

# **Consolidated Financial Statements**

Zeal Education Trust  
For the year ended 30 June 2020

Prepared by Eden Perich Prewett Ltd

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O'Meara & Co

Chartered Accountant

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## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE TRUSTEES OF ZEAL EDUCATION TRUST**

#### **Report on the Consolidated Financial Statements**

##### ***Qualified Opinion***

I have audited the consolidated financial statements of Zeal Education Trust on pages 9 to 22, which comprise the consolidated statement of financial position as at 30 June 2020, the consolidated statement of comprehensive revenue and expenses, consolidated statement of changes in Trust equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In my opinion, except for the possible effects on the corresponding figures of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements of Zeal Education Trust on pages 9 to 22, present fairly, in all material respects, the consolidated financial position as at 30 June 2020, and its consolidated financial performance and cash flows for the year then ended on that date in accordance with Public Benefit Entity Standards Reduced Disclosure Regime (Not for Profit) issued by the New Zealand Accounting Standards Board.

##### ***Basis for Qualified Opinion***

Prior to being recorded, control over cash receipts from sales, ticket sales, café sales, donations, hire of venue and equipment, is limited and there are no practical audit procedures that I could adopt to confirm independently that all cash received was properly recorded.

I conducted my audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the consolidated financial statements* section of my report.

I am independent of Zeal Education Trust in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Other than in my capacity as auditor, I have no relationship with, or interests, in Zeal Education Trust

##### ***Other Information***

The Trustees are responsible for the other information included in the Trust's Financial Statements. My opinion on the consolidated financial statements, on pages 9 to 22, does not cover any other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated financial statements my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or my knowledge obtained in the audit, or otherwise appears materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

##### ***Restrictions of use of this Independent Auditor's Report***

This report is made solely to the Trustees, as a body. My audit has been undertaken so that I might state those matters which I am required to state to then in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not

accept or assume responsibility to anyone other than the Trustees as a body, for my audit work, for this report or the opinions I have formed.

### ***The Responsibility of the Trustees for the Consolidated Financial Statements***

The Trustees are responsible on behalf of the Trust for:

- the preparation and fair presentation of the consolidated financial statements in accordance with Public Benefit Entity Standards Reduced Disclosure Regime (Not for Profit);
- for such internal control as the Trustees determine is necessary, to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error; and
- for assessing the Trust's ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate Zeal Education Trust or to cease operations, or have no realistic alternative but to do so.

### ***Auditor's Responsibilities for the Audit of the Consolidated Financial Statements***

My objectives are to obtain reasonable assurance about whether the consolidated financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of the auditor's responsibilities for the audit of the consolidated financial statements is located at the External Reporting Board's (XRB) website at:

<https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-7/>



M A O'Meara  
Chartered Accountant  
O'Meara & Co  
Auckland

27 November 2020

# Entity Information

## Zeal Education Trust

For the year ended 30 June 2020

### Legal Name of Entity

Zeal Education Trust

### Entity Type and Legal Basis

Zeal Education Trust is a registered charity under the Charitable Trust Act 1957.

### Registration Number

CC29343

### Entity's Purpose or Mission

#### *Our Mission*

Zeal's mission is to make transformative spaces and experiences accessible to all young people in Aotearoa.

#### *Our Vision*

Zeal's vision is for all young people to live into full lives of meaning and purpose.

### WHAT WE DO

#### *Youth Creative Experiences*

We co-design and provide low-cost creative experiences i.e. classes, workshops, events, showcases for vulnerable young people to participate in. We provide these services from our five facilities across the North Island of Aotearoa, New Zealand including West Auckland, Hamilton, Taranaki, Kāpiti and Wellington.

#### *Youth Care Programmes*

We co-design and provide care programmes for vulnerable young people from our facilities including after school programmes, mentoring groups and outreach youth work programmes.

#### *Innovative Projects*

We incubate innovative youth care and empowerment projects including our Online Crisis Intervention project and social enterprise businesses Stories Café and Ward Lane Print Co.

### Entity Structure

Zeal Education Trust is a Not-For-Profit organisation governed by its Board of Trustees. The Trust deed specifies that the Board of Trustees is to be comprised of no less than three and no more than 12 trustees.

## Main Sources of Entity's Cash and Resources

Zeal receives its cash and resources through four main sources.

**Local Government Contracts:** Firstly, Zeal holds a number of contracts with local authorities for youth development initiatives. These contracts are outcome centred and form the base level of funding for most of Zeal's initiatives.

**Central Government Contracts:** Secondly, Zeal holds a number of central government contracts which are mostly project focused. These contracts vary in length depending on the project.

**Grants:** Thirdly, Zeal contests for a number of grants throughout the year and receives both local and contestable grants from a wide variety of funders.

**Donations:** Fourthly, Zeal receives donations both large and small from a diverse range of supporters.

## Main Methods Used by Entity to Raise Funds

Zeal's uses a few key methods to raise funds for its work.

Firstly, drawing on the success with local government funding over 20 years, Zeal seeks to outperform its current KPI's with council stakeholders. This is in order to renew partnerships and/or expand them at the end of the term of each fund. Zeal also uses its track record and key data to persuade potential partners to support the work of the charity. Zeal has a robust and professional approach to managing contracts and grants ensuring that deliverables are met on time and success is shared with all stakeholders.

Zeal runs a number of fundraising initiatives each year including bidding for contracts, grant writing, fundraiser events, and crowd funding.

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

Zeal's work would be far harder and more expensive if it weren't for the tremendous investment and efforts of over 300 volunteers across the country. On average each of these volunteers gives between 1-2 hours of volunteer time amassing a huge 20,000+ hours of volunteer time.

Without their support, Zeal would struggle to function. Zeal also holds a number of quality relationships with businesses who offer the charity in-kind, wholesale and discounted products and services that enable our work to thrive.

## Physical Address

20 Alderman Drive  
Henderson

Auckland 0612

## Postal Address

c/- Zeal National Office  
PO Box 12 1429  
Henderson

Auckland 0650

# CEO Report

## Zeal Education Trust

### For the year ended 30 June 2020

Zeal is an organisation like no other. We reach out to and invite young people, particularly those struggling with mental distress and disconnection, to authentic connection and community. We cultivate spaces and experiences that help awaken within young people a healthy sense of their self-worth and identity and provide opportunities for young people to explore their purpose and part to play in the world.

Year on year our primary success measure is the level of impact we enable. Our primary unit metric for this is the number of healthy, meaningful interactions (or HMIs) we participate in generating. The more HMIs we enable, the more likely transformative change happens in a young person's life. Transformation doesn't happen overnight, but HMIs compounded over time provide a strong platform for transformation to take place.

The year we've had has been one for the ages. A once in a generation global pandemic has changed the world as we know it – and this pandemic has had a rippling effect throughout our society. Zeal has not escaped the far reaching impact of COVID-19, but we have done everything within our control to both secure our present and provide a platform for our future.

The highlights for us this year have been the emergence of our Zeal Taranaki space, now residing in one of New Plymouth's most prestigious historic buildings, the Mayfair and the number of young people we were able to care for and support online during New Zealand's level one lockdown period. Our overall improvement of our financial stability looking ahead to next year is also something to be proud of.

We cannot communicate this enough - thank you to all who participate in our mission of making transformative spaces and experiences accessible to all young people in Aotearoa – our staff, volunteers, board and external partners. Without you we simply would not be able to create the transformative change we do.

Arohanui,

Jesse Boyce

Zeal CEO

# Approval of Financial Report

**Zeal Education Trust**

**For the year ended 30 June 2020**

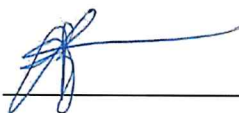
The Trustees are pleased to present the approved financial report including the historical financial statements of Zeal Education Trust for year ended 30 June 2020.

APPROVED



A Pilbrow  
Chairperson

Date .....27 November 2020



J Boyce  
CEO

Date .....27 November 2020



# Statement of Comprehensive Revenue and Expenses

Zeal Education Trust

For the year ended 30 June 2020

	NOTES	2020	2019
<b>Operating Revenue</b>			
<b>Revenue from Non-Exchange Transactions</b>			
Donations, fundraising and other similar revenue		950,099	1,496,990
<b>Revenue from Exchange Transactions</b>			
Revenue from providing goods or services		1,859,161	1,764,528
Interest, dividends and other investment revenue		1,179	709
Other revenue		315,533	4,080
<b>Total Operating Revenue</b>		<b>3,125,972</b>	<b>3,266,307</b>
<b>Operating Expenses</b>			
Volunteer and employee related costs		2,184,574	2,053,545
Costs related to providing goods or service		721,208	817,532
Depreciation		289,524	320,834
Other expenses		104,545	359,417
<b>Total Operating Expenses</b>		<b>3,299,851</b>	<b>3,551,328</b>
<b>Net Operating Surplus/(Deficit) for the Year</b>		<b>(173,879)</b>	<b>(285,021)</b>
<b>Total Comprehensive Revenue and Expenses for the Year</b>		<b>(173,879)</b>	<b>(285,021)</b>

The accompanying Notes form part of these financial statements. These financial statements have been subject to audit, and should be read in conjunction with the attached Auditors Report.

# Statement of Financial Position

Zeal Education Trust

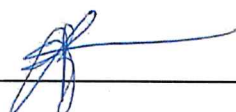
As at 30 June 2020

	NOTES	30 JUN 2020	30 JUN 2019
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	7	666,972	521,981
Trade and other receivables	7	29,987	61,266
Prepayments	7	-	14,718
<b>Total Current Assets</b>		<b>696,959</b>	<b>597,965</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	9	1,900,426	2,124,882
<b>Total Non-Current Assets</b>		<b>1,900,426</b>	<b>2,124,882</b>
<b>Total Assets</b>		<b>2,597,385</b>	<b>2,722,847</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	8	148,666	291,830
Funds in advance	8	399,437	207,856
<b>Total Current Liabilities</b>		<b>548,103</b>	<b>499,686</b>
<b>Total Liabilities</b>		<b>548,103</b>	<b>499,686</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>2,049,282</b>	<b>2,223,161</b>
<b>Trust Equity</b>			
Retained earnings	10	2,049,282	2,223,161
<b>Total Trust Equity</b>		<b>2,049,282</b>	<b>2,223,161</b>

Signed on behalf of the Board



Chairperson



CEO

Date 27 November 2020

The accompanying notes form part of these financial statements. These financial statements have been subject to audit, and should be read in conjunction with the Auditors Report.

# Statement of Changes in Trust Equity

Zeal Education Trust

For the year ended 30 June 2020

	2020	2019
<b>Trust Equity</b>		
Opening Balance	2,223,161	2,508,182
<b>Increases</b>		
Retained Earnings	(173,879)	(285,021)
<b>Total Increases</b>	(173,879)	(285,021)
<b>Total Trust Equity</b>	<b>2,049,282</b>	<b>2,223,161</b>

# Statement of Cash Flows

Zeal Education Trust

For the year ended 30 June 2020

	2020	2019
<b>Cash Flows for the Period</b>		
<b>Cash Flows from Operating Activities</b>		
Receipts from providing goods or services	1,890,440	553,560
Donations, fundraising and other similar activities	1,141,680	2,622,905
Payments to suppliers and employees	(3,034,228)	(3,053,530)
Other cash items from operating activities	236,100	25,173
<b>Total Cash Flows from Operating Activities</b>	<b>233,992</b>	<b>148,108</b>
<b>Cash Flows from Investing and Financing Activities</b>		
<b>Cash from investing in property, plant and equipment</b>		
Receipts from sale of property, plant and equipment	12,741	-
Payments to acquire property, plant and equipment	(102,921)	(113,602)
<b>Net cash from investing in property, plant and equipment</b>	<b>(90,180)</b>	<b>(113,602)</b>
<b>Cash from borrowings, interest, dividends and other investments</b>		
Proceeds from loans borrowed from other parties	-	-
Repayments of loans borrowed from other parties	-	(44,622)
Receipts from Interest, dividends and other investments	1,179	709
<b>Net cash from borrowings, interest, dividends and other investments</b>	<b>1,179</b>	<b>(43,913)</b>
Cash flows from other investing and financing activities	-	-
<b>Total Cash Flows from Investing and Financing Activities</b>	<b>(89,001)</b>	<b>(157,515)</b>
<b>Net increase/(decrease) in cash</b>	<b>144,991</b>	<b>(9,407)</b>
	2020	2019
<b>Cash Balances</b>		
Cash and cash equivalents at end of period	666,972	521,981
Cash and cash equivalents at beginning of period	(521,981)	(531,388)
<b>Net change in cash for period</b>	<b>144,991</b>	<b>(9,407)</b>

The accompanying notes form part of these financial statements. These financial statements have been subject to audit, and should be read in conjunction with the Auditors Report.

# Notes to the Consolidated Financial Statements

## Zeal Education Trust

For the year ended 30 June 2020

### 1. Reporting Entity

These financial statements comprise the consolidated financial statements of Zeal Education Trust (the "Trust") for the year ended 30 June 2020. The Trust is a charitable trust incorporated under the Charities Trusts Act 1957, and registered under the Charities Act 2005. The primary objective of the Trust is to provide goods and services for community and social benefit rather than to make a financial return. The financial statements presented are for the year ended 30 June 2020 and were authorised for issue by the Board of Trustees on

27 November 2020.

### 2. Basis of Consolidation

The consolidated financial statements for Zeal Education Trust Group (the "Group") include the parent trust (Zeal Education Trust) and its subsidiary (Zeal Youth Enterprises Limited) accounted for using the purchase method. All significant intra-group transactions and balances are eliminated on consolidation. The accounting policies of the subsidiary are consistent with the policies adopted by the Group and have a 30 June reporting date.

### 3. Basis of Preparation

#### Statement of Compliance

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with Public Benefit Entity Accounting Standards Reduced Disclosure Regime (PBE Standards RDR) and other applicable Financial Reporting Standards, as appropriate for Tier 2 not-for-profit public benefit entities, for which all reduced disclosure regime exemptions have been adopted. The Group qualifies as a Tier 2 reporting entity on the basis that it has had less the \$30m in expenses for the previous two reporting periods. These financial statements are for the Zeal Education Trust Group for the 12 months ended 30 June 2020. The financial statements have been prepared on the basis of historical cost. The financial statements are presented in New Zealand dollars (NZ\$) rounded to the nearest dollar.

### 4. Significant Accounting Policies

There have been no significant changes in accounting policies as the Trust had previously applied PBE Tier 2 reporting. The following specific accounting policies which materially affect the measurement of financial performance, position and cash flows have been applied consistently to all years reported in these financial statements.

#### a. Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid Investments with original maturities of three months or less, and bank overdrafts.

#### b. Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment. A provision for impairment is established where there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivable. Changes in the provision are recognised in the surplus and deficit component of the Statement of Comprehensive Revenue and Expense.

#### c. Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost.

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The accompanying Notes form part of these financial statements. These financial statements have been subject to audit, and should be read in conjunction with the attached Auditors Report.

**d. Property, plant and equipment**

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. When an asset is donated to the entity, its cost is measured at its fair value at the date of acquisition.

Depreciation is charged at rates and methods calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life, except for land. Land is not depreciated.

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

The Trust has the following asset classes and depreciation rates and methods:

Buildings	3 - 40%	Straight Line
Motor Vehicles	17.5 - 20%	Straight Line
Furniture & Fittings	7 - 21%	Straight Line
Plant & Equipment	6 - 67%	Straight Line

**e. Financial Instruments**

Financial Instruments are comprised of trade and other receivables, cash and cash equivalents, financial assets at fair value through surplus or deficit, and trade and other payables. The Group held no material derivative financial Instruments in the years reported.

Financial assets

The subsequent measurement of financial assets depends on their classification. The Group currently hold financial assets in two classifications:

*(i) Loans and receivables*

Financial assets that are non-derivative with fixed or determinable payments that are not quoted in an active market. After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial.

Financial instruments classified as loans and receivables include: trade and other receivable balances, and cash and cash equivalents.

*(ii) Financial Instruments at fair value through surplus or deficit*

An instrument is classified as at fair value through surplus or deficit if it is held for trading or designated as such upon initial recognition. Upon initial recognition, attributable transaction costs are recognised in the Statement of comprehensive Revenue and Expense when incurred. Subsequent to initial recognition, financial instruments at fair value through surplus or deficit are measured at fair value and changes therein are recognised in the Statement of Comprehensive Revenue and Expense.

The Group have no off-balance sheet financial instruments.

**f. Income tax**

Zeal Education Trust is a registered charitable entity under the Charities Act 2005, and is accordingly exempt from Income Tax under sections CW41 and CW42 of the Income Tax Act 2007. The Trusts Charity Registration Number is CC29343.

**g. Goods and services tax (GST)**

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

#### **h. Employee entitlements**

Employee benefits that the Group expect to be settled within 12 months of balance date are measured at nominal value based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, and annual leave earned to, but not yet taken at balance date.

#### **i. Revenue**

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

##### Revenue from Non-Exchange Transactions

Donations are recognised as revenue upon receipt.

Grants are given by other charitable organisations, philanthropic organisations and businesses. Grants with no conditions attached are recognised as revenue upon their receipt. Grants with conditions attached are recognised as liabilities initially, and are only released to revenue once the amounts relating to those conditions are fulfilled.

##### Revenue from Exchange Transactions

The Group receives revenue from various contracts with governmental organisations, sales of coffee and rental of premises. Revenue is recognised in the period the goods and services are provided.

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

#### **j. Operating leases**

Plant & Equipment and Land & Buildings are leased by the Group. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the surplus or deficit component of the Statement of Comprehensive Revenue and Expense on a straight-line basis over the period of the lease.

# Notes to the Consolidated Financial Statements

## Zeal Education Trust

For the year ended 30 June 2020

	2020	2019
<b>5. Analysis of Revenue</b>		
<b>Revenue from Non-Exchange Transactions</b>		
<b>Donations, fundraising and other similar revenue</b>		
Donations Received	92,922	192,142
Grants Received	857,177	1,304,848
<b>Total Donations, fundraising and other similar revenue</b>	<b>950,099</b>	<b>1,496,990</b>
<b>Total Revenue from Non-Exchange Transactions</b>	<b>950,099</b>	<b>1,496,990</b>
<b>Revenue from Exchange Transactions</b>		
<b>Revenue from providing goods or services</b>		
Cafe Sales	81,822	132,885
Contract Income	1,416,203	1,208,317
Course Fees	147,563	150,869
Sales	12,988	14,763
Ticket Sales	3,464	83,387
Venue Hire	197,121	174,307
<b>Total Revenue from providing goods or services</b>	<b>1,859,161</b>	<b>1,764,528</b>
<b>Interest, dividends and other investment revenue</b>		
Interest Received	1,179	709
<b>Total Interest, dividends and other investment revenue</b>	<b>1,179</b>	<b>709</b>
<b>Other revenue</b>		
Sundry Income	315,533	4,080
<b>Total Other revenue</b>	<b>315,533</b>	<b>4,080</b>
<b>Total Revenue from Exchange Transactions</b>	<b>2,175,873</b>	<b>1,769,317</b>

	2020	2019
<b>6. Analysis of Expenses</b>		
<b>Volunteer and employee related costs</b>		
Accident Compensation Levy	6,889	5,691
Staff Expenses	14,547	8,571
Staff Training	15,615	17,129
Subcontractors	162,976	313,189
Travel - National	25,510	32,295
Volunteer Expenses	1,400	1,555
Wages & Salaries	1,957,637	1,675,115
<b>Total Volunteer and employee related costs</b>	<b>2,184,574</b>	<b>2,053,545</b>
<b>Cost related to providing goods or services</b>		
Advertising	13,970	22,791
Administration	-	1,640

These financial statements have been subject to audit, and should be read in conjunction with the attached Auditors Report.



	2020	2019
Bank Fees	5,303	9,057
Cleaning	31,462	39,416
Conference and Event Expenses	71,095	133,373
Food and Catering	43,555	47,959
Freight & Courier	1,143	1,515
General Expenses	10,465	7,282
Insurance	35,735	39,214
Purchases	29,851	47,367
Light Power & Heating	32,806	32,905
Low Value Assets	10,061	18,684
Motor Vehicle Expenses	38,207	39,276
Office Expenses	508	1,889
Printing, Stamps & Stationery	17,755	17,765
Production Costs	7,395	8,442
Rents	195,175	180,542
Repairs & Maintenance	33,684	35,562
Resource Materials	49,833	54,360
Security	2,198	2,049
Subscriptions	56,380	43,578
Telecommunications	34,627	32,866
<b>Total Cost related to providing goods or services</b>	<b>721,208</b>	<b>817,532</b>
<b>Depreciation</b>		
Depreciation	289,524	320,834
<b>Total Depreciation</b>	<b>289,524</b>	<b>320,834</b>
<b>Other expenses</b>		
Accountancy Fees	11,264	18,968
Audit Fees	8,737	8,663
Interest	(11)	1,610
Loss on Disposal	25,113	280,302
Operating Lease payments	59,442	49,874
<b>Total Other expenses</b>	<b>104,545</b>	<b>359,417</b>
	2020	2019

## 7. Analysis of Assets

<b>Cash and cash equivalents</b>		
Cash and Bank	666,972	521,981
<b>Total Cash and cash equivalents</b>	<b>666,972</b>	<b>521,981</b>
<b>Trade and other receivables</b>		
Accounts Receivable	29,804	53,031
Sundry Debtors	183	8,235
<b>Total Trade and other receivables</b>	<b>29,987</b>	<b>61,266</b>

These financial statements have been subject to audit, and should be read in conjunction with the attached Auditors Report.

	2020	2019
<b>Prepayments</b>		
Prepayments	--	14,718
<b>Total Prepayments</b>	--	14,718

	2020	2019
<b>8. Analysis of Liabilities</b>		
<b>Trade and other payables</b>		
Accounts Payable	38,151	143,497
GST	6,632	(17,933)
Sundry Accruals	8,700	24,524
<b>Employee Entitlements</b>		
Wages Payable	1,990	74,738
Holiday Pay Accrual	93,193	67,004
<b>Total Employee Entitlements</b>	<b>95,183</b>	<b>141,742</b>
<b>Total Trade and other payables</b>	<b>148,666</b>	<b>291,830</b>
<b>Funds in Advance</b>		
Funds in Advance	399,437	207,856
<b>Total Funds in Advance</b>	<b>399,437</b>	<b>207,856</b>

## 9. Property, Plant and Equipment

2020	Cost	Opening Value	Additions	Disposals	Opening Accum Dep	Dep for the Year	Accum Dep On Disposals	Closing Accum Dep	Closing Value
<b>Plant &amp; Equipment</b>	873,936	264,611	86,739	71,394	609,327	105,446	41,735	673,038	216,243
<b>Furniture &amp; Fittings</b>	133,182	69,364	7,926	839	63,818	13,766	427	77,157	63,112
<b>Buildings</b>	2,266,868	1,787,544	7,541	7,541	479,324	168,963	1,862	646,425	1,620,443
<b>Motor Vehicles</b>	6,304	3,362	715	6,304	2,942	1,348	4,203	87	628
<b>Total</b>	<b>3,280,290</b>	<b>2,124,881</b>	<b>102,921</b>	<b>86,078</b>	<b>1,155,411</b>	<b>289,523</b>	<b>48,227</b>	<b>1,396,707</b>	<b>1,900,426</b>

These financial statements have been subject to audit, and should be read in conjunction with the attached Auditors Report.

2019	Cost	Opening Value	Additions	Disposals	Opening Accum Dep	Dep for the Year	Accum Dep On Disposals	Closing Accum Dep	Closing Value
Plant & Equipment	1,347,388	371,733	88,449	561,898	975,565	106,824	473,062	609,327	264,612
Furniture & Fittings	597,557	273,156	26,090	490,465	324,401	43,962	304,545	63,819	69,363
Buildings	2,248,030	1,932,070	23,753	4,914	316,050	167,232	3,958	479,324	1,787,545
Motor Vehicles	66,682	26,509	—	60,378	40,173	2,816	40,046	2,942	3,362
<b>Total</b>	<b>4,259,657</b>	<b>2,603,468</b>	<b>138,292</b>	<b>1,117,655</b>	<b>1,656,189</b>	<b>320,834</b>	<b>821,611</b>	<b>1,155,412</b>	<b>2,124,882</b>

**Significant Donated Assets Recorded**

Nil

**Significant Donated Assets - Not Recorded**

Nil

2020 2019

**10. Accumulated Funds**

<b>Accumulated Funds</b>		
Opening Balance	2,223,161	2,508,182
Accumulated surpluses or (deficits)	(173,879)	(285,021)
<b>Total Accumulated Funds</b>	<b>2,049,282</b>	<b>2,223,161</b>
<b>Total Accumulated Funds</b>	<b>2,049,282</b>	<b>2,223,161</b>

These financial statements have been subject to audit, and should be read in conjunction with the attached Auditors Report.

## 11. Operating Lease Commitments

<b>2020</b>	<b>Total Owing at 30/06/2020</b>	<b>1 Year</b>	<b>2 - 5 Years</b>	<b>5 + Years</b>
Building Hamilton 421 Victoria St	190,998	28,296	113,184	49,518
Building Wellington	198,516	33,552	134,208	30,756
Building Rezipet	295,641	33,156	132,624	129,861
Building Kapiti	100,080	75,060	25,020	-
Building Taranaki	65,004	65,004	-	-
Photocopier	4,852	3,092	1,760	-
Vehicles	48,008	35,108	12,900	-
<b>Total</b>	<b>903,099</b>	<b>273,268</b>	<b>419,696</b>	<b>210,135</b>

<b>2019</b>	<b>Total Owing at 30/06/2019</b>	<b>1 Year</b>	<b>2 - 5 Years</b>	<b>5 + Years</b>
Building Hamilton 421 Victoria St	219,468	28,296	113,184	77,988
Building Wellington	124,253	17,940	71,760	34,553
Building Rezipet	274,329	52,000	100,000	122,329
Building Kapiti	166,700	71,248	95,452	-
Building Taranaki	9,339	2,600	6,739	-
Photocopier	15,015	8,226	6,789	-
Vehicles	107,444	51,272	56,172	-
<b>Total</b>	<b>916,548</b>	<b>231,582</b>	<b>450,096</b>	<b>234,870</b>

## 12. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 30 June 2020 (2019 - nil).

## 13. Significant Grants and Donations with Conditions not Recorded as a Liability

Nil

#### 14. Related Parties

Key Management Personnel is made up of Six Trustees and Senior Management. The Trustees receive no remuneration. Senior Management includes the Chief Executive, Financial Controller, General Manager, and Regional Managers.

Senior Management consists of 13.2 Full Time Equivalent (FTE) roles (2019: 12.5 FTE). The number of FTE was determined using the contracted hours, as set out in each member's employment agreement or contract. The aggregate remuneration for Senior Management was \$956,366 (2019 \$877,620).

The Trust has other related party transactions and balances due to common Trustees. These include:

	2020	2019
<b>Related Party Transactions</b>		
Asset Sales	-	6,957
Asset Purchases	4,408	36,988
Accounting Fees	11,304	18,968
<b>Total Related Party Transactions</b>	<b>15,712</b>	<b>62,913</b>

#### 15. Events After the Balance Date

The effects of the Coronavirus (COVID-19) pandemic on the Group is ongoing and its most significant impact after the reporting date is staff redundancies. It is not practicable to estimate the full impact of the pandemic (either positive or negative) on the Group's operations, as it is largely dependent on measures imposed by the New Zealand Government (i.e. lockdowns, social distancing, quarantining and travel restrictions) to mitigate its negative societal impact.

With consideration to this uncertainty and with the direction of its Board of Trustees, the Group have applied for and received funding from both government and non-government organisations after reporting date that allows its operations to continue in the foreseeable future.

Furthermore, due to the closure of the Hawkes Bay operations on 30 June 2020, the Group is also undergoing negotiations for the reassignment of its lease over the 300 Eastbourne Street building after reporting date (2019: nil).

#### 16. Ability to Continue Operating

The entity will continue to operate for the foreseeable future.

	2020	2019
<b>17. MATES Funding Expenditure (Great Potentials Foundation)</b>		
<b>Income</b>		
Income	-	18,000
Funds in Advance	-	6,456
<b>Total Income</b>	-	<b>24,456</b>
<b>Expenses</b>		
Admin Expenses	-	1,639
Mentor Wages	-	6,106
Manager Wages and Expenses	-	16,056
Operating Expenses (Rent, Utilities, Internet, Phone etc)	-	4,136
Assets Purchased	-	-
<b>Total Expenses</b>	-	<b>27,937</b>
<b>Surplus</b>	-	<b>(3,481)</b>

Zeal Education Trust would like to thank the following funders for their generous support:

Adobe Project Grant, Anglican Social Service and Community Development Board, Ann Sinclair Charitable Trust, ANZ Staff Foundation, Ara Taiohi Youth Week, Auckland Council, Bluesky Community Trust, Creative Communities Scheme Auckland, Creative Communities Scheme Napier, Creative Communities Scheme New Plymouth, Creative Communities Scheme Waikato, Creative Communities Scheme Wellington, Creative NZ Emergency Response Fund, David Ellison Charitable Trust, DV Bryant Trust, Eastern and Central Community Trust, First Light Community Foundation, Foundation North, Four Winds Foundation, Frimley Foundation, Gift Trust, Glenice and John Gallagher Foundation, Hamilton City Council, Hastings District Council, Hawkes Bay Foundation, Henderson-Massey Local Board, IHC Foundation, John Illott Charitable Trust, Joyce Fisher Charitable Trust, Kapiti Coast District Council, KiwiSport, Len Reynolds Trust, Lion Foundation, Lottery Grants Board, Manor Group No2 Charitable Trust, Milestone Foundation, Ministry of Youth Development, Momentum Waikato, MSD COVID-19 Community Awareness Preparedness Grant Fund, Napier City Council, New Plymouth District Council, Nikau Foundation, Norah Howell Charitable Trust, North and South Trust, One Foundation, Oranga Tamariki, Police Managers Guild Trust, Pub Charity, Rano Community Trust, Sky City Hamilton Community Trust, Southern Trust, Tasman Smith Charitable Trust, The Trusts Community Foundation, Trust Waikato, TSB Community Trust, Vavasour Trust, Vodafone New Zealand Foundation, Waikanae Lions Club, Waitakere Ranges Local Board, Warehouse Neighbourhood Partnership, Wel Energy Trust, Wellington Children's Foundation, Wellington City Council, Wellington Community Trust, Whau Local Board, Wilberforce Foundation and Wilks Charitable Trust.