimately, the strategy aims to engrain a *Quality is my business* philosophy into the decisions and actions staff take in their daily work.

It also provides a roadmap for modernising NZBS's Quality Management System, while building the expertise of the QRA team and growing teams' understanding of why we do things the way we do. The strategy aims to inspire a quality culture through collaboration and support for growth that will assure the organisation and its stakeholders of our product and service safety into the future.

QRA PROMISE INSPIRE. GROW. ASSURE.



INSPIRE A QUALITY CULTURE

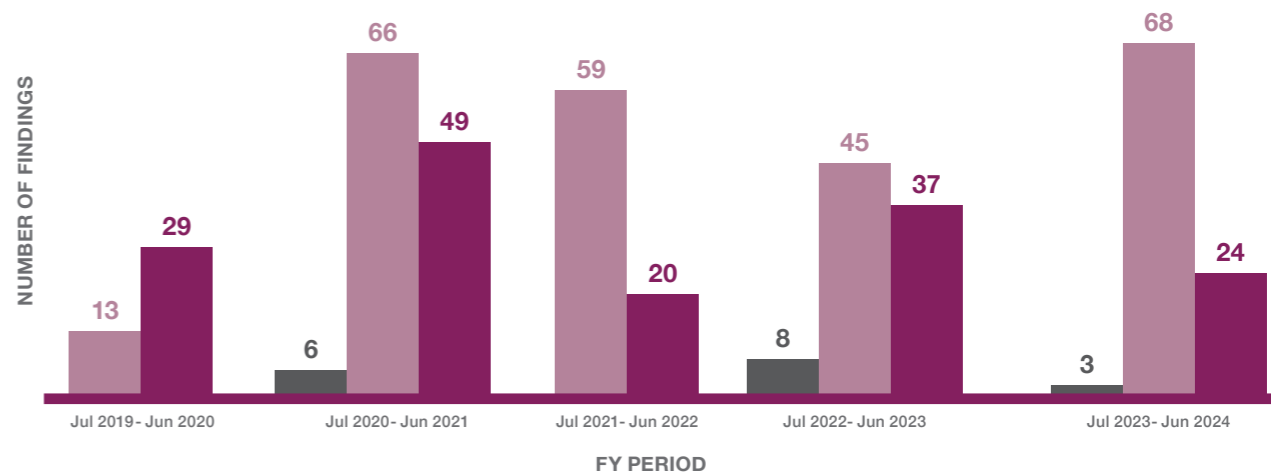


COLLABORATE & SUPPORT FUTURE GROWTH



ASSURE SAFE PRODUCTS & SERVICES

AUDIT FINDINGS SEVERITY BY FY PERIOD



Note: external audits not performed by external bodies annually

● Major non-conformance ● Minor non-conformance ● Recommendation

EXTERNAL AND INTERNAL AUDITS

During the year external regulatory and accreditation bodies carried out 13 audits. No critical findings were cited, and the total of three major non-conformances raised was well down on the previous year's tally of eight – a significant improvement. All findings were closed out through corrective and preventative actions in the timeframes required by the external body. All other deficiencies or observations raised at audit were also addressed and closed. NZBS remains committed to continually improving its safety and compliance while working closely with external bodies.

The QRA team also performed 74 internal audits, 17 hospital audits, and one supplier audit this year, providing further opportunities to identify areas of risk for the organisation. In addition, it helped operational teams to manage more than 2000 internal quality incidents, identifying trends and ensuring robust corrective and preventative action is in place to help prevent reoccurrence.

Thirty-one of these were managed as escalated incidents through New Zealand Blood Service's senior leadership team.

In addition, the Regulatory Affairs and Audit team also supported 16 regulatory submissions to Medsafe in a drive to improve safety and compliance across the organisation, and to endorse changes in practice.

PRIVACY

At NZBS we recognise we are the kaitiaki of a large amount of sensitive personal information – information entrusted to us so we can safely and effectively provide our products and services to New Zealanders. Our staff and contractors are expected to treat personal information as a taonga and look after it carefully and respectfully. We achieve this by ensuring our policies and processes are compliant with the Privacy Act 2020 and the Health Information Privacy Code 2020, and via the following mechanisms:

Privacy Impact Assessments

These are completed for all major system and policy changes to ensure that potential privacy impacts are understood, and appropriate mitigations are implemented before the changes are made. This year we completed 18 Privacy Impact Assessments.

Privacy incident reporting

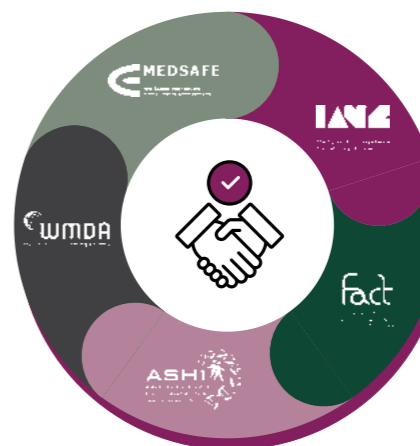
This year we had 16 privacy incidents, all of which were investigated, assessed for reporting to the Privacy Commissioners Office, and reviewed by the NZBS Privacy Officer to ensure their management in line with Privacy Act requirements. There were no privacy breaches during the year.

OUR ACCREDITATION AND COMPLIANCE PARTNERS

MEDSAFE licenses us to manufacture medicines. They ensure we are working to good practice guidelines (GxP).

WMDA is the World Marrow Donor Association. They promote global collaboration and best practices in Cellular Therapies.

ASHI is the American Society for Histocompatibility and Immunogenetics. It is an International society that sets standards for our Histocompatibility and Immunogenetics laboratory, NZTIL.



IANZ certifies our laboratories such as our Blood Banks, NZTIL and Reference Laboratory to ensure they are working to international laboratory standards

FACT is an International accreditation body that sets standards for cellular therapy products such as stem cells. They ensure we collect, test, process and store Stem Cells to international best practice standards.



TE TIKANGA MŌ TE MAHI TAHI A NGĀ HINONGA
HAUORA KI NGĀ KIRITAKI ME NGĀ WHĀNAU

CODE OF EXPECTATIONS FOR
HEALTH ENTITIES' ENGAGEMENT
WITH CONSUMERS AND WHĀNAU

The Code of Expectations¹ for health entities' engagement with consumers and whānau ('the code') was introduced in July 2022 and is required by the Pae Ora (Healthy Futures) Act 2022.

The code sets the expectations for how health entities must work with consumers, whānau and communities in the planning, design, delivery, and evaluation of health services.

All health entities must act in accordance with the code and are required to report biannually on how it has been applied. New Zealand Blood Service submitted its inaugural report in September, and its six-monthly update in April. Both the report and update demonstrated our commitment to co-design and consumer voice at NZBS and were well received.

Over the year we have also embarked on, or continued, a range of activities to improve the way we design, deliver, and assess the services we provide to our stakeholders. These have included:

- Appointing a Consumer Experience Lead in October 2023.
- Using a co-design approach to agree the first ever NZBS Customer Service Standard. Led by the Consumer Experience Lead, this work has involved donor focus groups, a survey, and workshops with staff around the motu. The feedback received has been collated to inform Customer Service Standard concepts that will be shared back out with staff in the new financial year. Once the Standard is agreed, training will be designed and developed so staff are supported to deliver to it effectively. Ultimately, this work aims to ensure that all stakeholders who engage with NZBS have a positive experience.
- Researching options for an ongoing programme of consumer engagement. Reflecting the range of stakeholders NZBS engages with – donors, recipients, whānau, patients, and health sector partners - this may take the form of one or more

reference panels. This work will continue in 2024/25 and will be informed by, and align with, The Code of Expectations.

- Continuing to foster cultural capability across the organisation. This year we have supported more than 100 staff to participate in facilitated workshops designed to develop and build on their understanding of Te Tiriti o Waitangi and why it matters for their work at NZBS.
- Finalising the requirements of, and job description for, a Matanga Tuitui Māori Cultural Advisor role at New Zealand Blood Service. While NZBS recognises the importance of this role to the organisation, it has – in keeping with the Government's Fiscal Sustainability Programme and requirement to identify significant savings – had to regrettably defer recruitment to this role until the next financial year.
- Formalised a robust clinical governance framework. This has seen an overarching Clinical Governance Committee established, chaired by NZBS's Chief Medical Officer, with three sub-committees (Organ and Tissue; Blood Plasma and Laboratories; Therapeutics and Patient Services). At each meeting the committees table formal reports and traverse topics that reflect the Health Quality & Safety Commission's five domains:
 - Consumers and whānau as active partners of the health team
 - Engaged, effective, culturally safe workforce
 - Effective health services
 - Efficient health services
 - Systems safety and learning

These committees have been established to further enhance quality and safety at New Zealand Blood Service. Through this framework, we have also begun our journey towards greater consumer representation, with a consumer representative already appointed to the Organ and Tissue sub-committee.

¹The Code of Expectations does not replace the Code of Health and Disability Services Consumers' Rights.



TE MAHERE ME TE WHAKARATO PLANNING AND SUPPLY CHAIN

The Planning and Supply Chain Directorate provides a nationally integrated planning, supply chain, and logistics solution to enable the safe delivery of the right blood products and services, to the right places, at the right times. It also leads organisational procurement and facilities and property functions.

The 2023/24 year has been characterised by the introduction of new systems and equipment that support the organisation to deliver safe, quality, products and services in efficient and sustainable ways.

PLASMA TRANSPORTATION SHIFTS FROM THE SKIES TO THE SEAS

In August, we began the transition from air freight to containerised sea freight for transporting our plasma to Australia for fractionation. We are now shipping plasma out of Lyttleton, the largest port in the South Island, with each container carrying around 6,500 donations or eight pallets of plasma. We will also begin containerised shipping out of Tāmaki Makaurau Auckland in the first quarter of 2024/25. The move away from air freight makes the process both more economical and more environmentally sustainable. Transporting this precious ‘liquid gold’ by air occurs weekly and requires dry ice and polystyrene to maintain it at a temperature of -20°C during transit. Using the new transportation method, the plasma is shipped in -35°C refrigerated containers every three to four weeks (plasma can be frozen for up to two years) without the need for dry ice or polystyrene. Sea freight also uses considerably less fuel per unit of cargo than air freight.

KEEPING OUR INFRASTRUCTURE AND TEAMS SAFE

This year we introduced a new Integrated Security Management System (ISMS) at our major sites in Auckland, Hamilton, and Christchurch. The system was installed during the construction of our new facilities (Highbrook in Auckland, the Waikato Hub in Hamilton, and our Donor Centre in Tauranga), and retrospectively at existing sites (our Takapuna and Christchurch Donor Centres). The system provides us with Closed Circuit Television (CCTV) functionality, enhanced access control, and intruder detection, and will be standard issue for all new NZBS facilities into the future. Similarly, we implemented a Building Management System for our new and larger sites, ensuring we can effectively and efficiently manage the buildings’ electrical, ventilation, and hydraulic systems. Both the Building and Integrated Security Management systems enable us to carry out remote monitoring around the motu, and to manage our building integrity and security risks nationally.

NEW PEOPLE, PROCESSES, AND EQUIPMENT

During 2023/24 we appointed a Central and Southern Facilities Manager – a new role, and the last gap to be filled in the Facilities Management Team. This appointment reflected a more proactive approach to facilities management at NZBS and the growth in our operations.

We also continued developing our inventory management process, identifying improvements to minimise our supply chain risks and reduce inventory costs. And we went to market for a range of new systems and equipment, including:

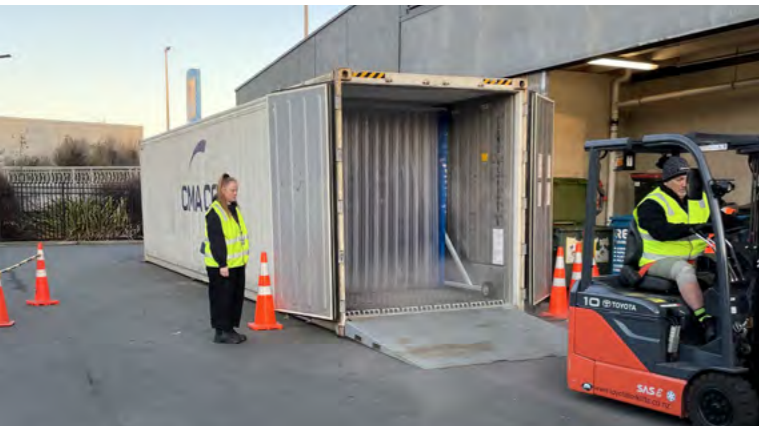
- A supplier management system that will enable us to better oversee supplier lifecycles, supplier performance, and value for money. By year end, we had embarked on the evaluation phase of the procurement process for this system.
- A health and safety management system, which we anticipate being operational from early next financial year. This will represent a significant advancement on the rudimentary system that has been used up until now.
- Automated blood separators to support the work of our laboratory staff.
- New liquid nitrogen freezers.
- New digital devices that will enable our donors to complete their pre-donation questionnaire electronically. Doing away with paper forms will bring us into line with blood services internationally and deliver a range of other benefits, including enhancing the security of personal and health-related information, and reducing the time needed for face-to-face interviews due to improved questioning. Roll-out of the new devices is expected from November 2024.

PLASMA-FOR-FRACTIONATION FREIGHTED BY SEA:	8 CONTAINERS 24.4 TONNES
PLASMA-FOR-FRACTIONATION FREIGHTED BY AIR:	74.5 TONNES
NUMBER OF PARCELS COURIERED TO INTERNAL & EXTERNAL CUSTOMERS NATIONALLY:	342,680 CONTAINING 1,193,284 ITEMS
VOLUME OF DRY ICE THAT WILL BE REMOVED BY CHANGING TO SEA FREIGHT FROM AIR FREIGHT:	70 TONNES

COST SAVING FROM SHIFTING FROM AIR FREIGHT TO SEA FREIGHT:

\$900,000

ANNUALLY



NZBS began freighting plasma to Australia by sea, rather than air, on August 23.

New Security and Building Management systems have this year been installed at five of our sites, including our new Highbrook (top) and Waikato Hub (above) facilities this year.

Members of the Christchurch Logistics Team. NZBS's full National Logistics Team comprises 41 staff made up of dispatch specialists, warehouse specialists, supply chain officers, mobile support and transport drivers, team leaders, and site support staff.



NGĀ AHO O TE TAURA OUR PEOPLE

The Human Resources and Organisational Development Directorate provides strategic people leadership to enable a high-performing culture among staff in support of NZBS's single enduring outcome¹.

Throughout the year we have focused on four key areas amid our business-as-usual activity:

- Embedding engagement and supporting wellbeing
- Navigating industrial action and engaging in Collective Employment Agreement bargaining
- Holidays Act Compliance
- Recognising and celebrating staff

EMBEDDING ENGAGEMENT AND SUPPORTING WELLBEING

Following the *Our Voices* staff engagement survey performed in 2022, we carried out a further survey this year, in September. A key finding of both surveys was that staff were keen to better understand more about the organisation's strategic direction and objectives. In response, NZBS's Internal Communications function developed a *Sessions with Sam* series – a virtual forum held after each NZBS Board meeting to update staff on the outcomes of those meetings, and on the progress of NZBS's strategic priorities and projects. Each session, hosted by NZBS CEO Sam Cliffe, also features a guest and specific topic, and the opportunity for staff to ask questions and provide feedback and suggestions. One outcome of the series to date has been the establishment of a Savings and Improvements Group for identifying ways to streamline our processes and make cost savings. There have been four sessions over the year, which have been well received by staff.

SUPPORTING WELLBEING

As a result of the *Our Voices* survey findings and feedback from the *Sessions with Sam* (see above), we have also

delivered various activities and forums throughout the year to support staff wellbeing. These have included a financial capability series, practices to de-stress through healthy thinking, how to look after your personal safety (with a Police expert in attendance), and tips for sleeping smarter and better. Our intention is to foster a positive employee experience by supporting wellbeing both at work and at home.

NAVIGATING INDUSTRIAL ACTION AND ENGAGING IN COLLECTIVE EMPLOYMENT AGREEMENT BARGAINING

This year has been a busy and sometimes challenging one in relation to our Collective Employment Agreements (CEAs), with bargaining taking place with the New Zealand Nurses Organisation (NZNO), Public Services Association (PSA), APEX, and the Association of Salaried Medical Specialists (ASMS).

Union claims focused on NZBS matching Te Whatu Ora pay rates which, for the PSA, APEX, and the NZNO, meant matching Te Whatu Ora pay equity settlements.

These expectations combined with a constrained fiscal environment created a degree of tension during this period, including industrial action being taken by the PSA and APEX in May and June. This action involved complete withdrawal of labour, restrictions on overtime, and work to rule activity. While difficult for all involved, this period was navigated with professionalism and respect, and we were pleased to ultimately achieve satisfactory settlements for all parties.

¹New Zealanders health needs are supported by the availability of safe and appropriate blood and tissue products and related services.

HOLIDAYS ACT COMPLIANCE

New Zealand's Holidays Act 2003 sets out how payment for leave and final pay is to be calculated and paid to staff. The Act has proven complex for some employers to apply for shift work, variable days and hours, and flexible work patterns. These work arrangements apply to many in the health workforce, including at NZBS. As a result, some entitlements for annual leave, bereavement and sick leave, public holidays, and alternative holidays (including lieu days) had been incorrectly calculated.

Having last year comprehensively reviewed and tested the payroll systems and processes we had had in place since 2010, we were pleased this year embark on the remediation phase of our programme; we made our first payments to current staff on February 29, with monthly payments being made thereafter to former employees.

DEVELOPING LEADERSHIP AND CULTURAL CAPABILITY

Developing leaders and leadership skills is critical for both organisational success and employee wellbeing. Over the past year NZBS has continued to invest in this area, with 66 people completing our Leadership programme, the foundation of which has four key domains:

- Leadership intent: Desire to lead against vision and strategy
- Lead for safety: safe product and safe team

- Lead the team: mobilise and engage the team and collaborate across the business (one team)
- Lead for delivery: focussing on efficiency and effectiveness and promoting innovation and change

Since starting the initiative in May 2022, 135 people have now completed the programme.

More than 100 staff have also been supported to undertake cultural capability training this year, developing and building on their understanding of Te Tiriti o Waitangi and its significance to their work at NZBS.

REWARD AND REMUNERATION

With regard to reward and remuneration, NZBS has continued to:

- Work within the pay parameters set by the Public Services Commission.
- Carry out gender and ethnic pay gap analyses.
- Make progress towards publishing a remuneration philosophy and policy. This is a vital piece of work to help our staff understand how remuneration is managed at NZBS, to engage with the process, and to make it more transparent. While the intent had been to complete this project within the 2023/24 financial year, the original timeline was impacted by the industrial action and bargaining activity that occurred. Work will continue in 2024/25.



SESSIONS WITH SAM

Session #3 - Wednesday 5 June

Featuring
Director of Quality & Regulatory Affairs
Fidelma Murphy



CELEBRATING OUR STAFF 2023 VITAL AWARD RECIPIENTS

The Vital Awards are presented annually to acknowledge and showcase great work at NZBS across three broad categories: Excellence in Improvement and Innovation, Service Excellence, and Spirit of NZBS.

EXCELLENCE IN IMPROVEMENT AND INNOVATION

This award recognises individuals or teams who show leadership, enthusiasm and commitment to creating a culture of positive change, innovation and/or sustainable improvement at NZBS.



Greg Scheurich, Medical Laboratory Scientist
Commended: Change Support Specialist, Rachelle Austin

Greg was recognised for his dedication and commitment to effecting positive change and improvement over many years, particularly in the Donor Accreditation

Laboratory but also across several other departments. After many months of research, validation, and protocol compilation, Greg recently introduced a new Zoster assay to the lab – a step that means NZBS can once again identify Zoster hyper-immune donors and start collecting Zoster pools; a big win for the organisation and the clinicians and patients we help within the healthcare sector (read more about Zoster Immunoglobulin in the Donor Services section of this report, page 14).

Greg has also worked to improve unit labelling and has been working on a project that, pending successful completion and Medsafe approval, will result in Serum Eye Drops' shelf-life being extended from six months to 12. This will reduce how often autologous donors need to donate while also saving on costs associated with producing these eye drops.

SERVICE EXCELLENCE

For individuals or teams who promote a philosophy of service excellence by demonstrating an unwavering commitment to the community we serve both in and outside our organisation.

Jointly awarded to:



Kat Dumaquita, Qualified Donor Technician
(Christchurch)

Kat was recognised for her willingness to go the extra mile in the course of her job. She provides resources and support for her colleagues and figures out novel ways of providing an enhanced donor experience. She

consistently demonstrates a high level of commitment to the quality of our service and empowers staff to make safe decisions regarding their equipment use so that our donors are well cared for and kept safe. Kat has built robust, collaborative relationships with external suppliers and strong connections with her Clinical Nurse Leader and Administration colleagues. She works to the top of scope and demonstrates a clear dedication to excellent service.

and:

The Process Migration Team (Clinical Transition Planning)

Transfusion Medicine Specialist **Annette Neylon**, Transfusion Nurse Specialist **Suzi Rishworth**, Transfusion Medicine Specialist **Gavin Cho**, Operations Support Officer (Patient Services) **Leigh Mosen**, Business Analyst **Carolyn Jeffrey**, Senior Project Manager (Clinical) **Melissa May**.

This team was recognised for its work developing our Process Migration Clinical Transition Plan, the blueprint for us safely and effectively transitioning existing Intragam P and Evogam patients to Privigen NZ and Hizentra NZ respectively (read more on pages 11 and 32 of this report).

The team's members came together from across disciplines at NZBS and committed to ensuring patients, some of whom had been receiving the same product every month for many years and were reliant on it for their quality of life, felt well supported and informed. To achieve this, the team also needed to ensure that prescribing clinicians and administering healthcare professionals could access the content they needed to support patients in a timely way.

The team worked incredibly hard on this complex package of work over a long period, ensuring everything was also in place to support the busy nurses, doctors, and blood bank staff as they made the change happen. This was a huge achievement that has paid dividends for our patients and healthcare colleagues.

SPIRIT OF NZBS

For individuals or teams who cultivate a community spirit, consistently make a social difference and help shape our work environment for the good of our organisation and our people.

Jointly awarded to:



Aimee Kinzett, Quality Business Partner (Wellington)

Aimee was recognised for her professionalism, enthusiasm, positivity, and unwaveringly high level of energy, even in the face of challenge. She is generous with her time, supporting not only her local Wellington and Quality teams, but the wider business wherever

possible. Aimee loves a challenge, delivers on her commitments, and always works to a high standard. She works collaboratively, with an absolute focus on donor and patient safety.

and:

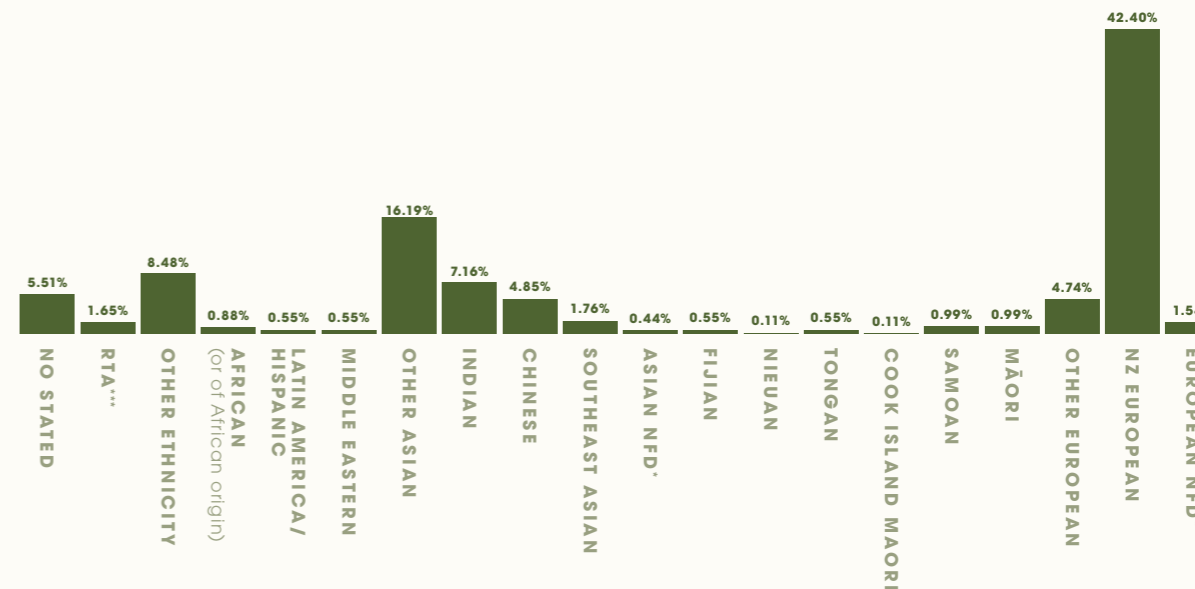


Amanda Stewart, HR Advisor (Auckland)

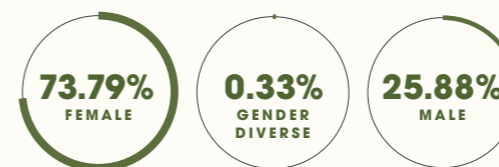
Amanda was recognised for exemplifying our NZBS values – in particular, integrity and respect, teamwork, and striving for excellence. Diligent and self-motivated, Amanda consistently looks to do more, learn more, and to take on more

responsibility. She works with flexibility and resilience, gaining respect from others by making herself available as a sounding board, giving well-considered input, and supporting team leaders to solve problems and make good decisions. Amanda has shown unwavering commitment to NZBS for more than 21 years and continues to demonstrate a growth mind-set and positive outlook. She generously shares her knowledge, experience and historical context with teams, and consistently works in ways that positively shape our work environment and organisation outcomes.

EMPLOYEE DEMOGRAPHICS



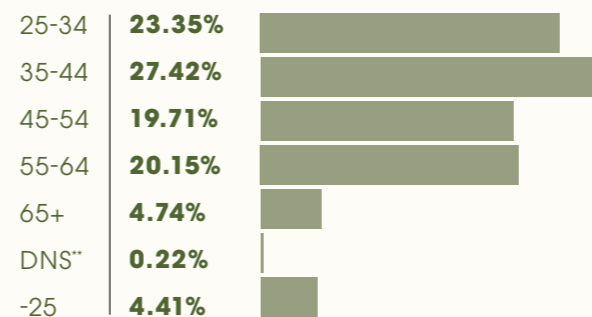
GENDER



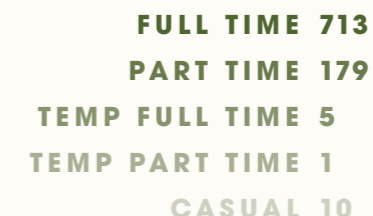
DISABILITY



AGE



TYPE



TOTAL STAFF
908

* NFD = No further details **DNS = Did not state ***RTA = Refused to answer

TE POARI

THE BOARD



FIONA PIMM - BOARD CHAIR

Fiona is an independent consultant and director with more than 40 years' experience in the health sector and extensive governance experience. She has previously worked in senior executive roles in primary care and District Health Board (DHB) management, as well as in Māori Health with Ngāi Tahu. Fiona has a diverse range of governance roles and currently represents Arowhenua on the Board of Te Runanga o Ngāi Tahu and is also a Director on Ngāi Tahu Holdings Corporation. She has a Postgraduate Diploma in Public Health and an MBA from Massey University.



DR BART BAKER

Bart is a consultant haematologist at Palmerston North Hospital's Regional Cancer Treatment Service. He is an active and experienced committee member, including for Leukaemia & Blood Cancer New Zealand. He is a member of the Haematology Society of Australia and New Zealand and the American Society of Haematology and is registered with the New Zealand Medical Council as a specialist in Internal Medicine and in Pathology (Haematology).



ROGER JARROLD

Roger Jarrold is a Chartered Accountant with more than four decades' experience. He has worked across the engineering, construction, and health sectors, including in Chief Financial Officer roles in construction and health. Alongside several other positions, Roger is currently Chair of the Health Research Council's Audit and Risk Committee, Deputy Commissioner at Te Whatu Ora, and a trustee of the Auckland Hospitals Research and Endowment Fund (AHREF) charitable trust. He joined the New Zealand Blood Service Board in July 2023.



NICOLE ANDERSON

Nicole Anderson is a professional director and a chartered member of the Institute of Directors with a background in financial management and public health. She is a member of various public and private sector governance bodies, including being a director on the Top Energy Ltd and Scion Boards, and Chair of the International Accreditation Council (IANZ). Ko Ngāpuhi tōna iwi, nō Hokianga ia.



ANTHONY BOW

Anthony is an independent director and a principal of Waimana Capital, a business strategy and expansion capital firm. He has more than 30 years of investment management, banking and finance, mergers and acquisitions experience, and has held CEO and senior executive leader positions in financial services entities. Anthony's governance roles include being Chair of Medical Sciences Secretariat Limited, Deputy Chair of the Medical Radiation Technologists Board, Director of Whai Rawa Fund Limited, and Councillor of InternetNZ. Anthony has a Bachelor of Commerce from the University of Auckland and holds Chartered Accountant designation from the professional accounting bodies of New Zealand and Singapore.



DR EDWARD TANETOA HUTCHINS

Edward is a consultant ophthalmologist at Wellington and Kenepuru hospitals, and at Wairau Hospital, Blenheim. He has a Bachelor of Medicine and a Bachelor of Surgery from the University of Auckland, and a postgraduate diploma in Ophthalmology from the University of Otago. He is a fellow of the Royal Australia and New Zealand College of Ophthalmologists, and has undertaken subspecialty fellowship training in corneal surgery, retinal surgery and ocular oncology. Ko Ngāi Tahu / Waitaha toku iwi. Huirapa toku hapu, Puketeraki toku marae.

FINANCE AND AUDIT SUBCOMMITTEE



EDIE MOKE - INDEPENDENT CHAIR (DBS, BBS, PGDBA, MBS)

Edie is Independent Chair of New Zealand Blood Service's Finance and Audit Subcommittee. She is also Independent Chair of the New Zealand Human Rights Commission's Finance and Audit Subcommittee, and an independent member of the Ministry of Health's Risk Assurance Committee. In June 2023 she was appointed to the Board of the International Accreditation NZ Council (IANZ) and recently also became their Audit and Risk Committee Chair.

Edie is a chartered member of the Institute of Directors New Zealand and an independent director with more than 25 years' governance experience across organisations related to health services, broadcasting, audio-visual archiving, regional development, philanthropy, and kaupapa Māori community services' delivery. She is a former Massey University business studies lecturer and worked as an accountant for the Canterbury Area Health Board before expanding her health service delivery knowledge at Healthlink South Ltd. Her consulting skills were cultivated as a principal consultant with Ernst & Young where she established the Māori health and Māori business development teams, and later with Cap Gemini Ernst & Young NZ.

Edie is not a member of the NZBS Board.

TE RĀNGAI MATUA

THE EXECUTIVE LEADERSHIP TEAM



SAM CLIFFE
Chief Executive Officer

As CEO Sam leads the Executive Leadership Team (ELT), has overall responsibility for organisational performance, and is accountable to New Zealand Blood Service's Board. The Executive Leadership Team members act as partners to the CEO, providing critical advice and support to enable the organisation to perform effectively and deliver on its objectives.



DR SARAH MORLEY
Chief Medical Officer

The Chief Medical Officer leads the Clinical Services Team, which plays a key role in ensuring that clinically appropriate blood products and services are provided to patients. The multi-professional expert team provides transfusion and blood donation advice, and clinical expertise in cellular therapies and apheresis, and organ and tissue donation. Sarah's team works closely with clinicians across the health sector and includes Organ Donation New Zealand and the New Zealand Bone Marrow Donor Registry.



JOSHUA BANKERS
Director, Digital Technology and Information Management

Josh provides vision and leadership for strategically developing and managing information, information resources, digital platforms, and technology. He is responsible for enabling New Zealand Blood Service's business strategy through the smart application and management of technology and information. He is also accountable for information services' systems and infrastructure across all locations.



KYLE BEUTH
Chief Financial Officer

As Chief Financial Officer (CFO) Kyle plays a key role in ensuring New Zealand Blood Service meets its financial and legal obligations. The CFO also contributes to the strategic direction and overall performance of the organisation. Kyle leads a team responsible for delivering effective financial management, financial strategy, policy development, and operational analysis. A key function of the CFO is also to drive business improvement and enhanced performance using analytics and business intelligence practices.



FIDELMA MURPHY
Director, Quality and Regulatory Affairs and NZBS Privacy Officer

Fidelma is accountable for ensuring NZBS works within required legislation and international best practice standards for blood, tissue, and cells' services. NZBS works within a complex regulatory framework for the collection, testing, manufacturing, and distribution of substances of human origin in New Zealand. Fidelma's role ensures NZBS is fully compliant with all the required standards, ensuring the organisation provides safe products and services. She is also the organisation's Privacy Officer and ensures compliance with New Zealand's Privacy Act 2020.



KAREN DIDOVICH
Director, Human Resources and Organisational Development

The Director, Human Resources and Organisational Development is responsible for providing strategic leadership across these areas. The role ensures policies, programmes and HR services support a high-performing culture that is underpinned by NZBS's values and contributes to NZBS's 'single enduring outcome'. Working in partnership with other Executive Leadership Team members and senior management teams, HR&OD work to attract, select, motivate, and retain a highly qualified and diverse workforce; promote effective leadership and management practices; manage salary and benefits; develop employee recognition programmes; promote fair and equitable treatment of employees through employee relations services; lead health and safety, inclusive of wellbeing initiatives; and provide training and development.



DR MANDY SUDDES
Director, Technical Services

Mandy leads and is accountable for the Technical Services function, from strategy development to operational service delivery, including managing major change programmes. This work is central to ensuring we can meet the clinical demand for products and services and deliver them in accordance with statutory and regulatory requirements. Technical Services' functions include manufacturing and donation accreditation, and operating six national blood banks, the National Reference Laboratory, and the New Zealand Transplantation and Immunogenetics Laboratory. Technical Services also carries out cellular therapy and tissue banking activities with support from NZBS's Learning and Development and Technical Facilities and Equipment teams.



BRETT PARADINE
Director, Donor Services

Brett leads and is accountable for the Donor Services' function, from strategy development through to operational service delivery. This work is central to ensuring collection targets are achieved so that clinical demand for products and services can be met. Donor Services' functions include donor strategy, planning, marketing, donor administration, donor recruitment and collections, training, the Donor Product and Safety (DaPS) Team, therapeutic services, and contact centre oversight.



JUSTIN SCOTT
Director, Planning & Supply Chain

Justin is accountable for providing strategic direction and oversight of NZBS's Planning and Supply Chain function. He leads the operational activity that sees the timely distribution of blood and blood products to New Zealand hospitals and, with his team, heads up NZBS's integrated planning process to ensure product demand can be met. Justin's role also manages the organisation's facility, property, and procurement functions, and he is the lead executive for NZBS's emergency planning management.

***New Zealanders health needs are supported by the availability of safe and appropriate blood and tissue products and related services.**

TE ANGA ME TE KĀWANATANGA

STRUCTURE & GOVERNANCE

NZBS IS A CROWN ENTITY ESTABLISHED IN 1998 UNDER THE NEW ZEALAND PUBLIC HEALTH AND DISABILITY ACT 2000¹.

Its legislated primary purpose and core activity is the safe, timely, high quality and efficient provision of blood, blood products, and services to clinicians for the people of New Zealand. In addition, NZBS provides services for matching patients and donors prior to organ/tissue transplantation, tissue banking (skin and bone), and stem cell services.

These activities contribute to the organisation achieving its single **Enduring Outcome**:

The health needs of people in New Zealand are supported by the availability of safe and appropriate blood, blood products, tissues and related services.

NZBS is required under the Crown Entities Act 2004 (the Act) to give effect to Government policy as directed by the responsible Minister, the Minister of Health. The NZBS Board is appointed by and responsible to the Minister of Health and performs strategic and governance functions for the organisation in accordance with the Act.

The collective duties of the Board under the Act include ensuring that NZBS:

- Acts consistently with its objectives, functions, Statement of Intent and Annual Statement of Performance Expectations
- Performs its functions efficiently, effectively and consistently and with the spirit of service to the public, and
- Operates in a financially responsible manner.

Board members who have a range of appropriate and complementary skills and experience to govern this complex collections, manufacturing, and distribution organisation also have individual duties to: comply with the Act (including with respect to disclosure of information), act with honesty and integrity, act in good faith and not at the expense of NZBS's interests, and act with reasonable care, diligence and skill.

The NZBS Board appoints the Chief Executive Officer (CEO) who reports directly to them. An Executive Leadership Team (see page 55) supports the CEO.

The NZBS Board ensured the organisation's activities contributed to achieving the following three strategic objectives for the 2023/24 year:

- Building foundations for growth
- Delivering operational effectiveness
- Providing exceptional service

¹ Replaced by the Pae Ora Healthy Futures Act from 1 July 2022

STATEMENT OF TRENDS

1 JULY 2020 - 30 JUNE 2027

Key indicators	Actual				Plan		
	Year 2020/21	Year 2021/22	Year 2022/23	Year 2023/24	Year 2024/25	Year 2025/26	Year 2026/27
Collections & production volumes							
Active donors at 30 June each year	112,388	115,428	119,136	122,201	124,326	129,150	139,854
New Zealand population - stated in 000s	5,123	5,127	5,228	5,201	5,239	5,277	5,277
Active donors as a % of the total population	2.19%	2.25%	2.28%	2.34%	2.37%	2.45%	2.65%
Collection volumes							
Donation collection volumes	220,335	227,163	225,324	220,102	224,056	254,374	283,567
Donor to donation ratio - average donation frequency per donor	1.96	1.97	1.89	1.80	1.80	1.97	2.03
Production volumes							
Red cells - units	109,662	110,427	114,215	107,640	115,392	117,121	119,326
Platelets - adult doses	17,413	23,876	25,027	19,295	20,012	20,308	20,526
Cryoprecipitate - units	7,209	7,195	8,106	8,027	8,553	8,853	9,229
Plasma - units	14,714	14,571	18,056	12,583	13,194	13,360	13,616
Source plasma issued for fractionation manufacturing - kgs	101,634	102,643	106,178	98,858	105,630	126,105	145,077
Key product & service demand volumes							
Key blood product volumes – as issued							
Fresh products							
Total red cells - units	106,685	107,203	110,786	112,481	112,382	114,067	116,213
Total platelets - adult doses	15,526	15,717	16,235	16,412	16,198	16,438	16,618
Cryoprecipitate - units	7,477	6,996	7,862	8,093	8,342	8,634	9,001
Total clinical FFP plasma - units	13,622	12,921	16,359	12,686	12,967	13,132	13,379
Total fresh product units issued per 1000 head of population	27.98	27.86	28.93	28.78	28.61	28.85	29.41
Fractionated product							
Immunoglobulin (IVIg) Derived - Intragam P & Privigen NZ - grams	391,680	412,368	448,236	489,972	484,200	532,620	585,960
Immunoglobulin (SCIG) Derived - Evogam & Hizentra NZ - grams	54,713	55,240	50,970	53,410	62,880	62,880	69,168
Immunoglobulin (IVIg) Commercial - Privigen NZ & Gammunex - grams	66,565	68,500	97,515	92,160	156,600	172,260	189,720
Immunoglobulin (SCIG) Commercial - Hizentra - grams	1,696	6,480	15,776	33,000	31,920	41,520	45,696
Total immunoglobulin product issues - grams	514,654	542,588	612,497	668,542	735,600	809,280	890,544
Total immunoglobulin product issued per 1000 head of population – grams	100.47	105.83	117.15	128.55	140.41	153.35	168.75
– Albumin issues – grams	618,548	607,752	595,804	617,232	738,664	834,639	904,950
– Biostate (Factor VIII) – 500iu equivalent vials	5,371	5,731	5,689	4,196	3,820	3,668	3,668
Key service volumes – as supplied							
Patient antibody screens	163,372	158,305	163,749	168,632	166,002	167,000	168,000
Patient blood groupings	169,514	164,079	169,649	174,833	177,000	180,000	185,001
Patient compatibility testing	117,479	116,794	122,921	121,694	122,002	122,999	123,999
Tissue Typing NGS testing for Solid Organ & Bone Marrow Transplants	2,455	3,433	3,701	3,641	3,805	3,886	4,469
Taxpayer value - Cost of NZBS for a family of four							
Total NZBS operating cost net of unrealised exchange movements (\$000's)	153,944	171,592	210,503	258,085	219,551	243,399	269,568
Annual operating cost of NZBS per Head of Population	30.05	33.47	38.03	49.62	41.91	46.12	51.08
Cost of New Zealand Blood Service for a family of 4	120.20	133.88	152.12	198.50	167.63	184.48	204.32
Cost of New Zealand Blood Service per week for a family of 4 (\$)	2.31	2.57	2.93	3.82	3.22	3.55	3.93

STATEMENT OF TRENDS

1 JULY 2020 - 30 JUNE 2027

	Actual				Plan		
	Year 2020/21	Year 2021/22	Year 2022/23	Year 2023/24	Year 2024/25	Year 2025/26	Year 2026/27
Key indicators							
Earnings performance (\$000)							
Revenue from sale of goods	126,025	139,753	165,959	191,163	240,109	277,570	315,603
Revenue from supplying services	29,792	28,982	32,196	36,062	38,195	41,635	44,472
Other revenue (including interest and funding from Crown)	5,721	3,697	7,438	9,497	9,077	9,204	9,405
Total revenue	163,257	173,857	205,593	236,722	287,381	328,409	369,480
Revenue growth %	15.31%	6.49%	18.25%	15.14%	21.40%	14.28%	12.51%
Full time equivalent employee	677.89	711.47	801.34	849.66	923.91	1,003.41	1,065.21
Revenue per full time equivalent employee	240.83	244.36	252.68	278.61	311.05	327.29	346.86
Total comprehensive revenue and (expense)	2,739	(2,814)	(4,910)	(21,363)	5,063	18,502	27,732
Financial position (\$000)							
Total equity	43,130	40,765	98,039	101,240	119,285	137,787	165,520
Total non-current borrowings	18,131	26,674	26,590	20,355	32,264	33,538	33,275
Total assets	107,483	126,756	190,743	196,069	205,420	236,615	271,075
Working capital	39,833	36,916	81,533	63,394	79,399	81,228	87,190
Inventory stock turn (times per annum)	2.74	2.41	1.59	1.57	1.84	1.92	1.99
Receivables - days sales outstanding (days)	31.95	34.28	33.09	26.93	31.60	33.37	29.66
Debt / Equity gearing							
Equity %	69.10%	59.04%	77.58%	83.26%	78.98%	78.67%	81.06%
Debt %	30.90%	40.96%	22.42%	16.74%	21.02%	21.33%	18.94%
Cash flows (\$000)							
Net cash flows from operating activities	(1,680)	114	(21,044)	(16,751)	(3,943)	23,493	33,485
Net cash flows from investing activities	(6,477)	(10,607)	(41,343)	(4,202)	(4,535)	(29,064)	(35,073)
Net cash flows from financing activities	10,133	8,394	64,345	19,041	7,120	5,605	1,329
Net increase/(decrease) in cash and cash equivalents	1,975	(2,099)	1,958	(1,912)	(1,359)	35	(258)
Cash and cash equivalents at the end of the year	4,668	2,569	4,527	2,614	2,318	2,352	2,094
Banking ratios							
- Bank equity %	41.89%	34.07%	56.00%	54.41%	60.36%	60.52%	63.36%
- Interest cover ratio	16.27	3.91	3.83	(6.93)	8.38	76.90	71.39



STATEMENT OF PERFORMANCE
for the year ended 30 June 2024

The Statement of Service Performance is reported in the annual report on pages 60 to 71.

The Statement of Performance Expectations (SPE) 2023/24 sets out New Zealand Blood Service's (NZBS) financial and non-financial performance expectations and a set of performance measures, with baseline figures and targets. The SPE is a statutory requirement that provides a base against which outputs can be assessed, ensuring we remain accountable to the public of Aotearoa New Zealand. The actual results of service performance (against the targets set in the SPE) are included in this statement of performance.

The SPE was prepared having regard to the Minister of Health's letter of expectation for the 2023/24 financial year. In addition, Vote Health NZ, *Crown Entities Act section 136, section 151 (b) and Public Finance Act 19 A and 19C* require the end of year performance information for the appropriation included in the annual report.

WHO ARE WE?

New Zealand Blood Service was established in 1998 under the New Zealand Public Health and Disability Act 2000 and is an appointed entity pursuant to section 63 of the Human Tissue Act 2008.

We are New Zealand's sole provider of blood, blood products, and associated services, and coordinate deceased organ donation, tissue donation (eye tissue, heart valves, and skin), and hip bone donation. We also operate the National Heart Valve Bank and the New Zealand Bone Marrow Donor Registry.

WHY DO WE EXIST?

We play a crucial role in delivering the outputs of Health New Zealand | Te Whatu Ora's New Zealand Health Plan.

The core purpose of the New Zealand health system is to protect, promote, and improve the health and wellbeing of New Zealanders. The long-term vision for health and wellbeing is to achieve longer life expectancy and improved quality of life for all New Zealanders.

New Zealand Blood Service supports the health needs of people in New Zealand with the availability of safe and appropriate blood and tissue products and related services.

What NZBS intends to achieve in broad terms over the medium to long term, and how it plans to accomplish this, is outlined on pages 66 to 71.

HOW DID WE PERFORM?

New Zealand Blood Service has one reportable class of outputs under section 149E(1)(a) of the Crown Entities Act 2004 – the supply of safe and appropriate blood, blood products, and associated services.

Performance is monitored through regular reporting to the Ministry of Health Manatū Hauora.

Statement of compliance

This Statement of Performance has been prepared in accordance with PBE FRS48 and is considered compliant with GAAP and Tier 1 Public Benefit Entity (PBE) standards. The Statement of Performance presented in this annual report covers the reporting period from 1 July 2023 to 30 June 2024.

Cost allocation policy

New Zealand Blood Service operates with a single reportable output class, which allows for straightforward allocation of both revenue and expenditure. All revenue generated by the NZBS, along with its corresponding expenditures, are allocated entirely to this singular output. This approach ensures that all financial resources are directly associated with the primary operational activities of NZBS.

Disclosure of judgement

The Statement of Performance contains the performance indicators NZBS considers appropriate in monitoring its collective performance over the reporting period. Where performance indicators have either changed or are new, this will be clearly identified in the document.

Most of the organisation's performance indicators are objective in nature, being based on hard data outcomes provided by the organisation's very comprehensive information systems. Subjective assessments has been applied in two indicators 4.5 and 4.8.

STATEMENT OF PERFORMANCE
for the year ended 30 June 2024

New Zealand Blood Service - One output class and outcome			
Output	Outcome		
NZBS's primary revenue-generating activities are the sale of blood and blood-related products and the delivery of services related to these products. The revenue associated with the core output/activities represent one overall Output Class, comprising three interrelated outputs related to: <ul style="list-style-type: none"> • Donors (and patients) • Products and services • Demand management Together, these collectively contribute to the achievement of the NZBS Outcome.	Health needs of people in New Zealand are supported by the availability of safe and appropriate blood and tissue products and related services.		
Performance measure	2022/23 Actual	2023/24 Target Set	2023/24 Actual
Provision of a safe and effective blood service for all New Zealanders through supply and delivery of: <ul style="list-style-type: none"> • Fresh blood components. • Fractionated blood products; and • Other products and related services. 	Revenue of \$204.48m with no price rebate declared to DHBs. Expenses of \$207.52m Deficit of -\$3.04m	Revenue of \$240.75 with no price rebate declared to DHBs. Expenses of \$242.33m Deficit of -\$1.58m	Revenue of \$236.72 with no price rebate declared to DHBs. Expenses of \$258.08m Deficit of -\$21.36m
Financial performance commentary			
For 2023/24 we reported a deficit of \$21.36m against a budgeted deficit of \$1.58m.			
Revenue was less than budget by \$4.03m or 1.7 per cent due to the unexpected availability of clinical trial therapies for patients affected by C1 esterase inhibitor deficiency totalling \$2.42m; a more gradual uptake of the prophylactic Rh(D) programme for pregnant mothers totalling \$1.19m; the disruption to product dispensing in late June totalling \$2.97m caused by industrial action taken by employees during collective bargaining. It was offset by an increase in services activity in stem cell therapies and blood and tissue testing totalling \$2.01m.			
Expenses were more than budget by \$15.75m or 6.5 per cent. Settlements of collective bargaining agreements and pay parity claims were significantly higher than budget by \$9.60m. Implementation of the new Blood Management System (BMS) provided under a Software-as-a-Service (SaaS) arrangement resulted in unbudgeted accelerated amortisation of \$3.41m for the incumbent system.			
The number of active donors has increased from 119,136 to 122,201, reflecting an increase of 2.57 per cent. From this donor pool, whole blood donations have increased by 2 per cent to service a 1.53 per cent increase in whole blood product demand. However, plasmapheresis donations have decreased from 101,445 to 93,749 - a drop of 7.59 per cent, which attributes to 6.79 per cent less AHF plasma being shipped to CSL. Immunoglobulin (IVIg) derived product issued (grams) has increased by 10 per cent, with this upward trend attributed to stock holdings and a product lifespan of three years.			

Measuring the services we provide

1. Measures related to key products and services which contribute to achieving NZBS' Enduring Outcome			
Performance measure	2023/24 Target Set	2023/24 Target Set	2023/24 Target Set
1.1 Key products and services available at all times (24/7). Measure is instances when this is not achieved and which had a negative consequence for a patient.	0	0	Achieved (0)

2. Measures related to achieving Strategic Goal 1: BUILDING FOUNDATIONS FOR GROWTH			
Performance measure	2022/23 Actual	2023/24 Target Set	2023/24 Actual
2.1 Annual employee turnover	19% of workforce	15% of workforce	Not Achieved (17% of workforce)
2.2 Employee engagement Index Undertaken as part of the broader Culture and Engagement Survey.	Our Voices engagement survey had an 80 per cent participation rate with an overall score of 7 out of a maximum 10.	Better than agreed benchmark. Improvement on prior year and trending towards benchmark of 8 out of 10.	Not Achieved Our Voices engagement survey had a 76 per cent participation rate with an overall score of 7.3 out of a maximum 10.
The Our Voices survey was conducted using an online survey tool (Workday Peakon) between 18 and 29 September 2023. Electronic survey invitations were sent to approximately 857 staff over the period the survey was open; 651 employees responded, which corresponds to a response rate of approximately 76 per cent. We chose the Workday tool for a variety of reasons including flexibility in the type and number of survey questions, the ability to benchmark results against similar industries, and ease of use for supervisors. The margin of error is unavailable as the survey was carried out internally.			

STATEMENT OF PERFORMANCE
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Performance measure	2022/23 Actual	2023/24 Target Set	2023/24 Actual
2.3 <i>Cultural Competency Programme</i> Ensuring the organisation and its employees display good levels of cultural awareness in all things NZBS does. To engage proactively with Te Aka Whai Ora as appropriate for NZBS related activities.	New in 2023/24.	Appoint in-house role to lead cultural competency development for all staff. Engage proactively with Te Aka Whai Ora.	Not Achieved. Appointment of new role deferred due to financial constraints. Te Aka Whai Ora was disestablished.
2.4 <i>Health and safety in the workplace</i> Ensuring the NZBS Health and Safety (H&S) programme is an important part of the day-to-day processes and culture of safety across the organisation.	New in 2023/24.	Ensure the national and regional health and safety committees all meet at least once per quarter. Ensure the number of trained health and safety representatives meets the minimum of one rep to 19 employees per Section 6 of the Health and Safety at Work Regulations 2016.	Achieved. The Committee met twice each quarter. Health and safety representatives to Employee ratio is 1:16
2.5 <i>Auckland Hub Facility multi-year redevelopment project</i> Successful completion of key project milestones in accordance with the project's rolling work programme as set at the start of a given financial year. Delivery focus, financial- year-to-financial-year, is on those stages targeted for completion within the financial year under review, accepting the redevelopment is a complex multi-year undertaking. Stage 3 phase I: Stages 3A and 3B completed by June 2023 Stage 3C completed by October 2023 Stage 3 phase II: Stage 3E completed by December 2025 Stage 3F completed by December 2026 Stage 3D completed by December 2027 Stage 3G completed by June 2028	Outcome. Stage 3 Phase 1 comprised Stages 3A, 3B and 3C. Stage 3C is targeted to be completed by 30 November 2023. Stage 3B went operational in April 2023. Stage 3C works commenced 29 April 2023 and is tracking to programme with an expected construction completion early October 2023.	Stage 3C completed by October 2023. Other key milestones achieved in accordance with the project's work programme.	Not Achieved. Stage 3C completed November 2023 as per key milestone for this year. Other work deferred by 12 months due to financial constraints.
2.6 <i>New Highbrook National Facility</i> Stage 1 comprises a Logistics facility fit-out to facilitate refrigerated container handling, plasma processing and national refrigerated storage facilities with an administration area. Stage 2 comprises fitting out the advanced Cellular Therapies and Tissue Bank laboratories and multiple clean room facilities.	Stage 1 fit-out started late in the June quarter 2023 under the appointed primary contractor Savory Construction Limited.	Stage 1 to be fully operational no later than Quarter 4 of 2023/24.	Not Achieved. Stage 1 fully operating by October 2024.
2.7 <i>New Waikato Hub facility</i> An integrated facility comprising the fit-out of a donor centre, therapeutic facilities, logistics and storage hub as well as administrative support facilities.	The hub facility programme saw some delays outside NZBS control. The adjusted timeline has the new donor centre set to open 14 August 2023 and NZBS vacated from its existing site by 31 December 2023.	To be fully operational and have vacated the existing premises by no later than 31 December 2023.	Achieved. Fully operating from August 2023.
2.8 <i>New Tauranga Donor Centre</i>	Delays were experienced during 2022/23. A revised fit-out programme still has a completion date of pre-31 March 2024.	To be fully operational at the new donor centre by no later than 31 March 2024.	Not Achieved. Fully operating from April 2024.

STATEMENT OF PERFORMANCE
for the year ended 30 June 2024

3. Measures related to achieving Strategic Goal 2: DELIVERING OPERATIONAL EFFECTIVENESS			
Performance measure	2022/23 Actual	2023/24 Target Set	2023/24 Actual
3.1 <i>Raw material (Collections) inputs – based on Demand Forecasts</i> Whole blood donations Plateletpheresis donations Plasmapheresis donations Total donations	121,117 2,759 101,448 225,324	122,098 2,770 109,237 234,015	Not Achieved. 123,565 2,788 93,749 220,102¹
3.2 <i>Clinical Oversight Programme</i> All blood banks located in main hospitals (other than the six hospitals where NZBS is responsible for blood bank provision) will receive at least one NZBS clinical oversight visit (and audit report) per year to enable them to meet the requirements of ISO15189 for IANZ Accreditation.	During the 12 months to 30 June 2023 NZBS undertook 31 clinical oversight visits, in accordance with the Clinical Oversight Programme. 100% of planned visits were made over the financial year.	To achieve a minimum of one clinical oversight visit and report per year for agreed non-NZBS-managed blood banks located in main Te Whatu Ora hospitals.	Achieved. 100% of blood banks.
3.3 <i>Donation testing</i> Each donation will be tested in accordance with the NZBS Manufacturing Standards (as approved by Medsafe) No product is released for issue to a patient until it completes mandatory testing or is released under the Exceptional Release protocol.	Over the 12 months to 30 June 2023 NZBOS tested 100% of its donations	To maintain 100% testing of all donations.	Achieved. 100% of all donations tested.
3.4 <i>Regulatory compliance - Medsafe</i> NZBS will ensure it maintains Medsafe licences for its six main sites 100% of the time, to provide an assurance of Good Manufacturing Practices (GMP) compliance. NZBS is required to maintain a licence to manufacture medicines. The licence requires mandatory compliance with current (cGMP) compliance codes.	100% GMP licensing compliance maintained over the financial year.	To maintain 100% GMP Licensing compliance over the financial year.	Achieved. 100% GMP licensing compliance.
3.5 <i>Regulatory compliance – IANZ (International Accreditation New Zealand)</i> NZBS will ensure it maintains IANZ accreditation 100% of the time at all NZBS diagnostic laboratories. IANZ is the national authority for accreditation of testing and calibration laboratories, inspection bodies and radiology services.	100% IANZ accreditation maintained.	To maintain 100% IANZ accreditation.	Achieved. 100% IANZ accreditation.
3.6 <i>Regulatory Compliance – ASHI (American Society of Histocompatibility and Immunogenetics)</i> NZBS will maintain ASHI accreditation 100% of the time at the New Zealand Transplantation and Immunogenetics Laboratory (NZTIL). ASHI accreditation is a programme to evaluate laboratory personnel, procedures, and facilities to ensure compliance with published ASHI standards. Maintaining ASHI accreditation is a mandatory NZBS requirement.	NZTIL successfully demonstrated 100% compliance with all mandatory ASHI standards. NZTIL now holds a new ASHI accreditation certification from 1 September 2022 to 31 August 2024.	To maintain 100% ASHI accreditation.	Achieved. 100% ASHI accreditation.

¹Plasmapheresis donations in FY24 were impacted by post-COVID behaviour changes, with panel sizes stagnating and donation frequency declining, despite early pandemic growth. The adoption of a new donor management system (DRM365) in January 2024 caused significant disruptions, leading to a drop in donor bookings due to system issues. Additionally, industrial action by union members from May to June further reduced collection volumes and caused donor hesitation

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Performance measure	2022/23 Actual	2023/24 Target Set	2023/24 Actual
3.7 <i>Financial management</i> Assure cost efficiency and value for money management by maintaining financial sustainability in a demand* driven environment. (* changes in product demand mix and volume by Te Whatu Ora impacts NZBS's financial result).	A worse than Budget reported deficit of \$3.04m on revenues of \$204.48m. The financial statements of 2023 have been restated for prior period errors – restating the deficit of \$4.9m and revenue of \$205.6m No price rebate paid to Te Whatu Ora.	Achievement of Budget or better. Budget set as a deficit of \$1.58m on revenue of \$240.75m. No price rebate planned.	Not Achieved. A worse than Budget reported deficit of \$21.4m on revenues of \$236.7m. The variance is arising from the settlement of collective payments and parity. Refer to Note 25 of the financial statements for further explanations. No price rebate paid to Te Whatu Ora.
3.8 <i>NZBS reports for Health New Zealand Te Whatu Ora</i> Monthly demand management reports outlining purchase volumes by key product line are provided to Te Whatu Ora hospitals to help them manage local usage and costs. We will review this reporting to determine if a more efficient national report is preferable.	Monthly reports detailing product use and expiry information were all provided within the set timeframes to all Te Whatu Ora hospitals throughout the 2022/23 financial year.	Reports are provided to Health New Zealand Te Whatu Ora hospitals by the tenth working day of the following month.	Achieved. Reports have been provided to Health New Zealand Te Whatu Ora hospitals by the 10th working day of the following month.
3.9 <i>Organ Donation New Zealand (ODNZ) – Performance Monitoring</i> NZBS to provide an ODNZ performance monitoring report to the Ministry of Health Manatū Hauora on a quarterly basis.	Performance monitoring reports were provided to the Ministry of Health Manatū Hauora on a quarterly basis. The 2022 calendar year ODNZ Annual Report was completed in the June 23 Quarter and published in July 2023 on the ODNZ website.	Performance monitoring reports, as agreed, to be provided to the Ministry of Health Manatū Hauora on a quarterly basis.	Achieved. Performance monitoring reports were provided to the Ministry of Health Manatū Hauora on a quarterly basis. The 2023 calendar year ODNZ Annual Report was completed in the June 24 Quarter and published in July 2024 on the ODNZ website.
3.10 <i>New Zealand Bone Marrow Donor Registry (NZBMDR)</i> The World Marrow Donor Association (WMDA) promotes product quality and global collaboration through accreditation and standardisation. This accreditation ensures that NZBMDR complies with international WMDA standards and can collaborate with our international partners.	New in 2023/24.	NZBS will maintain WMDA accreditation 100% of the time at NZBMDR.	Achieved. NZBS has maintained WMDA accreditation 100% of the time at NZBMDR.

4. Strategic Goal 3: PROVIDING EXCEPTIONAL SERVICE

Performance measure	2022/23 Actual	2023/24 Target Set	2023/24 Actual
4.1 <i>Blood donation donor population</i> NZBS maintains a donor population capable of meeting the ongoing demand for blood and blood products. Active whole blood, plateletpheresis and plasmapheresis donor panels.	119,136 donors engaged to meet demand.	117,915 donors engaged to meet demand.	Achieved. 122,201 donors engaged to meet demand.
4.2 <i>Blood donation - Donor satisfaction</i> Measure of overall satisfaction with the quality of service (90 per cent of donors give an eight or higher score out of 10 for their experience/satisfaction with the service).	96.0% rating versus a target set of greater than 90% satisfaction benchmark for donor experience.	To maintain greater than 90% satisfaction benchmark for donor experience.	Achieved. 95.6% satisfied
The survey was conducted online using the DRM Touch Survey Module from November 30 to December 5, 2023. A total of 3,930 emails were sent over the course of six days, resulting in 1,151 responses; a response rate of approximately 29.29 per cent. The rationale for using this survey method was its historical effectiveness and cost-efficiency in collecting feedback from existing donors. The survey was distributed via email to recent donors of whole blood, plasma, and platelets. This approach was chosen for its cost efficiency in collecting feedback from existing donors.			
4.3 <i>Māori donor panel growth</i> Recruit 2,900 new and reinstated Māori donors to the active donor panel (each year measure).	3,003 donors	2,900 donors	Achieved. 3,338 donors
4.4 <i>Youth donor panel growth</i> Recruit 11,000 new and reinstated donors between the ages of 16-25 ('youth') on the active donor panel (each year measure).	8,469 achieved - an improvement on last year but only 77.0% of the target set.	11,000 donors	Not Achieved. 8,299 donors ²

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for the year ended 30 June 2024

Performance measure	2022/23 Actual	2023/24 Target Set	2023/24 Actual
4.5 <i>Planning and communication with Health New Zealand Te Whatu Ora hospitals</i> NZBS will demonstrate a productive and supportive strategic relationship with Te Whatu Ora at all levels - whether hospital, regional or national office, including proactively engaging with them to ensure they are fully informed on all relevant matters. NOTE: Exact measure has changed over recent years.	Outcome NZBOS has strived to establish working relationships across Te Whatu Ora working at the - Clinical level including with hospital transfusion committees, - Procurement with detailed monthly volumes and purchase information provided with some tailored reports a work in progress. - CEO communications setting out strategic direction and planned initiatives along with annual price setting considerations. The relationship post the health reforms remains a work in progress with NZBOS committed to working for the benefit of the health sector in a collective sense.	NZBS to demonstrate a productive and supportive relationship with Health New Zealand Te Whatu Ora at all levels of the strategic partnership, underpinned by the timely and relevant provision of information during the course of the 2023/24 financial year. Measured at CEO-to-CEO level.	We have built on established working relationships across Health New Zealand working at the: • Clinical level including with hospital transfusion committees • Procurement with detailed monthly volumes and purchase information provided • CEO communications along with annual price setting considerations • Building excellent collaborative clinical relationships during the recent industrial action • Extensive collaboration with New Zealand Health Te Whatu Ora's finance team on mutually important issues
Subjective judgment is applied in this case, as these factors are not easily captured by hard data but are better assessed through the insights of those involved. This approach is necessary because there is no rigid, quantifiable guidelines for managing these relationships. The ability to interpret various factors and make context-based decisions is key to maintaining a productive and supportive strategic relationship.			
4.6 <i>Haemovigilance reporting - patient safety</i> To promote risk awareness and best practice in transfusion, NZBS will publish, in any given financial year, an annual Haemovigilance Report for the nominated calendar year. It will share this information with all Health New Zealand Te Whatu Ora hospitals to help them reduce the incidence of transfusion-related adverse events.	The 2021 calendar year Haemovigilance Report was provided to Te Whatu Ora hospitals in September 2022. The 2021 report was published on the NZBOS website at that same time.	2022 Annual Haemovigilance Report to be published and provided to all Health New Zealand Te Whatu Ora hospitals within the 2023/24 financial year and made available on the NZBS website.	Achieved. The 2022 calendar year Haemovigilance report was provided to Te Whatu Ora hospitals in September 2023. The 2022 report was also published on the NZBS website at that same time.
4.7 <i>Haemovigilance reporting – patient safety</i> Number of transfusion related errors made by NZBS that result in an adverse reaction in the recipient with a severity score greater than 1 and an imputability score classified as likely/probable or certain.	0	0	Achieved.
4.8 <i>Sustainability – carbon reduction Initiative</i> NZBS is committed to reducing its greenhouse gas (GHG) emissions and has set a target of reducing its carbon footprint intensity by 15 per cent within five years of the baseline measurement being established in accordance with rule 59b of the Government's reduction programme.	In the 2022/23 financial year NZBS solidified its strategic approach to sustainability and established its sustainability ambitions. NZBS also captured its third year of carbon reduce certification along with its carbon footprint measurement.	In the 2023/24 financial year NZBS will continue to progress to a target of 21% reduction in GHG emissions from baseline by the 2025/26 financial year.	Achieved. First year of reporting provided to the Carbon Neutral Government Programme. This reporting has supported a restated baseline against which to measure reductions toward the target reduction of 42% by 2030.
Our emissions reporting has been prepared in accordance with the GHG Protocol: A Corporate Accounting and Reporting Standard, using the operational control consolidation method. Notwithstanding this, quantifying GHG emissions is subject to inherent uncertainty as scientific knowledge and methodologies are still evolving in this area, as are GHG reporting and assurance standards. We may identify further emissions sources in future, and where practicable we will include these in future reporting.			
4.9 <i>Sustainability – Eliminating CO² dry ice from source plasma shipments to Australia.</i>	New in 2023/24	To eliminate CO ² dry ice from all source plasma transportation to Australia within the 2023/24 financial year.	Not Achieved. As sea shipments commenced in August 2023 and paused in January 2024.
4.10 <i>Sustainability – Replacing existing petrol/diesel fleet vehicles with electric/hybrid vehicles where a conversion option exists.</i>	New in 2023/24	To progressively transition the NZBS vehicle fleet from petrol/diesel vehicles to electric/hybrid vehicles where such conversion options are available. Specific target: to have switched a minimum of 14 (43.8%) of the total NZBS vehicle fleet to electric vehicles by 30 June 2024.	Not Achieved. 7 vehicles (or 16% of fleet) replaced. Further conversions have been deferred to 2025 due to a delay in installing the charging infrastructure at the Wellington Donor Centre

² Performance against this target was significantly disrupted in previous years due to the closure of schools and universities, which have proven challenging to fully reengage. Compounding this, the youth performance target for FY2024 appears to have been set without reference to prior year performance. A more targeted process for setting output targets is needed for future years.

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Holidays Act 2003 remediation appropriation measure		
Under Vote NZ, an appropriation has been allocated to New Zealand Blood Service (NZBS) to address claims arising from historical non-compliance with the Holidays Act 2003. This appropriation, received on behalf of the Crown, is intended to provide working capital to fund NZBS in covering the costs of rectifying and remediating liabilities associated with this non-compliance. According to Vote NZ, the total budget for the appropriation was \$572 ³ million, which includes Health New Zealand. Of this amount, NZBS will receive \$10.606 million, with \$7.150 million already disbursed. The remaining funds are to cover increased leave liability commitments, remaining project costs and outstanding payments to former employees.		
Performance measure	2023/24 Target Set	2023/24 Actual
Total appropriation	\$10.606 million	\$7.150 million
Holidays Act 2003 appropriation end of year performance measurement		
Performance measure	2023/24 Target Set	2023/24 Actual
Remediate all current employee within agreed timeline.	Completed by 30 June 2024.	Achieved.
Establish a national portal to facilitate the identification and remediation of former NZBS employees, and commence the remediation payments process for former employees by 31 December 2023	Commence the remediation payments process for former employees by 31 December 2023.	Not Achieved ⁴
NZBS successfully remediated all current employees by the target date of 30 June 2024. However, NZBS did not establish a national portal to facilitate the identification and remediation of former employees, as the cost of developing such a portal was deemed to outweigh the benefits. Instead, NZBS has opted to maintain the necessary records internally within its Human Resources department. The remediation of former employees commenced prior to 31 December 2023, and NZBS is actively working on various measures to remediate former employees.		

STATEMENT OF PERFORMANCE
Incorporating an assessment of NZBS's Statement of Intent strategic goal delivery

Strategic Goal 1: Building foundations for growth

People and capability

During the 2023/24 financial year, we focused on five key areas for our people: Holidays Act compliance; bargaining on our expired Collective Employment Agreements; supporting wellbeing; celebrating staff, and continued work on our Gender & Ethnicity Pay Equity Action Plan.

Bargaining

During 2023/24, NZBS was in bargaining over three expired Collective Employment Agreements with the Association of Salaried Medical Specialists (ASMS), Public Services Association (PSA), and APEX unions. The bargaining environment was heightened due to high union expectations. Union claims focused on NZBS matching Health New Zealand | Te Whatu Ora pay rates, which, for the PSA and APEX, meant matching Health New Zealand | Te Whatu Ora and union pay equity settlements.

After approximately six months of bargaining, both unions issued formal notices of strike action to NZBS. Industrial action ran for 21 working days from 29 May 2024 until 19 June 2024. The action impacted all areas of NZBS to some extent and included work to rule activity; a ban on all duties associated with AHF plasma; a ban on outbound phone calls to rebook and reschedule appointments; a ban on overtime; and complete withdrawal of labour. Action taken by APEX covered 27 staff, while action taken by the PSA covered 291 staff. NZBS was able to reach agreement with the unions on four separate Life Preserving Services (LPS) agreements within the four designated days, as per Schedule 1B of the Employment Relations Act.

Alongside preparing for the planned industrial action, NZBS continued to meet in good faith with the PSA and APEX. Terms of Settlement were reached and ratified on 25 June 2024 with APEX and 8 July 2024 with the PSA.

Holidays Act

On 19 June 2023, NZBS successfully rectified our payroll system to be compliant with the Holidays Act. We spent much of our time in 2023 and 2024 preparing remediation payments. Our first payments were made on 29 February 2024 to current employees, and then monthly to former employees.

Staff wellbeing

Over the past 12 months, NZBS has been delivering a programme of work in response to feedback received from the Our Voices survey in November 2022. This has included setting up regular virtual sessions with the CEO (Sessions with Sam) to hear more about what is happening in the organisation. We have also set up virtual sessions with external facilitators to support staff in:

- a) Building personal financial capability
- b) Establishing practices to de-stress through healthy thinking
- c) Establishing personal safety – techniques to keep safe
- d) Learning tips for sleeping smarter and better

Celebrating staff

We also recognised excellence and achievement via our annual Vital Awards. Nominations are submitted by staff, for staff, across three categories: Service Excellence, Excellence in Improvement and Innovation, and Spirit of NZBS. These awards are coveted and showcase outstanding work across the organisation.

NZBS's 2023/24 financial year turnover was at a whole-of-year average of 17 per cent - down from the previous year average turnover of 19.2 per cent.

³Vote Health includes the full amount for Health New Zealand and NZBS. NZBS have reported the NZBS portion only

⁴Not achieved, as NZBS did not complete the national portal. However, NZBS commenced the remediation payment process for former employees within the agreed timeline.

STATEMENT OF PERFORMANCE
Incorporating an assessment of NZBS's Statement of Intent strategic goal delivery

Gender and Ethnicity Pay Equity Action Plan

Work continues on our commitment to Kia Toipoto by delivering on the six key actions we've detailed in our Gender and Ethnicity Pay Equity Action Plan. Progress during the year is detailed below.

1. Establish greater transparency

New Zealand Blood Service has developed a Reward Philosophy and Remuneration Policy with a plan for establishing pay transparency. This was not implemented in 2023/24 due to extended Collective Employment Agreement bargaining and industrial action. The plan will be implemented in the 2024/25 year.

2. Develop pay data analysis and reporting requirements

This has not yet been completed, with ongoing work required during 2024/25.

3. Close gender or ethnic pay gaps in like-for-like roles and by career band, ensuring equitable salaries are paid for comparable work

Gender pay gap of 11.8 per cent (March 2023) has reduced to 8.9 per cent (April 2024).

4. Put checks and balances in place to support equitable pay-related decisions

This forms part of the pay transparency work, which will be rolled out in 2024/25. In the interim, the HR Partnership function is providing advice and guidance for managers on pay decisions during recruitment.

5. Use a more targeted approach in our recruitment and selection activity to support our diversity/ethnicity targets and minimise bias in our people-related decisions.

We have established a recruitment specialist role to support this work.

6. Educate people leaders on conscious and unconscious bias, and our gender and ethnic pay gaps.

Gender and ethnic pay gap reports are published. Leaders participate in the NZBS Te Tiriti o Waitangi Cultural Capability programme. A plan for recruitment support is yet to be developed.

Overall, NZBS considers good progress has been made in the development of our people and their capabilities.

Infrastructure

NZBS continued an intensive infrastructure development programme in 2023/24 across its national portfolio. This work is vital in aligning capacity with the growing demand for products and services and upgrading NZBS's ageing infrastructure.

The development works underway in the last financial year continued to progress in the 2023/24 financial year, including:

Head Office - 71 Great South Road (71GSR) Auckland

- The 71GSR redevelopment has been a multi-year project that started in November 2018. Since then, the programme has delivered a donor centre, manufacturing facilities, specialist laboratories, some logistics functions, and general administration capacity. During 2023/24, Stage 3C was completed, which included the new Donation Accreditation laboratory and a small section of the Component Processing laboratories.
- The programme of work has been complex, as it included seismic upgrades to the building, and had to take place while operations continued as normal.
- Work on the redevelopment's next stages will be paused during 2024/25, except for a small amount of seismic work and the replacement of one of the building's air handling units (AHUs). The remaining phase of the redevelopment programme is set to continue in 2025/26, subject to budget approval.
- The building's Heating Ventilation and Airconditioning (HVAC) chiller units also went through a significant refurbishment to address some performance issues and to replace obsolete controllers, piping, and plant.

Highbrook satellite site, Auckland

- Stage 1 fitout of the Highbrook satellite site started in 2023/24 and was completed in June 2024. The commissioning and regulatory activities continued into 2024/25, with the plasma processing operational teams due to relocate to the new site in October 2024.
- The new Highbrook facility will be capable of handling refrigerated containerisation for the efficient shipping of source plasma to Australia for fractionation.
- Preliminary design of the more complex Stage 2, encompassing cleanrooms and advanced cellular tissue therapies laboratories, continued during 2023/24, with the detailed design and procurement of the construction partner due for completion in 2024/25.

Donor centres

- The previous leases for the Hamilton and Tauranga donor centres were not renewed by the owners and NZBS has been working with two local developers on new sites.
- The Hamilton Collections team moved into their new site at 109 London Street, Hamilton in August 2023, a relocation from their existing site on the Waikato Hospital campus. The new site houses Collections, Logistics and Support teams.
- Work is underway on a new Waikato Collections Mobile storage facility on Kahikatea Drive, Hamilton, due for completion in October 2024. This new facility allows undercover storage of Collections vehicles, including the new Collections trucks.
- The Tauranga Collections team moved into their new site at 93 Cameron Road, Tauranga, in April 2024. This new facility provides additional capacity for growth over the coming years.
- Work is ongoing to establish new fixed donor centres in Henderson and Constellation Drive, Auckland.

Blood Banks

- NZBS has continued discussions with Health New Zealand | Te Whatu Ora to obtain a new space for the Wellington Blood Bank. The current location within Wellington Hospital is no longer fit for purpose and requires an urgent refurbishment to bring it up to the required standard for an accredited laboratory.

STATEMENT OF PERFORMANCE

Incorporating an assessment of NZBS's Statement of Intent strategic goal delivery

Facility systems

- Work continued on the upgrade to the new Integrated Security Management System (ISMS) across our sites. The system was installed during the construction of our new facilities (Highbrook, the Waikato Donor Centre, and the Tauranga Donor Centre), and retrospectively at existing sites (our Takapuna and Christchurch Donor Centres).
- The system provides us with Closed Circuit Television (CCTV) functionality, enhanced access control and intruder detection, and will be standard for all new NZBS facilities into the future.
- During 2024 the security system in the Wellington Donor Centre will be replaced, due to its age and reduced support by the suppliers.
- We also implemented a new Building Management System for our new and larger sites, ensuring we can effectively and efficiently manage the buildings' electrical, ventilation, and hydraulic systems.
- Both the Building and Integrated Security Management systems enable us to carry out remote monitoring around New Zealand, and to manage our building integrity and security risks nationally.

In summary, good progress has been made on completion of major infrastructure projects as well as the establishment of new Donor Centres to ensure the collection network is suitably equipped to meet New Zealand's future demand.

Strategic Goal 2: Delivering operational effectiveness

Clinical excellence

- NZBS met 100 per cent of demand, 24-hours-a-day, seven-days-a-week, in often challenging circumstances.
- In June 2024, NZBS was affected by industrial action across a range of our critical services. The impact of the action was managed and mitigated through detailed continuity and patient care planning in partnership with the Emergency Planning teams across the health sector.
- NZBS worked to maintain its self-reliance Plasma Strategy. This requires that enough plasma be collected to enable 85 per cent of New Zealand's immunoglobulin product to be manufactured from locally sourced plasma. This target level is assessed as the baseline that safeguards New Zealand's immunoglobulin product supply.
- We have continued the roll-out and refinement of IgO – a mobile phone app to monitor and manage the appropriate use of high-value immunoglobulin products throughout New Zealand hospitals.
- NZBS completed its implementation of the ISBT 128 international labelling project in June 2024. ISBT 128 is an international labelling convention which will benefit the whole health sector. It is of particular importance in maintaining accreditation for those hospitals who participate in certain international clinical trials for the benefit of patient health outcomes.
- In 2023/24, NZBS maintained its accreditation and compliance obligations with all pertinent regulatory bodies across its laboratories, manufacturing, and testing operations.
- One hundred per cent testing was maintained for all blood donations.
- NZBS began the roll-out of a comprehensive, multi-disciplinary clinical governance framework. Formal meetings started in April 2024.

Products and services expansion

- The 2023/24 financial year saw the Process Migration Project roll out Privigen NZ and Hizentra NZ to hospitals across the country. The other new commercial products introduced were Gamunex (third-line alternate Ig product) and Kybernin P (commercial ATIII product replacing Thrombotrol).
- Careful management of product distribution and a comprehensive education programme for clinical staff and patients ensured that the new products were introduced safely, without disrupting patient care and with exceptionally low levels of product wastage.
- This project represents a once-in-50-years change event. The next two years will see additional change across New Zealand-collected, fractionated products including the introduction of:
 - Alburex NZ, (formerly Albumex), and
 - Beriplex NZ (formerly Prothombinex)
- The implementation of a national process and quality standards for therapeutic products to align them with other NZBS services is progressing as planned, with steady alignment of laboratory and clinical processes. Completion is expected in the 2025/26 financial year.
- The delivery of consistent therapeutic service provision throughout the country, providing a solid baseline for continuous improvement, remains in progress. This internal work is progressing in parallel with the therapeutic products work. Increasing service provision to more hospitals will reflect the requirements of Te Whatu Ora.
- The donation deferral for individuals who had spent six months or more in the United Kingdom, Ireland, or France between 1980 and 1996 was removed on 29 February 2024. The deferral had been in place for more than two decades as a measure to reduce potential transmission of variant Creutzfeldt Jacob disease (vCJD) through transfusion. The deferral was removed following a detailed risk assessment that demonstrated that risk of transmission was negligible.
- Plans to remove the current three-month deferral for men who have had oral or anal sex with another man, in favour of a new gender-neutral individual assessment of sexual risk, are underway. There will be a delay in implementing this update because of a new testing pathway required by our plasma fractionator, CSL Behring, in advance of the change. We aim to implement a change in the 2025/26 financial year, subject to testing changes and regulatory approvals.

STATEMENT OF PERFORMANCE

Incorporating an assessment of NZBS's Statement of Intent strategic goal delivery

Process-driven

NZBS remains committed to the delivery of its sustainability outcomes and goals, as detailed below:

OUTCOME 1	OUTCOME 2	OUTCOME 3	OUTCOME 4
Meet government-mandated decarbonisation targets.	Develop a common language.	Embed sustainability into decision making.	Ethically and sustainably source from our providers.
GOAL 1 Reduce emissions without compromising operational effectiveness/capability.	GOAL 2 Develop a common language.	GOAL 3 Embed sustainability into decision making.	GOAL 4 Ethically and sustainability source from our providers.
Identify where emissions reductions can be made.	Clearly define sustainability and the importance of NZBS's sustainability work programme .	Identify how and where we can improve and embed sustainable practices.	Assess third party contracts to deliver value for money and support sustainability outcomes for NZBS and New Zealand.
Begin where largest reduction can be made	Build knowledge and understanding of sustainability	Work with our NZBS partners to leverage sustainable outcomes	
Support business units to identify initiatives that work for them.		Leverage funding opportunities to transition faster where possible	
		Circular economy thinking to become business as usual (BAU).	

During the 2023/24 financial year, the organisation:

- Captured its fifth year of carbon certification and carbon footprint measurement.
- Aligned its carbon emissions reporting timeframes, reduction ambitions, and amended base year reporting for the Carbon Neutral Government Programme (CNGP). This means NZBS has captured and reported unaudited data for its fifth year of reporting and will use the 2022/23 financial year as the base year to monitor its future reductions against.
- Based on CNGP guidance, NZBS has amended its ambition intensity targets to reducing its gross emissions by 42 per cent by 2030.
- New Zealand Blood Service is part of the Toitū carbonreduce certified organisations (formerly known as Certified Emissions Measurement and Reduction Scheme (CEMARS)). This certification is awarded to companies that are actively working to measure and manage their carbon footprint. Toitū carbonreduce organisation certification is proof an organisation is positively contributing to our environment through measuring and managing their carbon footprint. To achieve Toitū carbonreduce certification, an organisation must measure all operational greenhouse gas (GHG) emissions as required under the international standard for carbon footprints, ISO 14064-1, including vehicles, business travel, fuel and electricity, paper, and waste. The emissions are measured annually, and the inventory is independently verified to ensure it is accurate and complete. The organisation must develop plans to continually manage and reduce their emissions.

Other monitoring metrics within this area are reported below:

- The Blood Management Systems (BMS) were moved from servers to the cloud during the year. Blood management encompasses the processing, testing, and distribution of blood and blood products, and the collection, processing, storage, and distribution of tissues and stem cells. NZBS uses several systems to support this work, including at hospital blood banks. These BMSs are critical to NZBS operations, so ensuring they remain stable and functional is a consistent priority. In February 2024, we moved these systems off servers, opting instead for a partner-delivered, cloud-based model. This was a very important first step in our work to ensure this vital infrastructure continues supporting day-to-day business operations, while also being adaptable to change.
- The Board and Executive Management Team of NZBS held a risk management workshop in February 2024 facilitated by KPMG with the aim of reviewing its current risk management framework and streamlining and structuring its risk management practices. While the current framework and practices were found to be adequate, the findings and actions from this workshop are being reflected in an updated Risk Management Policy and a new and simplified Risk Register. These will be presented back to the Board for approval in the 2024/25 period.
- Strategic workshops were held across the organisation at the both the Executive and Senior Leadership Team levels throughout the year with outcomes confirming that the current NZBS strategic intention and direction as detailed in the 2023 to 2027 Statement of Intent remain valid. Work continues on developing an enterprise-wide set of organisation KPIs.

Fiscal responsibility

- NZBS has continued to align with the Minister's expectation of maintaining financial sustainability. This is required under the Crown Entities Act 2004, which mandates financial responsibility being maintained at all times.
- NZBS continues to consistently demonstrate its financial resilience and meet the key deliverables contained in its annual Statement of Performance Expectations.

STATEMENT OF PERFORMANCE

Incorporating an assessment of NZBS's Statement of Intent strategic goal delivery

- The 2023/24 financial year has been challenging, with the operating result and cashflows impacted by increased labour related costs, as well as increased working capital commitments driven by an increase in inventory levels. Labour costs have been specifically high, driven by settlement of collective bargaining agreements, pay equity and parity claims, and the rectification of the Holidays Act 2003 remediation costs. Inventory levels and costs continue to climb as the demand for fractionated products grows. These increased cashflow requirements have been funded via a combination of Crown Equity injections (\$15.0m towards infrastructure projects/ inventory build and \$9.7m towards Holiday Act remediation costs), and utilisation and draw-down of term deposits (\$22.0m). Increases in labour-related costs have not been fully funded, resulting in continued elevated pricing through to Health New Zealand | Te Whatu Ora to recover both these costs and depletion of cash reserves.

Maintain and enhance the activities of Organ Donation New Zealand (ODNZ)

- NZBS received the initial funding uplift from the Crown Budget in the 2023/24 financial year to support the establishment of the National Agency for Organ Donation. The focus this year has been on strengthening the delivery of clinical services by ODNZ, including work to ensure safe staffing levels and increased education provision for hospitals.
- Organ Donation New Zealand continues working closely with clinicians in the intensive care and transplant sectors, with a cross-sector operational working group. Organ donation education activities for hospitals also continue to expand, as well as ongoing support for development pathways with hospital link teams.
- Organ Donation New Zealand has begun formal Clinical Governance meetings with all relevant NZBS stakeholders, including patient and transplant team representation. Operational review meetings with transplant services have also continued, supporting effective joint working across the sector. ODNZ has continued to provide extensive educational support to Intensive Care teams across the country, to support effective referral. There has been a gradual uplift in referral and donation, particularly for Donation after Circulatory Death (DCD). Delivery of substantive changes in support of hospital Link Teams remains a goal we have been unable to achieve, as national networks to support discussions are not currently in place within Health New Zealand | Te Whatu Ora. Funding for Link Teams was provided to Health New Zealand | Te Whatu Ora in the 2022 Budget and does not sit with NZBS.
- The national, 24/7 coordination and organ and tissue retrieval service has been effectively delivered in the 2023/24 financial year. The safety and capability of the ODNZ team has been improved through the appointment and training of additional Donor Coordinators and Senior Medical Officers, as well as the reshaping of the team leadership structure.

Strategic Goal 3: Providing exceptional service

The elements that contribute to delivering exceptional service include the **donor experience, working closely with healthcare partners, and improving patient outcomes.**

Donor experience

- In a November 2023 survey, more than 95 per cent of donors rated their experience at our donor centres as eight out of 10 or higher.
- Regional panels grew from 22.9 donors per 1,000 in the 2022/23 financial year to 23.4 per 1,000 in the 2023/24 financial year, a strong increase but short of the target of 26.3 per 1,000.
- NZBS worked hard to meet its collection targets for whole blood and plasma and build toward the target of 300,000 total donations by the 2026/27 financial year, however plasma collections have been a particular challenge:
 - 123,565 whole blood units were collected in 2023/24, a little lower than the target of 122,098 and slightly higher than the 121,117 units collected in 2022/23.
 - 93,749 plasma units were collected in 2023/24, much less than the target of 109,237 and less than the 101,448 plasma units collected in 2022/23. As this performance indicates, plasma collections this year were impacted by the ongoing challenges of the post-pandemic collections environment.
- NZBS continued to grow its overall active 24 and 12 donor panel (donor who have been active over the last 24 months and 12 months) by 2.57% per cent in 2023/2024. The active donor panel stood at 122,201 compared to 119,136 in 2022/2023. Of this increased number, 17,435 were part of the Active 12 plasmapheresis panel, compared to 17,113 in 2022/23, representing a 1.9% increase.
- Work to improve the Auckland plasma panels is ongoing, with a focus on making plasma donations more accessible given the travel constraints of the city. The opening of a new five-day-a-week mobile plasma collection venue in Henderson in June 2023 was the first step in plans to improve access to Collections for Auckland donors.
- The Auckland mobile plasma drives, which began in late 2020 to improve plasma donation accessibility (a world first) have continued to perform well, with 5,133 collections completed in 2023/2024 compared to 5,436 in 2022/23. The five per cent drop in collections was principally due to a halt in plasma collections resulting from industrial action.
- NZBS was very pleased to meet its target for new and reinstated Māori donors, with 3,338 Māori donors in 2023/24 compared to 3,003 in 2022/23 and a target of 2,900.
- However, NZBS did not meet the new and reinstated youth donor target of 11,110, with the actual youth donor number achieved being 8,299, a small decrease on the 8,468 achieved in 2022/23.
- NZBS launched its state-of-the-art donor relationship management system DRM365 on 29 January 2024, replacing a previous system that had reached the end of its life. Offering a substantial upgrade in capabilities, the custom-built platform will enhance our ability to engage effectively with donors. As can be expected with a project of this magnitude, there were various challenges. However, our dedicated team has made remarkable progress in resolving these issues, working tirelessly to integrate the system into our daily operations. DRM365's introduction represents our ongoing commitment to strengthening our relationships with donors and improving the experiences they have with us.

Working closely with healthcare partners

- Progress on establishing our working relationships with Health New Zealand | Te Whatu Ora continued this year at multiple levels. Both parties recognised the importance of the two primary Crown entities within the health sector needing to be better aligned in their collective delivery of outcomes to the health sector. Relationship development is taking place at (1) the CEO and equivalent level, (2) the procurement level, with NZBS providing monthly purchase data to Te Whatu Ora, and (3) across clinical services, including the well-established Hospital Transfusion Committee level.
- Close working relationships have been maintained with Asia Pacific Blood Network (APBN) members, with NZBS's Chief Executive Officer the current Chair of APBN.
- As a member of the Alliance of Blood Operators (ABO), NZBS has this year been part of, and contributed to, ABO's Cost Modelling, Quality, and Sustainability working groups. ABO is an international grouping of not-for-profit blood services and provides NZBS with rich financial metric benchmarking data that is drawn from a broad international blood service grouping.
- As a member of the International Plasma Fractionators Association (IPFA) and the Biomedical Excellence for Safer Transfusion (BEST) Collaborative, NZBS contributes to international development and research in both transfusion and plasma fractionation.

Improving patient outcomes

- Provision of monthly clinical product utilisation data was delivered in a timely manner to hospitals every month throughout the 2023/24 financial year.
- The annual 2022 calendar year Haemovigilance Report was made available to all New Zealand hospitals in September 2023.
- The Clinical Oversight Programme for all blood banks not directly managed by NZBS was maintained throughout the year, with 31 clinical oversight visits to hospital blood banks.
- NZBS has worked closely with hospitals to ensure that 'Process Migration' of the CSL Behring plasma product portfolio, driven by manufacturing changes at CSL Behring in Melbourne, has been well communicated. The changes for patients started in the July 2023 quarter and will continue into 2025, and NZBS will continue to actively manage and support the change, with blood banks, clinicians and patients.
- As noted under Products and Services Expansion, the 1 July 2024 increase of funding will enable work to continue on the actions set out in the Increasing Deceased Organ Donation and Transplantation strategy document.
- NZBS has updated the Transfusion Medicine Handbook, the national guideline on transfusion matters for clinical teams. It was released in the September 2023 quarter in a web-based, mobile-friendly format.
- Ongoing and productive relationships continue to be developed and maintained with other central Crown agencies and representative groups working in the broader health sector.
- Work to develop clinical governance pathways with the wider health sector has continued. This includes working closely with the Health Quality and Safety Commission towards complete delivery of the Code of Expectations and continued sharing of haemovigilance and quality improvement initiatives with healthcare leaders through the National Hospital Transfusion Committee meeting. We have also initiated a new Patient Blood Management working group, with clinicians across the hospital sector.

Meeting the strategic goals (1 July 2023 to 30 June 2024): Overall assessment

NZBS made solid progress in the broad delivery of its strategic goals as contained in its 1 July 2023 to 30 June 2027 Statement of Intent (SOI).

Following the recent change in Government, an updated Statement of Intent has been requested. Future annual assessments of progress will be benchmarked against this new Statement of Intent once published.

PŪRONGO PŪTEA

FINANCIAL STATEMENTS

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FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 STATEMENT OF RESPONSIBILITY

The Board of New Zealand Blood Service (NZBS)¹ is responsible for:

- the preparation of New Zealand Blood Service's financial statements and statement of performance, and for the judgements made in them,
- establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In our opinion, these financial statements and statement of performance fairly reflect the financial position and operations of NZBS for the year ended 30 June 2024

Signed on behalf of the Board:



Fiona Pimm
Board Chair
31 October 2024



Dr Bart Baker
Board member
31 October 2024

¹ New Zealand Blood Service (NZBS) was established in 1998 under the New Zealand Public Health and Disability Act 2000 (replaced by the Pae Ora Healthy Futures Act from July 1, 2022). In 2019, the Organ Donors and Related Matters Act was passed, and Organ Donation New Zealand (ODNZ) was subsequently integrated into New Zealand Blood Service in 2020. As a result, New Zealand Blood Service's legal name became New Zealand Blood and Organ Service. However, the organisation continues to operate as New Zealand Blood Service (NZBS). Where 'New Zealand Blood Service' and 'NZBS' appear in this report, they refer to the work of New Zealand Blood and Organ Service.

STATEMENT OF TOTAL COMPREHENSIVE INCOME

For the year ended 30 June 2024

	Notes	Actual 2024 \$000	Budget 2024 \$000	Actual 2023 \$000
Revenue				
Revenue from sale of goods		191,163	198,953	165,959
Revenue from supplying services		36,062	32,694	32,196
Interest revenue	2	1,319	1,566	1,031
Other revenue	2	4,576	3,552	4,184
Funding from the Crown	2	3,602	3,988	2,223
Total revenue		236,722	240,753	205,593
Expenses				
Personnel costs	3	103,534	95,119	83,783
Cost of inventories consumed	4	81,008	75,613	63,117
Depreciation and amortisation expense	13,14	9,568	10,498	5,203
Capital charge	5	5,512	5,556	3,694
Finance costs	6	1,466	2,137	1,509
Other expenses	7	56,997	53,411	53,197
Total expenses		258,085	242,334	210,503
Surplus/(deficit)		(21,363)	(1,581)	(4,910)
Other comprehensive revenue and expense		-	-	-
Total comprehensive revenue and expense		(21,363)	(1,581)	(4,910)

Explanations of major variances against budget are provided in Note 25.
The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

	Notes	Actual 2024 \$000	Budget 2024 \$000	Actual 2023 \$000
Assets				
Current assets				
Cash and cash equivalents	8	2,615	1,888	4,527
Receivables	9	20,810	18,744	21,598
Investments	10	4,500	15,000	26,500
Derivative financial instruments	11	476	429	562
Inventories	12	98,849	95,260	85,769
Prepayments		1,100	1,633	1,620
Total current assets		128,350	132,954	140,576
Non-current assets				
Derivative financial instruments	11	219	-	173
Property, plant, and equipment	13	66,510	80,532	45,474
Intangible assets	14	990	1,446	4,520
Total non-current assets		67,719	81,978	50,167
Total assets		196,069	214,932	190,743
Liabilities				
Current liabilities				
Payables and deferred revenue	15	40,660	36,367	34,649
Borrowings	16	2,329	4,100	1,617
Derivative financial instruments		10	-	8
Employee entitlements	17	21,683	16,977	20,452
Provisions	18	248	52	291
Lease incentive liability		26	51	26
Total current liabilities		64,956	57,547	57,043
Non-current liabilities				
Borrowings	16	20,355	27,405	26,590
Derivative financial instruments		-	-	3
Employee entitlements	17	1,731	1,946	1,658
Provisions	18	1,789	1,621	1,422
Lease incentive liability		99	376	125
Accrued rent	19	5,899	6,542	5,863
Total non-current liabilities		29,873	37,890	35,661
Total liabilities		94,829	95,437	92,704
Net assets		101,240	119,495	98,039
Equity				
Contributed capital	21	112,281	108,067	87,717
Accumulated surplus/(deficit)	21	(11,041)	11,428	10,322
Total equity		101,240	119,495	98,039

Explanations of major variances against budget are provided in Note 25.
The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2024

	Notes	Actual 2024 \$000	Budget 2024 \$000	Actual 2023 \$000
Balance at 1 July		98,039	106,076	37,949
Total comprehensive revenue and expense for the year		(21,363)	(1,581)	(4,910)
Owner transactions				
Capital contribution		24,564	15,000	65,000
Balance at 30 June	21	101,240	119,495	98,039

Explanations of major variances against budget are provided in Note 25.
The accompanying notes form part of these financial statements.

**STATEMENT OF CASH FLOWS**

For the year ended 30 June 2024

	Notes	Actual 2024 \$000	Budget 2024 \$000	Actual 2023 \$000
Cash flows from operating activities				
Receipts from the customers		226,814	236,947	195,560
Receipts from the Crown	2	4,067	4,817	1,988
Interest received	2	448	76	292
Receipts from other revenue		5,537	3,349	3,090
Payments to suppliers		(145,822)	(135,088)	(136,787)
Payments to employees		(100,855)	(96,835)	(80,410)
Interest paid		(1,441)	(2,074)	(1,508)
Payments for capital charge		(5,512)	(5,556)	(3,694)
GST (net)		13	664	425
Net cash flows from operating activities		(16,751)	6,300	(21,044)
Cash flows from investing activities				
Receipts from sale of property, plant, and equipment	2	-	-	11
Receipts from sale or maturity of investments		27,442	32,269	42,473
Purchase of property, plant, and equipment		(26,642)	(39,670)	(16,226)
Purchase of intangible assets		(504)	(800)	(1,101)
Acquisition of investments		(4,500)	(19,000)	(66,500)
Net cash flows from investing activities		(4,202)	(27,201)	(41,343)
Cash flows from financing activities				
Capital contribution	21	24,564	15,000	65,000
Proceeds from borrowings - unsecured borrowings		25,000	-	14,300
Proceeds from borrowings - finance lease and term financing		6,439	8,138	580
Repayment of borrowings - finance lease and term financing		(1,962)	(3,523)	(2,235)
Repayment of borrowings - unsecured borrowings		(35,000)	(1,357)	(13,300)
Net cash flows from financing activities		19,041	18,258	64,345
Net increase / (decrease) in cash, cash equivalents and bank overdraft		(1,912)	(2,643)	1,958
Cash, cash equivalents and bank overdraft at the beginning of the year		4,527	4,531	2,569
Cash, cash equivalents and bank overdraft at the end of the year	8	2,615	1,888	4,527

Explanations of major variances against budget are provided in Note 25.
The accompanying notes form part of these financial statements.



STATEMENT OF CASH FLOWS

For the year ended 30 June 2024

Reconciliation of surplus or (deficit) to the net cash flow from operating activities

	Actual 2024 \$000	Actual 2023 \$000
Surplus/(deficit) for the year	(21,363)	(4,910)
Add/(less) non-cash items		
Depreciation and amortisation expense	9,568	5,203
Revaluation of derivative financial instruments	49	1,168
Change in premises reinstatement provision	324	146
Change in lease incentive liability	(26)	(26)
Total non-cash items	9,915	6,491
Add/(less) items classified as investing or financing activities		
(Gains)/losses on disposal of property, plant, and equipment	71	101
Impairment losses	-	805
Interest on investments	(871)	(473)
Total items classified as investing or financing activities	(800)	433
Add/(less) movements in statement of financial position items		
(Increase)/decrease in receivables	788	(2,810)
(Increase)/decrease in inventories	(13,080)	(23,971)
(Increase)/decrease in prepayments	520	(566)
Increase/(decrease) in payables and deferred revenue	6,080	915
Increase/(decrease) in provisions	(69)	-
Increase/(decrease) in employee entitlements	1,258	3,374
<i>Net movement in working capital items</i>	(4,503)	(23,058)
Net cash flow from operating activities	(16,751)	(21,044)

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

1 Statement of accounting policies

REPORTING ENTITY

New Zealand Blood Service is a Crown entity as defined by the Crown Entities Act 2004 and is domiciled and operates in New Zealand. The relevant legislation governing New Zealand Blood Service's operations includes the Crown Entities Act 2004, the Pae Ora Healthy Futures Act 2022 and the Human Tissue Act 2008. New Zealand Blood Service's ultimate parent is the New Zealand Crown.

New Zealand Blood Service's primary objective is to provide services to the New Zealand public. It is New Zealand's sole provider of blood, blood products, associated services and co-ordinates deceased organ donation, tissue donation (eye tissue, heart valves and skin), and hip bone donation. It also operates the National Heart Valve Bank and the New Zealand Bone Marrow Donor Registry. New Zealand Blood Service does not operate to make a financial return.

New Zealand Blood Service has designated itself as a public benefit entity (PBE) for financial reporting purposes.

The financial statements for New Zealand Blood Service are for the year ended 30 June 2024, and the Board approved them for issue on 31 October 2024.

BASIS OF PREPARATION

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

Statement of compliance

The financial statements of New Zealand Blood Service have been prepared in accordance with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

New Zealand Blood Service is a Tier 1 entity, and the financial statements have been prepared in accordance with and comply with PBE standards.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars, and all values are rounded to the nearest thousand dollars (\$000).

New or amended standards adopted

2022 Omnibus Amendments to PBE Standards, issued June 2022

The 2022 Omnibus Amendments issued by the External Reporting Board include several general updates and amendments to several Tier 1 PBE accounting standards, effective for reporting periods starting 1 January 2023. New Zealand Blood Service has adopted the revised PBE standards, and the adoption did not result in any significant impact on New Zealand Blood Service's financial statements.

Other changes in accounting policies

There have been no changes in New Zealand Blood Service's accounting policies since the date of the last audited financial statements.

Standards issued and not yet effective and not early adopted

Standards and amendments issued but not yet effective and not early adopted are:

Disclosure of Fees for Audit Firms' Services (Amendments to PBE IPSAS 1)

Amendments to PBE IPSAS 1 Presentation of Financial Reports change the required disclosures for fees relating to services provided by the audit or review provider, including a requirement to disaggregate the fees into specified categories. The amendments to PBE IPSAS 1 aim to address concerns about the quality and consistency of disclosures an entity provides about fees paid to its audit or review firm for different types of services. The enhanced disclosures are expected to improve the transparency and consistency of disclosures about fees paid to an entity's audit or review firm. This is effective for the year ended 30 June 2025.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies are included in the notes to which they relate.

Significant accounting policies that do not relate to a specific note are outlined below.

Foreign currency transactions

Foreign currency transactions (including those that forward foreign exchange contracts are held for) are translated into NZ dollars (the functional currency) using the spot exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

Goods and services tax

Items in the financial statements are presented exclusive of GST, except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

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

The net GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

1 Statement of accounting policies (continued)**Income tax**

New Zealand Blood Service is a public authority and consequently is exempt from paying income tax.

Accordingly, no provision has been made for income tax.

Budget figures

The budget figures are derived from the statement of performance expectations as approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

Critical accounting estimates and assumptions

In preparing these financial statements, New Zealand Blood Service has made estimates and assumptions about the future. These estimates and assumptions might differ from the subsequent actual results. New Zealand Blood Service continually evaluates its estimates and assumptions, which are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

- assessing the useful lives and residual values of property, plant, and equipment – refer to Note 13;
- assessing the useful lives of software assets – refer to Note 14;
- estimating the current costs, inflation rates, discount rates, and other assumptions used in measuring the provision for lease make-good provision - refer Note 18;
- Year-end valuation of inventory and the provision raised for obsolescent inventory items. Further detail to the estimates and assumptions mentioned in Note 12
- estimating the rates of future salary increases, discount rates, and other assumptions used in measuring retirement and long service leave – refer to Note 17

Critical judgements in applying accounting policies

Management has exercised the following critical judgements in applying accounting policies:

- leases classification – refer to Note 16.

2 Revenue**Accounting policy**

The specific accounting policies for significant revenue items are explained below:

Sale of goods

Revenue from the sale of goods is recognised when the goods are sold to the customer.

Provision of services

Services provided to third parties on commercial terms are recognised as revenue once the services have been fully provided.

Price rebates

New Zealand Blood Service's Board may from time to time approve price rebates to Health New Zealand | Te Whatu Ora. Price rebates are recognised as a contra to revenue.

Funding from the Crown

Funding from the Crown is restricted in its use for the purpose of New Zealand Blood Service meeting the objectives specified in Output agreements with the Crown. Where conditions are attached to funding from the Crown, any annual surpluses arising from the efficient delivery of services may be retained by New Zealand Blood Service for use in subsequent years. Funding from the Crown is recognised as revenue only to the extent that economic benefits of the funding have been consumed. The fair value of revenue from the Crown has been determined to be equivalent to the amounts due in the funding arrangements.

Interest revenue

Interest revenue is recognised by accruing on a time proportion basis the interest due for the investment.

	Actual 2024	Actual 2023
	\$000	\$000

Breakdown of interest revenue

Interest earned from financial assets measured at amortised cost		
Term deposits	871	739
On-call deposits	448	292
Total interest calculated using the effective interest rate method	1,319	1,031
Total interest revenue	1,319	1,031

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

	Actual 2024	Actual 2023
	\$000	\$000

Breakdown of other revenue

Net gains on derivative financial instruments	152	1,109
Other revenue	4,424	3,075
Total other revenue	4,576	4,184

Funding from the Crown

Funding from the Crown	4,067	1,988
Surplus funding received	(465)	-
Funding received in prior years	-	235
Revenue from non-exchange transactions	3,602	2,223

New Zealand Blood Service received funding from a non-exchange Output Agreement with the Ministry of Health to provide deceased organ and tissue donation services. The Output Agreement contains conditions attached to funding, and surpluses arising from the efficient delivery of services during the year are to be retained by New Zealand Blood Service for use in subsequent years.

3 Personnel costs**Accounting policy****Salaries and wages**

Salaries and wages are recognised as an expense as employees provide services.

Superannuation schemes*Defined contribution schemes*

Employer contributions to KiwiSaver, the Medical Assurance Society Retirement Savings Plan, the Mercer Individual Retirement Plan, the Lump Sum National Scheme, and the AMP NZ Retirement Trust are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

	Actual 2024	Actual 2023
	\$000	\$000

Breakdown of personnel costs and further information

Salaries and wages	97,032	77,964
Defined contribution plan employer contributions	2,533	2,157
Increase/(decrease) in employee entitlements	3,969	3,662
Total personnel costs	103,534	83,783

Prior period errors

Salary and wages, for the remediation of historical non-compliance with the Holidays Act 2003, of \$297,984 was incorrectly omitted from the financial statements of 2023 and \$2,367,102 from earlier years. This omission represents a prior period error. The financial statements of 2023 have been restated to correct this error. The effect of the restatement on those financial statements is summarised below.

	Effect on 2023
	\$000

Breakdown of interest revenue

Increase salaries and wages	298
Decrease in comprehensive revenue and expense	298
Increase in employee entitlements	2,665
Decrease in accumulated surplus / (deficit)	298
Decrease in opening accumulated surplus / (deficit)	2,367

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

4 Inventories consumed		
	Actual 2024 \$000	Actual 2023 \$000
Changes Inventories consumed		
Consumables	30,069	28,220
Changes in inventory	44,726	30,923
Expired and written down product	6,213	3,974
Total inventories consumed	81,008	63,117

Expired and written down product

New Zealand Blood Service is the sole supplier of blood, blood products, organs and tissues needed within New Zealand's health system and must maintain sufficient inventory of products so that key products and services are always available. New Zealand Blood Service continually monitors inventory to minimise the inventory of products held to product expiry.

Changes in inventory represent an aggregated reporting amount, which includes cost of goods sold, production recoveries, consumables, and inventory valuation adjustments. This is consistent with the application of manufacturing standard costing methodologies and generally accepted inventory valuation principle.

5 Capital charge**Accounting policy**

The capital charge is expensed in the financial year that the charge relates to.

Further information on the capital charge

The capital charge paid to the Crown is calculated based on New Zealand Blood Service's equity as at 30 June and 31 December each year. The capital charge rate for the year ended 30 June 2024 was five per cent (2023: 5%).

6 Finance costs**Accounting policy**

Borrowing costs are expensed in the financial year that they are incurred in.

	Actual 2024 \$000	Actual 2023 \$000
Breakdown of finance costs		
Interest on bank overdraft	6	2
Interest on unsecured loans	858	952
Interest on finance leases	512	438
Total interest expense	1,376	1,392
Discount unwind on provisions	90	117
Total finance costs	1,466	1,509

No borrowing costs were capitalised during the period (2023: nil).

7 Other expenses**Accounting policy****Operating leases**

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

The prior year operating lease component for premises has been restated to reflect the minimum future lease payment obligations. Last year the total commitments were \$192,269,158, the total commitments included the non-cancellable periods for which the leases are contracted as well as the periods NZBS has the option to continue to lease the premises, where it is reasonably certain that NZBS will exercise the renewal option. This amount has been restated at \$145,888,677 and the commitments only included the non-cancellable lease terms.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

	Notes	Actual 2024 \$000	Actual 2023 \$000
Breakdown of other expenses and further information			
Fees to Audit New Zealand for audit of financial statements		199	182
Operating lease expense		10,220	8,241
Allowance for credit losses on receivables	9	-	-
Board member fees		122	131
Impairment of property, plant and equipment		-	805
Loss/(gain) on disposal of property, plant and equipment		71	101
Deceased organ and tissue retrieval costs		1,070	1,001
Bone marrow collection costs		2,740	1,379
Distribution expenses		4,821	4,458
IT systems and telecommunications		13,080	11,955
Marketing activities		4,448	4,352
Repairs and maintenance		3,549	3,707
Revaluation of derivative financial instruments	11	49	1,168
Other expenses		16,628	15,717
Total other expenses		56,997	53,197

Prior period errors

Information Technology (IT) systems and telecommunication expenses across several projects, totalling \$2,021,785, were incorrectly recognised as intangible assets in the 2023 financial statements. This misclassification constitutes a prior period error. Of this amount, \$1,572,955 was recognized in the 2023 financial year, while \$448,830 was from prior years. The financial statements of 2023 have been restated to correct this error. The effect of the restatement on those financial statements is summarised below.

	Effect on 2023 \$000
Increase in IT systems and telecommunications expenses	1,573
Decrease in comprehensive revenue and expense	1,573
Decrease in Intangible assets	2,022
Decrease in accumulated surplus / (deficit)	1,573
Decrease in opening accumulated surplus / (deficit)	449
Increase in Payment to suppliers	1,573
Decrease in Net cash flows from operating activities	1,573
Decrease in Purchase of intangible assets	1,573
Increase Net cash flows from investing activities	1,573

Operating leases as lessee

The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:

	Actual 2024 \$000	Actual 2023 \$000
Not later than one year	9,358	8,186
Later than one year and not later than five years	40,505	40,638
Later than five years	90,807	97,064
Total non-cancellable operating leases	140,670	145,888

New Zealand Blood Service leases 20 premises (2023: 21 premises) across New Zealand from which it operates donor collection services, warehousing and component processing, testing services and national support services.

The prior year operating lease component for premises has been restated to reflect the minimum future lease payment obligations.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

Significant leasing arrangements*Lester Lane, Christchurch*

This facility was purpose built for New Zealand Blood Service and is used for donation collection services and component processing for the South Island. The lease arrangement was entered into in November 2014 for an initial term of 30 years with two rights of renewal for an additional 12 years each. Rent reviews occur every three years with rent escalating at the minimum of CPI or 2.5 per cent per annum compounded over the preceding three years. A market rental review is undertaken in the 15th year and each renewal period thereafter.

Great South Road, Auckland

This site has been significantly redeveloped by New Zealand Blood Service and is used for donation collection services for the greater Auckland region and Northland, component processing for the upper North Island, and national support services. The lease arrangement was entered into in October 2018 for an initial term of 20 years with three rights of renewal for an additional three years each. Rent reviews occur annually with rent escalating at two per cent per annum. A market rental review is undertaken every 10 years.

Highbrook Drive, Auckland

This premises has been purpose built for New Zealand Blood Service and will be used for national warehousing and specialised component processing. The lease arrangement was entered into in February 2023 for an initial term of 20 years with two rights of renewal for an additional seven years each. Rent reviews occur annually with rent escalating at 2.6 per cent per annum. A market rental review is undertaken every 10 years.

London Street, Hamilton

This facility is used for donation collection services for the Waikato, Bay of Plenty, and Central North Island regions. The lease arrangement was entered into in June 2023 for an initial term of 20 years with three rights of renewal for an additional five years each. Rent reviews occur annually with rent escalating two per cent per annum. A market rent review is undertaken every five years.

Crawford Street, Dunedin

This premise is used for donation collection services in Dunedin. The lease arrangement was entered into in May 2017 for an initial term of 12 years with two rights of renewal for an additional nine years each. Rent reviews occur every three years with rent escalating at CPI or prevailing market rates. The landlord made a cash contribution of \$311,465 towards the fitout of the premises which may be clawed back by the landlord in the event the lease agreement is terminated during the initial 12-year term of the agreement.

There are no restrictions placed on New Zealand Blood Service by any of its leasing arrangements.

Total future minimum sublease payments to be received under non-cancellable subleases for office space at balance date are \$nil (2023: \$nil).

8 Cash and cash equivalents**Accounting policy**

Cash and cash equivalents include cash on hand, deposits held on call with banks, and other short-term, highly liquid investments with original maturities of three months or less.

	Actual 2024 \$000	Actual 2023 \$000
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Breakdown of cash and cash equivalents and further information

Cash at bank and on hand	2,615	4,527
Total cash and cash equivalents	2,615	4,527

A loss allowance for expected credit losses has not been recognised because the estimated loss allowance for credit losses is trivial.

Cash at bank is deposited with counter parties with Standards & Poor's credit rating of AA- or better. The carrying value of cash at bank, cash on hand and short-term deposits with maturities less than three months from the date of acquisition approximates their fair value.

9 Receivables**Accounting policy**

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL). New Zealand Blood Service applies the simplified ECL model of recognising lifetime ECLs for short-term receivables.

In measuring ECLs, short-term receivables have been assessed on a collective basis because they possess shared credit risk characteristics. They have been grouped based on the days past due. A provision matrix is then established based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Short-term receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation or the receivable being more than one year overdue. There were no trade and other receivables from non-exchange transactions in 2024 and 2023.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

	Actual 2024 \$000	Actual 2023 \$000
Breakdown of receivables and further information		
Receivables (gross)	20,810	21,598
Less: Allowance for credit losses	-	-
Receivables	20,810	21,598
Receivables comprise:		
Receivables from the sale of goods and services (exchange transactions)	20,602	21,320
Receivables from interest earned on term deposits	208	278

The expected credit loss rates for receivables at 30 June 2024 and 30 June 2023 are based on the payment profile of revenue on credit over the prior two years at the measurement date and the corresponding historical credit losses experienced for that period. The historical loss rates are adjusted for current and forward-looking macroeconomic factors that might affect the recoverability of receivables. Given the short period of credit risk exposure, the impact of macroeconomic factors is not considered significant. The expected credit loss is 0% (2023: 0%).

There have been no changes in the estimation techniques or significant assumptions used in measuring the loss allowance during the reporting.

10 Investments**Accounting policy****Bank term deposits**

Bank term deposits are initially measured at the amount invested. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

	Actual 2024 \$000	Actual 2023 \$000
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Breakdown of investments and further information**Current portion**

Term deposits	4,500	26,500
Total current portion	4,500	26,500

Non-current portion

Term deposits	-	-
Total non-current portion	-	-

Total investments	4,500	26,500
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Term deposits

New Zealand Blood Service considers that there has not been a significant increase in credit risk for investments in term deposits because the issuer of the investment continues to have low credit risk at balance date. Term deposits are held with banks that have a long-term AA- investment grade credit rating, which indicates that the bank has a very strong capacity to meet its financial commitments. No loss allowance for expected credit losses has been recognised because the estimated 12-month expected loss allowance for credit losses is trivial.

The carrying amounts of term deposits with maturities of 12 months or less approximate their fair value.

11 Derivative financial instruments**Accounting policy**

Derivative financial instruments are used to manage exposure to foreign exchange risk arising from New Zealand Blood Service's operational activities. New Zealand Blood Service does not hold or issue derivative financial instruments for trading purposes. New Zealand Blood Service has not adopted hedge accounting.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance date, with the resulting gain or loss recognised in the surplus or deficit.

A forward foreign exchange derivative is classified as current if the contract is due for settlement within 12 months of balance date. Otherwise, the full fair value of a forward foreign exchange derivative is classified as non-current.

Further information on derivative financial instruments

The notional principal amounts of outstanding forward foreign exchange contracts in NZ\$ were \$79.54m (2023: \$65.82m). The foreign currency principal amounts were AUS\$73.00m (2023: AUS\$60.76m).

The fair values of forward foreign exchange contracts have been determined using a discounted cash flows valuation technique based on quoted market prices. The inputs into the valuation model are from independently sourced market parameters such as currency rates. Most market parameters are implied from forward foreign exchange contract prices.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

12 Inventories

Accounting policy

To the extent that inventory was received through non-exchange transactions (i.e. donated goods) for no cost or for a nominal cost, the cost of the inventory is its fair value at the date of acquisition.

However, as New Zealand Blood Service is not legally permitted to purchase blood from the public, the fair value for accounting purposes of blood from donors is considered to be nil. Therefore, the cost of inventories comprises all costs of collection, costs of conversion, and any other costs incurred in bringing the inventories to their present location and condition.

After initial recognition, inventory is measured at the lower of cost and net realisable value. The cost of inventory is determined using the FIFO or weighted average methods. The valuation includes allowance for slow moving items. Obsolete inventories are written off.

Inventories are recognised as an expense when deployed for utilisation or consumption in the ordinary course of New Zealand Blood Service's operation. Any write-down from cost to net realisable value is recognised in surplus or deficit in the year of the write-down.

Fractionated derived products manufactured from a principal plasma pool

Fractionated derived products are manufactured into finished blood products by a third party manufacturer on a "toll" manufacturing basis using New Zealand Blood Service provided source plasma collected from New Zealanders.

The work in progress (WIP) is included at full standard cost, as the final output that the manufacturer must produce is locked in via the agreed production plan and contract yields per the toll manufacturing agreement. This high level of certainty enables the WIP to be viewed in the same light as finished fractionation product for the purposes of inventory valuation.

Valuation of fractionated derived (both finished goods and WIP), is based on allocating the actual input cost of manufacturing a plasma pool (New Zealand Blood Service source plasma input plus third-party toll fractionation manufacturing fee) to prorated finished/WIP product output using actual product plasma yield, as reported by the manufacturer.

Fractionated Inventory items are now carried at actual cost without any reallocation to other immunoglobulin products where the cost exceeds the net realisable value. The excess of net realisable value is charged in full to the current financial year profit and loss account. The shift in accounting policy and treatment enables New Zealand Blood Service to have increased visibility of the true cost of fractionated derived products and further aids in future price setting considerations and decisions around production of derived fractionated products versus commercial purchases.

	Actual 2024 \$000	Actual 2023 \$000
Breakdown of inventories and further information		
Consumables	5,369	4,747
Raw materials- fresh and frozen plasma	12,495	10,741
Work in process - fractionated components	15,520	13,220
Fractionated components	66,590	55,423
Fresh components	4,595	3,340
Provision for expired inventory	(5,720)	(1,702)
Total inventories	98,849	85,769

Inventories were written down by \$5.72m (2023: \$1.70m). There were reversals of write downs of \$0.18m (2023: \$0.06m).

No inventories are pledged as security for liabilities (2023: \$nil).

13 Property, plant, and equipment

Accounting policy

Property, plant, and equipment consists of four asset classes, which are measured as follows:

- leasehold improvements, at cost less accumulated depreciation and impairment losses;
- plant and equipment, at cost less accumulated depreciation and impairment losses;
- furniture and office equipment, at cost less accumulated depreciation and impairment losses; and
- motor vehicles, at cost less accumulated depreciation and impairment losses.

In 2023, there were six asset classes consisting of leasehold improvements, plant and equipment, computer equipment, furniture and fittings, motor vehicles, and office equipment. In 2024, New Zealand Blood Service amalgamated computer equipment, furniture and fittings, and office equipment into a single asset class, 'Furniture and Office Equipment,' as the net book value of the two asset classes was insignificant and they had a similar nature.

Additions

The cost of an item of property, plant, and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to New Zealand Blood Service and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant, and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to New Zealand Blood Service and the cost of the item can be measured reliably.

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

Disposals

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.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant, and equipment at rates that will write off the cost of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of property, plant, and equipment have been estimated as follows:

• Lease hold improvements	2 - 30 years	3% -50%
• Plant and equipment	2 - 20 years	5% -50%
• Furniture and office equipment	3 - 15 years	6% -33%
• Motor vehicles	8 - 12 years	8% -13%

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is the shorter.

Impairment of property, plant, and equipment

New Zealand Blood Service does not hold any cash-generating assets. Assets are considered cash generating where their primary objective is to generate a commercial return.

Property, plant, and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount might not be recoverable. An impairment loss is recognised for the amount that the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value, less costs to sell, and value in use.

Value in use is the present value of an asset's remaining service potential. It is determined using an approach based on a depreciated replacement cost approach, a restoration cost approach, or a service units approach. The most appropriate approach for measuring value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable service amount.

The total impairment loss is recognised in the surplus or deficit.

Critical accounting estimates and assumptions

Estimating useful lives and residual values of property, plant, and equipment

At each balance date, the useful lives and residual values of property, plant, and equipment are reviewed. Assessing the appropriateness of useful life and residual value estimates of property, plant, and equipment requires several factors to be considered, such as the physical condition of the asset, how long New Zealand Blood Service expects to use the asset, and expected disposal proceeds from the future sale of the asset.

An incorrect estimate of the useful life or residual value will affect the depreciation expense recognised in the surplus or deficit and carrying amount of the asset in the statement of financial position. New Zealand Blood Service minimises the risk of this estimation uncertainty by:

- physical inspection of assets; and
- asset replacement programmes.

There have been no material changes to useful lives, depreciation methods, and residual values.

	Leasehold improvements \$000	Plant and equipment \$000	Furniture/office equipment \$000	Motor vehicles \$000	Total \$000
Breakdown of property, plant, and equipment and further information					
Cost or valuation					
Balance at 1 July 2022	35,071	27,866	9,555	180	72,672
Additions	11,558	3,557	1,691	-	16,806
Disposals	(3,499)	(1,117)	(73)	(17)	(4,706)
Balance at 30 June / 1 July 2023	43,130	30,306	11,173	163	84,772
Additions	17,168	8,237	1,237	-	26,642
Disposals	(1,571)	(3,281)	(504)	(29)	(5,385)
Balance at 30 June 2024	58,727	35,262	11,906	134	106,029
Accumulated depreciation and impairment losses					
Balance at 1 July 2022	12,629	19,658	6,647	154	39,088
Depreciation expense	1,379	1,713	894	14	4,000

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

	Leasehold improvements \$000	Plant and equipment \$000	Furniture/office equipment \$000	Motor vehicles \$000	Total \$000
Breakdown of property, plant, and equipment and further information					
Elimination on disposal	(3,416)	(1,097)	(65)	(17)	(4,595)
Impairment losses	805	-	-	-	805
Reversal of impairment losses	-	-	-	-	-
Balance at 30 June / 1 July 2023	11,397	20,274	7,476	151	39,298
Depreciation expense	2,109	2,257	1,163	5	5,534
Elimination on disposal	(1,548)	(3,245)	(491)	(29)	(5,313)
Impairment losses	-	-	-	-	-
Reversal of impairment losses	-	-	-	-	-
Balance at 30 June 2024	11,958	19,286	8,148	127	39,519

Carrying amounts

At 1 July 2022	22,442	8,208	2,908	26	33,584
At 30 June/1 July 2023	31,733	10,032	3,697	12	45,474
At 30 June 2024	46,769	15,976	3,758	7	66,510

Capital work in progress included in property, plant and equipment

At 30 June 2023	10,184	1,666	1,089	-	12,939
At 30 June 2024	17,653	62	7	-	17,722

Property, plant, and equipment totalling \$6.44m (2023: \$0.58m) was acquired by means of finance leases during the year.

Restrictions

There are no restrictions and pledges on New Zealand Blood Service's property, plant, and equipment.

Finance leases and Term financing

The net carrying amount of assets under term financing is leasehold improvements of \$13.21m (2023: \$12.99m) and equipment of \$0.61m (2023: \$0.37m).

The net carrying amount of assets under finance leases is leasehold improvements \$1.38m (2023: \$2.03m) and equipment of \$7.48m (2023: \$1.58m).

Capital commitments

The amount of contractual commitments for the acquisition of property, plant, and equipment at the reporting date is:

	Actual 2024 \$000	Actual 2023 \$000
Breakdown of Capital Commitments and further information		
Leasehold improvements	2,337	13,348
Plant and equipment	127	2,973
Furniture and office equipment	186	872
Total capital commitments	2,650	17,193

14 Intangible assets**Accounting policy****Software acquisition and development**

Computer software licenses are capitalised based on the costs incurred to acquire the specific software and bring it to use.

Costs that are directly associated with developing software for internal use are recognised as an intangible asset where this results in an asset controlled by New Zealand Blood Service. Direct costs include software development, employee costs, and an appropriate portion of relevant overheads.

Where software is provided under a Software-as-a-Service (SaaS) arrangement, costs of configuration and customisation are recognised as an intangible asset only if the activities create an intangible asset that New Zealand Blood Service controls and asset recognition criteria are met. Costs, including ongoing fees for use of software, that do not result in an intangible asset or a software finance lease, are expensed as a service contract as incurred.

However, where fees represent payment for future services to be received, New Zealand Blood Service recognises these as a prepayment and expenses these as subsequent services are received.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

Staff training costs are recognised as an expense when incurred.

Costs associated with maintaining computer software are expensed when incurred.

Costs associated with developing and maintaining New Zealand Blood Service's website are expensed when incurred.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date when the asset is derecognised. The amortisation charge for each financial year is expensed in the surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

- Acquired computer software 3 - 6 years 16%-33%
- Developed computer software 3 - 6 years 16%-33%

Impairment of intangible assets

Refer to the policy for impairment of property, plant, and equipment in Note 13. The same approach applies to the impairment of intangible assets.

	Actual 2024 \$000	Actual 2023 \$000
Breakdown of intangible assets and further information		
Cost		
Balance at 1 July	20,490	19,389
Additions	504	1,101
Disposals	(14,743)	-
Balance at 30 June	6,251	20,490

Accumulated amortisation and impairment losses

Balance at 1 July	15,970	14,767
Amortisation expense	4,034	1,203
Disposals	(14,743)	-
Balance at 30 June	5,261	15,970

Carrying amounts

At 1 July	4,520	4,622
Balance at 30 June	990	4,520

Prior period errors

See Note 7.

Classes of intangible asset

New Zealand Blood Service has not generated software internally. All software has been acquired.

During the year, a new cloud-based Blood Management System was implemented, which shortened the useful life of the incumbent system and resulted in accelerated depreciation of \$3.3 million.

Restrictions

There are no restrictions over the title of New Zealand Blood Service's intangible assets, nor are any intangible assets pledged as security for liabilities.

Capital commitments

The amount of contractual commitments for the acquisition of intangible assets is \$nil (2023: \$1.84m).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

15 Payables and deferred revenue**Accounting policy**

Short-term payables are recorded at the amount payable.

	Actual 2024 \$000	Actual 2023 \$000
Breakdown of payables and deferred revenue, and other information		
Payables and deferred revenue under exchange transactions		
Creditors	23,885	19,561
Accrued expenses	11,699	12,106
Other	24	7
Total payables under exchange transactions	35,608	31,674
Payables and deferred revenue under non-exchange transactions		
Taxes payable	4,227	2,846
Crown funding subject to conditions	465	-
Other	360	129
<i>Total payables under exchange transactions</i>	5,052	2,975
Total payables and deferred revenue	40,660	34,649

16 Borrowings**Accounting policy**

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Borrowings are carried at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless New Zealand Blood Service has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

Finance leases

A finance lease transfers substantially all the risks and rewards incidental to ownership of an asset to the lessee, whether or not title is eventually transferred.

At the start of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased asset or the present value of the minimum lease payments.

The finance charge is charged to the surplus or deficit over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability.

The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty that New Zealand Blood Service will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Critical judgements in applying accounting policies**Determining lease classification**

Determining whether a lease is a finance lease or an operating lease requires judgement as to whether the lease transfers substantially all the risks and rewards of ownership to New Zealand Blood Service.

Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether to include renewal options in the lease term, and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means that the asset is recognised in the statement of financial position as property, plant, and equipment, but no such asset is recognised for an operating lease.

	Actual 2024 \$000	Actual 2023 \$000
Breakdown of borrowings and further information		
Current portion		
Finance leases	1,141	551
Term financing	1,188	1,066
Total current portion	2,329	1,617

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

	Actual 2024 \$000	Actual 2023 \$000
Breakdown of borrowings and further information		
Non-current portion		
Finance leases	7,369	3,725
Term financing	12,986	12,865
Unsecured loans	-	10,000
<i>Total non-current portion</i>	20,355	26,590
Total borrowings	22,684	28,207

Finance Lease

New Zealand Blood Service has a finance lease limit of \$8,000,000 with Westpac New Zealand Limited and other parties.

Term financing

New Zealand Blood Service has a term debt facility with Westpac New Zealand Limited. The maximum amount available under this committed funding line is \$15,000,000 (2023: \$15,000,000) and any borrowing against it is secured against assets.

Unsecured loans

New Zealand Blood Service has a multi option credit facility with Westpac New Zealand Limited. The maximum amount available under this committed funding line is \$10,000,000 (2023: \$10,000,000) and any borrowing against it is unsecured and subject to a negative pledge undertaking. On 14th of October 2024, the facility has been extended to \$25,000,000 for a period to 31 December 2025.

Security

Finance lease liabilities and term financing are effectively secured, because the rights to the leased asset revert to the lessor in the event of default.

Fair value

Because interest rates on floating rate debt reset to a market rate every 29 days, the carrying amounts of secured loans approximate their fair value.

The fair value of finance leases is \$8.83m (2023: \$4.63m). Fair value has been determined using contractual cash flows discounted using a rate based on market borrowing rates at balance date of 6.6% (2023: 6.6%).

The fair value of term financing is \$13.20m (2023: \$12.75m). Fair value has been determined using contractual cash flows discounted using a rate based on market borrowing rates at balance date of 6.6% (2023: 6.6%).

Analysis of finance leases:

	Actual 2024 \$000	Actual 2023 \$000
Finance Lease		
Minimum lease payments payable:		
Not later than on year	1,596	849
Later than one year and not later than five years	5,668	2,290
Later than five years	5,592	4,296
<i>Total minimum lease payments</i>	12,856	7,435
Future finance charges	(4,346)	(3,159)
Present value of minimum lease payments	8,510	4,276
Present value of minimum lease payments payable:		
Not later than on year	1,141	552
Later than one year and not later than five years	3,881	1,366
Later than five years	3,488	2,358
Total present value of minimum lease payments	8,510	4,276

Finance leases as lessee

The net carrying amount of assets under finance leases is leasehold improvements \$1.38m (2023: \$2.03m) and equipment of \$7.48m (2023: \$1.58m).

New Zealand Blood Service is not permitted to pledge the leased assets as security, nor can it sublease the leased equipment without the permission of the lessor. There are no other restrictions placed on New Zealand Blood Service by any of the leasing arrangements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

Analysis of Term financing:

	Actual 2024 \$000	Actual 2023 \$000
Term financing		
Minimum lease payments payable:		
Not later than on year	1,834	1,667
Later than one year and not later than five years	7,338	6,668
Later than five years	8,437	9,039
<i>Total minimum lease payments</i>	17,609	17,374
Future finance charges	(3,435)	(3,443)
Present value of minimum lease payments	14,174	13,931
Present value of minimum lease payments payable:		
Not later than on year	1,188	1,065
Later than one year and not later than five years	5,322	4,751
Later than five years	7,664	8,115
Total present value of minimum lease payments	14,174	13,931

Term financing:

The net carrying amount of assets under term financing is leasehold improvements of \$13.21m (2023: \$12.99m) and equipment of \$0.61m (2023: \$0.37m).

The Westpac New Zealand Limited borrowing is unsecured and operates via a negative pledge undertaking. The maximum amount available under the multi option credit line facility (MOCL) is \$10,000,000, all of which is a committed funding line on a term facility (2023: \$10,000,000). On 14th of October 2024, the facility has been extended to \$25,000,000 for a period to 31 December 2025.

The specific requirements of the negative pledge are stated below:

(a) New Zealand Blood Service must not grant a security interest over more than 5per cent of its adjusted tangible assets (defined as total assets less intangible assets) to any third party without the prior consent of Westpac New Zealand Limited.

The Westpac New Zealand Limited unsecured loan becomes repayable on demand in the event New Zealand Blood Service breaches any of the obligations under the negative pledge and ratio's undertaking. New Zealand Blood Service has complied with all negative pledge undertakings and borrowing obligations during the financial year. Current facility arrangements operate to 31 December 2025.

The MOCL borrowing facility provides construction phase funding to the multi-year redevelopment of the Auckland site at 71 Great South Road Auckland. On completion of each redevelopment construction stage the cost will transfer from the MOCL to the term debt Westpac Master Lease Agreement (MLA) that provides a 10-year funding and repayment facility with interest rates struck off the 10-year swap rate ruling at each stage's MLA execution.

17 Employee entitlements

Accounting policy

Short-term employee entitlements

Employee benefits that are expected to be settled wholly before 12 months after the end of the reporting period during which the employees provide the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned but not yet taken at balance date, and sick leave.

A liability and an expense are recognised for bonuses where there is a contractual obligation or where there is past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

Long-term employee entitlements

Employee benefits that are not expected to be settled before 12 months after the end of the reporting period during which the employees provide the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

Presentation of employee entitlements

Sick leave, annual leave, and vested long service leave are classified as a current liability. Non-vested retirement and long service leave expected to be settled within 12 months of balance date are classified as a current liability. All other employee entitlements are classified as a non-current liability.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

Critical accounting estimates and assumptions

Measuring retirement and long service leave obligations

Measuring long service leave and retirement gratuities obligations depends on several factors that are determined on an actuarial basis using several assumptions. Two key assumptions used in calculating this liability include the discount rate and the salary inflation factor. Any changes in these assumptions will affect the carrying amount of the liability.

Expected future payments are discounted using discount rates derived from the yield curve of New Zealand Government bonds. The discount rates used have maturities that match, as closely as possible, the estimated future cash outflows. The salary inflation factor has been determined after considering historical salary inflation patterns and obtaining advice from an independent actuary. A weighted average discount rate of 4.77 per cent (2023: 4.70%) for retirement leave and 4.61 per cent (2023: 4.63%) for long service leave, and an inflation factor of 1.75 per cent (2023: 1.75%) was used.

If the discount rate were to differ by one per cent from that used, with all other factors held constant, the carrying amount of the retirement and long service leave liability would be an estimated \$0.15m higher/lower.

If the salary inflation factor were to differ by one per cent from that used, with all other factors held constant, the carrying amount of the retirement and long service leave liability would be an estimated \$0.15m higher/lower.

	Actual 2024 \$000	Actual 2023 \$000
Breakdown of employee entitlements		
Current portion		
Accrued salaries and wages	10,869	5,217
Annual leave	9,872	14,515
Sick leave	230	171
Retirement and long service leave	712	549
Total current portion	21,683	20,452
Non-current portion		
Retirement and long service leave	1,731	1,658
Total non-current portion	1,731	1,658
Total employee entitlements	23,414	22,110

Prior period errors

See Note 3.

18 Provisions

Accounting policy

General

A provision is recognised for future expenditure of uncertain amount or timing when:

- there is a present obligation (either legal or constructive) as a result of a past event;
- it is probable that an outflow of future economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate of the amount of the obligation can be made.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time, value of money, and the risks specific to the obligation. An increase in the provision because of the passage of time is recognised as a finance cost (refer Note 6).

	Actual 2024 \$000	Actual 2023 \$000
Breakdown of provisions and further information		
Current portion		
Lease make-good	248	291
Total current portion	248	291
Non-current portion		
Lease make-good	1,789	1,422
Total non-current portion	1,789	1,422
Total provisions	2,037	1,713

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

Lease make-good provision

At the expiry of the lease terms for 12 leased premises (2023: 12) New Zealand Blood Service is required to make good any damage caused to the premises and to remove any fixtures or fittings that it installed. New Zealand Blood Service has the option to renew several of these leases, which affects the timing of expected cash outflows to make good the premises.

In measuring the provision, New Zealand Blood Service has assumed that it will not exercise options to renew any premises. The cash flows associated with the non-current portion of the lease make-good provision are expected to occur between 2025 and 2043. Significant cash flows are expected for Great South Road, Auckland in 2038 of \$0.74m and Highbrook Drive, Auckland in 2043 of \$0.51m.

Further information about New Zealand Blood Service's leasing arrangements is disclosed in Note 7.

Movement in provisions are as follows:

	Lease make-good \$000
Movement in provisions	
Balance at 1 July 2022	1,566
Additional provisions made	30
Amounts used	-
Unused amounts reversed	-
Discount unwind	117
Balance at 30 June/1 July 2023	1,713
Additional provisions made	525
Amounts used	(157)
Unused amounts reversed	(134)
Discount unwind	90
Balance at 30 June 2024	2,037

19 Accrued rent

	Actual 2024 \$000	Actual 2023 \$000
Accrued Rent	5,899	5,863
Total Rent Accrued	5,899	5,863

Refer to Note 7 for details on significant lease arrangements.

20 Contingencies**Contingent liabilities**

New Zealand Blood Service has no contingent liabilities (2023: \$nil).

Contingent assets

New Zealand Blood Service has no contingent assets (2023: \$nil).

21 Equity**Accounting policy**

Equity is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

- contributed capital;
- accumulated surplus/(deficit); and
- adverse event reserves.

Adverse event reserves

This reserve comprises the transfer of surpluses from accumulated comprehensive revenue and expense. The reserve was established during the year ended 30 June 2015 to mitigate financial risk associated with the manufacturing and production of fractionated derived products.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

	Actual 2024 \$000	Actual 2023 \$000
Breakdown of equity and further information		
Contributed capital		
Balance at 1 July	87,717	22,717
Capital contribution	24,564	65,000
Repayment of capital	-	-
Balance at 30 June	112,281	87,717
Accumulated surplus/(deficit)		
Balance at 1 July	10,322	13,232
Transfer from adverse event reserve	-	2,000
Surplus/(deficit) for the year	(21,363)	(4,910)
Balance at 30 June	(11,041)	10,322
Adverse events reserve		
Balance at 1 July	-	2,000
Transfer to accumulated surplus/(deficit)	-	(2,000)
Balance at 30 June	-	-
Total equity	101,240	98,039

Capital management

New Zealand Blood Service's capital is its equity, which comprises accumulated funds and adverse event reserves. Equity is represented by net assets.

During the year ended 30 June 2023 New Zealand Blood Service's Board approved the reduction of the adverse event reserves to \$nil and to make the then remaining \$2.00m of reserves available for operational requirements.

New Zealand Blood Service is subject to the financial management and accountability provisions of the Crown Entities Act 2004, which impose restrictions on borrowings, acquisition of securities, issuing of guarantees and indemnities, and the use of derivatives.

New Zealand Blood Service has complied with the financial management requirements of the Crown Entities Act 2004 during the year.

New Zealand Blood Service manages its equity as a byproduct of prudently managing revenues, expenses, assets, liabilities, investments, and general financial dealings to ensure it can effectively achieve its objectives and purpose while remaining a going concern.

22 Related party transactions

New Zealand Blood Service is controlled by the Crown.

Related party disclosures have not been made for transactions with related parties that are:

- within a normal supplier or client/recipient relationship; and
- on terms and conditions no more or less favourable than those that it is reasonable to expect New Zealand Blood Service would have adopted in dealing with the party at arm's length in the same circumstances.
- during the period New Zealand Blood Service paid the Ministry of Health a capital charge of \$5,511,669 (2023: \$3,694,304). The amount outstanding at the end of the period was nil (2023: nil).
- during the period New Zealand Blood Service received \$24,563,522 as an equity injection from the Ministry of Health (2023: \$65,000,000).
- during the period New Zealand Blood Service received \$4,067,500 (2023: \$1,988,000) from a non-exchange Output Agreement with the Ministry of Health to provide deceased organ and tissue donation services.

Further, transactions with other government agencies (for example, government departments and Crown entities) are not disclosed as related party transactions when they are on normal terms and conditions consistent with the normal operating arrangements between government agencies.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

	Actual 2024 \$000	Actual 2023 \$000
Key management personnel compensation		
Board members		
Remuneration	122	131
Full-time equivalent members	0.45	0.47
Leadership team		
Remuneration	2,924	2,536
Full-time equivalent members	10	9
Total key management personnel remuneration	3,046	2,667
Total full-time equivalent personnel	10.45	9.47

The full-time equivalent for Board members has been determined based on the frequency and length of Board meetings and the estimated time for Board members to prepare for meetings.

An analysis of Board member remuneration is provided in Appendix 1.

23 Financial instruments**23A Financial instruments categories**

The carrying amounts of financial assets and liabilities in each of the financial instrument categories are as follows:

	Actual 2024 \$000	Actual 2023 \$000
Financial instruments categories		
Mandatorily measured at fair value through surplus of deficit		
Derivative financial instruments assets	695	735
Derivative financial instruments liabilities	10	11
Financial liabilities measured at amortised cost		
Payables (excluding deferred revenue, taxes payable and Crown funding subject to conditions)	35,968	31,803
Borrowings - unsecured loans	-	10,000
Finance leases	8,510	4,276
Term financing	14,174	13,931
Total financial liabilities measured at amortised cost	58,652	60,010
Financial assets measured at amortised cost		
Cash and cash equivalents	2,615	4,527
Receivables	20,810	21,598
Investments - term deposits	-	26,500
Total financial assets measured at amortised cost	23,425	52,625

23B Fair value hierarchy

For those instruments recognised at fair value in the statement of financial position, fair values are determined according to the following hierarchy:

- Quoted market prices (level 1) – Financial instruments with quoted prices for identical instruments in active markets.
- Valuation techniques using observable inputs (level 2) – Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.
- Valuation techniques with significant non-observable inputs (level 3) – Financial instruments valued using models where one or more significant inputs are not observable.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

The following table analyses the basis of the valuation of classes of financial instruments measured at fair value in the statement of financial position.

	Valuation Technique			
	Total \$000	Quoted market price \$000	Observable inputs \$000	Significant non- observable inputs \$000
30 June 2024				
Financial assets				
Derivatives	695	-	695	-
<i>Financial liabilities</i>				
Derivatives	10	-	10	-
30 June 2024				
<i>Financial assets</i>				
Derivatives	735	-	735	-
<i>Financial liabilities</i>				
Derivatives	11	-	11	-

23C Financial instrument risks

New Zealand Blood Service's activities expose it to a variety of financial instrument risks, including market risk, credit risk, and liquidity risk. New Zealand Blood Service has policies to manage these risks and seeks to minimise exposure from financial instruments. These policies do not allow it to enter transactions that are speculative in nature.

Market risk**Price risk**

Price risk is the risk that the value of a financial instrument will fluctuate because of changes in market prices.

Fair value interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. New Zealand Blood Service's exposure to fair value interest rate risk is limited to its bank deposits, which are held at fixed rates of interest. New Zealand Blood Service does not actively manage its exposure to fair value interest rate risk.

Cash flow interest rate risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Investments and borrowings issued at variable interest rates expose New Zealand Blood Service to cash flow interest rate risk.

New Zealand Blood Service manages interest rate risks arising from contractual commitments and liabilities by entering into interest rate swaps, interest rate caps, and fixed rate loans to manage the interest rate risk exposure.

	Carrying amount \$000	Contractual cash flows \$000	Less than 6 months \$000	6-12 months \$000	More than 1 year \$000
2024					
Payables (excluding income in advance, taxes payable and grants received subject to conditions)	35,968	35,968	35,968	-	-
Finance leases	8,510	12,856	870	726	11,260
Term Financing	14,174	17,609	917	917	15,775
Unsecured loans	-	-	-	-	-
Total	58,652	66,433	37,755	1,643	27,035

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

	Carrying amount \$000	Contractual cash flows \$000	Less than 6 months \$000	6-12 months \$000	More than 1 year \$000
2023					
Payables (excluding income in advance, taxes payable and grants received subject to conditions)	31,803	31,803	31,803	-	-
Finance leases	4,276	9,472	424	628	8,420
Term Financing	13,931	17,374	935	732	15,707
Unsecured loans	10,000	13,355	660	-	12,695
Total	60,010	72,004	33,822	1,360	36,822

New Zealand Blood Service currently has no variable interest rate investments.

Sensitivity analysis

At 30 June 2024, if the 90-day bank bill rate had been 50 basis points higher or lower, with all other variables held constant, the surplus/deficit for the year would have been \$0.11m (2023: \$0.15m) lower/higher. This movement is attributable to increased or decreased interest expense on borrowings. The sensitivity is lower in 2024 than in 2023 because of a reduction in outstanding borrowings.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

New Zealand Blood Service makes purchases of goods and services overseas that require it to enter into transactions denominated in foreign currencies. As a result of these activities, exposure to currency risk arises.

New Zealand Blood Service manages foreign currency risks arising from contractual commitments and liabilities by entering into forward foreign exchange contracts to manage the foreign currency risk exposure.

Sensitivity analysis

At 30 June 2024, if the NZ dollar had weakened/strengthened by five per cent against the Australian dollar, with all other variables held constant, the surplus for the year would have been:

- \$1.32m (2023: \$0.98m) lower if the NZ dollar had weakened.
- \$1.20m (2023: \$0.88m) higher if the NZ dollar had strengthened.

This movement is attributable to foreign exchange gains/losses on translation of Australian dollar denominated creditors and bank balances.

Credit risk

Credit risk is the risk that a third party will default on its obligation to New Zealand Blood Service, causing it to incur a loss.

New Zealand Blood Service is exposed to credit risk from cash and term deposits with banks, receivables, and derivative financial instrument assets. For each of these, the maximum credit exposure is best represented by the carrying amount in the statement of financial position.

Risk management

For receivables, New Zealand Blood Service reviews the credit quality of customers before granting credit. It continues to monitor and manage receivables based on their ageing and adjusts the expected credit loss allowance accordingly. There are no significant concentrations of credit risk.

Because of the timing of its cash inflows and outflows, New Zealand Blood Service invests surplus cash with registered banks with a Standard & Poor's credit rating of at least A+. New Zealand Blood Service limits the amount of net credit exposure to any one financial institution to \$15 million. New Zealand Blood Service invests funds and enters into derivative financial instruments only with registered banks that have a Standard & Poor's credit rating of at least A+. New Zealand Blood Service's investments in term deposits are considered low-risk investments. The credit ratings of banks are monitored for credit deterioration.

Security

No collateral or other credit enhancements are held for financial assets that give rise to credit risk.

Impairment

Cash and cash equivalents (Note 8), receivables (Note 9), and term deposit investments (Note 10) are subject to the expected credit loss model. The notes for these items provide relevant information on impairment.

Credit risk exposure by credit risk rating grades, excluding receivables

The gross carrying amount of financial assets, excluding receivables, by credit rating is provided below by reference to Standard & Poor's credit ratings.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

	Actual 2024 \$000	Actual 2023 \$000
Derivative financial instrument assets		
AA-	685	724

Liquidity risk**Management of liquidity risk**

Liquidity risk is the risk that New Zealand Blood Service will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and the ability to close out market positions. New Zealand Blood Service manages liquidity risk by continuously monitoring forecast and actual cash flow requirements.

Contractual maturity analysis of financial liabilities, excluding derivatives

The table below analyses financial liabilities (excluding derivatives) according to their relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. Future interest payments on floating rate debt are based on the floating rate of the instrument at balance date. The amounts disclosed are the undiscounted contractual cash flows.

	Carrying amount \$000	Contractual cash flows \$000	Less than 6 months \$000	6-12 months \$000	More than 1 year \$000
2024					
Payables (excluding income in advance, taxes payable and grants received subject to conditions)	35,968	35,968	35,968	-	-
Finance leases	8,510	12,856	870	726	11,260
Term Financing	14,174	17,609	917	917	15,775
Unsecured loans	-	-	-	-	-
Total	58,652	66,433	37,755	1,643	27,035
2023					
Payables (excluding income in advance, taxes payable and grants received subject to conditions)	31,803	31,803	31,803	-	-
Finance leases	4,276	9,472	424	628	8,420
Term Financing	13,931	17,374	935	732	15,707
Unsecured loans	10,000	13,355	660	-	12,695
Total	60,010	72,004	33,822	1,360	36,822

Contractual maturity analysis of derivative financial liabilities

The table below analyses derivative financial instrument liabilities that are settled net, and all gross settled derivatives, into their relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. The amounts disclosed are the undiscounted contractual cash flows.

	Liability carrying amount \$000	Asset carrying account \$000	Contractual cash flows \$000	Less than 6 months \$000	6-12 months \$000	1-2 years \$000
2024						
Forward foreign exchange contracts						
- outflow	10	695	79,536	29,415	31,634	18,487
- inflow	-	-	80,220	29,620	31,895	18,705

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2024

	Liability carrying amount	Asset carrying account	Contractual cash flows	Less than 6 months	6-12 months	1-2 years
	\$000	\$000	\$000	\$000	\$000	\$000
2023						
Forward foreign exchange contracts						
- outflow	11	735	65,834	24,520	17,310	24,004
- inflow	-	-	66,557	24,851	17,532	24,174

23D Reconciliation of movements in liabilities arising from financing activities

The table below provides a reconciliation between the opening and closing balances of finance lease liabilities and unsecured borrowings at balance date.

	Actual 2024 \$000	Actual 2023 \$000
Unsecured borrowings		
Balance at 1 July	10,000	9,000
Cash inflows: proceeds from borrowings	25,000	14,300
Cash outflows: repayments of loans	(35,000)	(13,300)
Balance at 30 June	-	10,000
Finance lease liabilities		
Balance at 1 July	4,276	4,329
New leases	5,083	580
Cash outflows: payments under finance leases	(849)	(633)
Non-cash movement in accrued interest	-	-
Balance at 30 June	8,510	4,276
Term Financing		
Balance at 1 July	13,931	14,952
New term financing	1,356	-
Cash outflows: payments under term financing	(1,113)	(1,021)
Balance at 30 June	14,174	13,931

24 Events after the balance date

There were no significant events after the balance date.

25 Explanation of major variances against budget

Explanations for major variances from New Zealand Blood Service's budgeted figures in the Statement of Performance Expectations are as follows:

Statement of comprehensive revenue and expense*Revenue*

Revenue was less than budget by \$4.03m or 1.7 per cent, due to the unexpected availability of clinical trial therapies for patients affected by C1 esterase inhibitor deficiency totalling \$2.42m; a more gradual uptake of the prophylactic Rh(D) programme for pregnant mothers totalling \$1.19m; and the disruption to product dispensing late in June 2024 totalling \$2.97m caused by industrial action taken by employees during collective bargaining. It was offset by an increase in services activity in stem cell therapies, and blood and tissue testing totalling \$2.01m.

Expenses

Expenses were more than budget by \$15.75m or 6.5 per cent. Settlements of collective bargaining agreements and pay parity claims were significantly

higher than budget by \$9.60m. Implementation of the new Blood Management System (BMS) provided under a Software-as-a-Service (SaaS) arrangement resulted in unbudgeted accelerated amortisation of \$3.41m for the incumbent system.

Statement of financial position

Inventories of plasma-derived products are \$3.58m higher than budget. Property, plant, and equipment, and intangible assets, are less than budget by \$14.48m due to additions and the completion of several projects being deferred to future years. Employee entitlements are \$4.49m higher than budget due to settlements of collective bargaining agreements and pay parity claims, and Holidays Act 2003 remediation costs payable to employees. Borrowings are less than budget by \$8.8m and were repaid from receipts on maturity of term deposits.

Cash flows

Net cash flows from operating activities were \$23.05m less than budget mainly due to the larger deficit for the year. This was offset by deferring property redevelopment works and other capital investment programmes totalling \$12.43m, and \$6.21m of additional capital contribution from the Crown for Holidays Act 2003 remediation costs. Term deposits of \$9.67m were not re-invested to repay borrowings.



APPENDIX 1 - OTHER STATUTORY DISCLOSURES

	Actual 2024 Number	Actual 2023 Number
Employee remuneration		
Total remuneration paid or payable that is or exceeds \$100,000:		
\$100,000 - \$109,999	84	80
\$110,000 - \$119,999	81	63
\$120,000 - \$129,999	66	41
\$130,000 - \$139,999	48	23
\$140,000 - \$149,999	42	12
\$150,000 - \$159,999	24	8
\$160,000 - \$169,999	13	5
\$170,000 - \$179,999	5	4
\$180,000 - \$189,999	8	1
\$190,000 - \$199,999	-	1
\$200,000 - \$209,999	1	1
\$210,000 - \$219,999	1	2
\$220,000 - \$229,999	5	-
\$230,000 - \$239,999	2	1
\$240,000 - \$249,999	2	-
\$250,000 - \$259,999	2	-
\$260,000 - \$269,999	1	2
\$270,000 - \$279,999	-	2
\$280,000 - \$289,999	1	2
\$290,000 - \$299,999	2	1
\$300,000 - \$309,999	1	3
\$310,000 - \$319,999	2	1
\$320,000 - \$329,999	-	1
\$330,000 - \$339,999	1	-
\$340,000 - \$349,999	2	1
\$350,000 - \$359,999	1	-
\$400,000 - \$409,999	-	1
\$440,000 - \$449,999	1	-
\$450,000 - \$459,999	-	1
\$470,000 - \$479,999	1	-
Total employees	397	257

Employee remuneration

Total remuneration paid or payable in 2024 that is or exceeds \$100,000 in the table above includes one-time payments for the remediation of historical non-compliance with the Holidays Act 2003. As a result of these payments 42 employees are included in the table above that would otherwise not have been.

During the year ended 30 June 2024, one (2023: nil) employee received compensation and other benefits in relation cessation totalling \$20,000 (2023: \$nil).

APPENDIX 1 - OTHER STATUTORY DISCLOSURES

Board member remuneration

The total value of remuneration paid or payable to each Board member during the year was:

	Actual 2024 \$	Actual 2023 \$
Board member remuneration		
Fiona Pimm (Board Chair)	32,000	32,000
Dr Bart Baker	16,000	16,000
Anthony Bow	16,000	16,000
Nicole Anderson	16,000	15,467
Dr Edward Hutchins	16,000	15,467
Roger Jarrod	15,911	-
Raymond Lind	10,000	19,866
Edie Moke	89	16,000
Jackie Blue	-	667
Total Board member remuneration	122,000	131,467

There have been payments made to Edie Moke, a committee member appointed by the Board who was not a Board member during the financial year, totalling \$15,911 (2023: \$nil).

New Zealand Blood Service has provided a deed of indemnity to Board members for certain activities carried out in the performance of New Zealand Blood and Organ Service's functions.

New Zealand Blood and Organ Service has taken out Directors' and Officers' Liability and Professional Indemnity insurance cover during the financial year for the liability or costs of Board members and employees.

No Board members received compensation or other benefits in relation to cessation (2023: \$nil).



INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 30 JUNE 2024

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

To the readers of New Zealand Blood and Organ Service's financial statements and performance information for the year ended 30 June 2024

The Auditor-General is the auditor of New Zealand Blood and Organ Service. The Auditor-General has appointed me René van Zyl, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and the performance information including the performance information for appropriations of New Zealand Blood and Organ Service on his behalf.

OPINION

We have audited:

- the financial statements of the New Zealand Blood and Organ Service on pages 74 to 101, that comprise the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements including a summary of significant accounting policies and other explanatory information; and
- the performance information which reports against the New Zealand Blood and Organ Service's statement of performance expectations and appropriations for the year ended 30 June 2024 on pages 60 to 66.

In our opinion:

- the financial statements of the New Zealand Blood and Organ Service:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2024; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards; and
- the New Zealand Blood and Organ Service's performance information for the year ended 30 June 2024:
 - presents fairly, in all material respects, for each class of reportable outputs:
 - its standards of delivery performance achieved as compared with forecasts included in the statement of performance expectations for the financial year; and
 - its actual revenue and output expenses as compared with the forecasts included in the statement of performance expectations for the financial year;
 - presents fairly, in all material respects, for the appropriations:
 - what has been achieved with the appropriations; and
 - the actual expenses or capital expenditure incurred as compared with the expenses or capital expenditure appropriated or forecast to be incurred; and
 - complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 31 October 2024. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the *Professional and Ethical Standards and the International Standards on Auditing (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Board for the financial statements and the performance information

The Board is responsible on behalf of the New Zealand Blood and Organ Service for preparing financial statements and performance information that are fairly presented and comply with generally accepted accounting practice in New Zealand. The Board is responsible for such internal control as it is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Board is responsible on behalf of the New Zealand Blood and Organ Service for assessing the New Zealand Blood and Organ Service's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of the New Zealand Blood and Organ Service, or there is no realistic alternative but to do so.

The Board's responsibilities arise from the Crown Entities Act 2004.

Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, 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 carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could

reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and the performance information.

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to the New Zealand Blood and Organ Service's statement of performance expectations.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the New Zealand Blood and Organ Service's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We evaluate the appropriateness of the performance information which reports against the New Zealand Blood and Organ Service's statement of performance expectations.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the New Zealand Blood and Organ Service's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the New Zealand Blood and Organ Service to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the information included on pages 1 to 59, 67 to 73, 102 and 103, but does not include the financial statements and the performance information, and our auditor's report thereon.

Our opinion on the financial statements and the performance information 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 and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, 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.

Independence

We are independent of the New Zealand Blood and Organ Service in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1)* issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests, in the New Zealand Blood and Organ Service.



René van Zyl

Audit New Zealand
On behalf of the Auditor-General
Auckland, New Zealand

WAHANGA TOHUTOHU DIRECTORY

NZBS BOARD MEMBERS

Fiona Pimm
(Board Chair)
DipAppSci, DPH, MBA

Dr Bart Baker
MBChB, FRACP, FRCPA

Edie Moke
DBS, BBS, DBA, MBS, CMIInstD

Nicole Anderson
DBS, DipBus, DipMgt, PDGPH

Roger Jarrold
B.Com FCA

Dr Edward Tanetoa Hutchins
BHB, MBChB, PGDipOphthBS, FRANCO

Anthony Bow
B.Com, CA, CA (Singapore)

AUDITOR

Audit New Zealand
(on behalf of the Auditor-General)
Level 14, Shortland & Fort,
88 Shortland Street, CBD, Auckland 1010

PRINCIPAL BANKERS

Westpac New Zealand Limited
Level 6, 16 Takutai Square
Auckland

SOLICITORS

Buddle Findlay
Auckland and Wellington

SOCIAL MEDIA

Facebook: New Zealand Blood Service

Instagram: nzbloodservice

LinkedIn: New Zealand Blood Service

X (Twitter): nzblood

NZBS EXECUTIVE MANAGEMENT

Chief Executive Officer
Sam Cliffe
BSc (Hons)

**Director Human Resources and
Organisational Development**
Karen Didovich
BA; MA (Political Studies); MA (Information
Management and Finance)

Director Donor Services
Brett Paradine
PG Dip HSM, Master of Management (Dist)

Director Finance and Corporate Services
Kyle Beuth
NCB, NDA, Chartered Accountant

Chief Medical Officer
Dr Sarah Morley
MBBS, FRCPCH, FFICM, PhD

Director Planning and Supply Chain
Justin Scott
B.Com, MInstD, Ngāi Tahu

Director, Quality and Regulatory Affairs
Fidelma Murphy
MSc Distinction – Medical Ethics; BSc (Hons) –
Health Studies and Health Care Management;
Diploma in Professional Studies in Nursing

Director Technical Services
Dr Mandy Suddes
PhD, PMP

**Director, Digital Technology and Information
Management**
Joshua Bankers
Bachelor of Technology, Manufacturing and
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