

# **The Gardens School**

## **Annual Report for the year ended 31 December 2020**

<b>Ministry Number:</b>	6947
<b>Principal:</b>	Susannah Fowler
<b>School Address:</b>	101 Charles Prevost Drive, Manukau
<b>School Postal Address:</b>	101 Charles Prevost Drive, Manukau, 2105
<b>School Phone:</b>	09-2690041
<b>School Email:</b>	principal@thegardens.school.nz
<b>Service Provider:</b>	Edtech Financial Services Ltd

# Members of the Board of Trustees

For the year ended 31 December 2020

<b>Name</b>	<b>Position</b>	<b>How position on Board gained</b>	<b>Term expired/expires</b>
COSFORD, Luke	Parent Rep	Elected Jun2019	
DRAKE, Matthew	Parent Rep	Elected Jun2019	Resigned Nov2020
FOWLER, Susannah	Principal		
GIFFORD, Kate	Staff Rep	Elected Jun2019	
GRAY, Richard	Chairman	Elected Jun2019	
PANOHO, Peggy	Secretary	Seconded Nov2020	
PEMA, Annalise	Parent Rep	Elected Jun2019	
SWARIS, Sharon	Parent Rep	Elected Jun2019	

# **The Gardens School**

## **Annual Report**

For the year ended 31 December 2020

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**The Gardens School**  
**Statement of Responsibility**  
For the year ended 31 December 2020

The Board of Trustees accepts responsibility for the preparation of the annual financial statements and the judgements used in these financial statements.

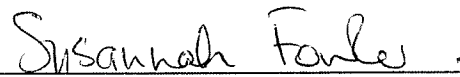
The management (including the principal and others as directed by the Board) accepts responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of the school's financial reporting.

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2020 fairly reflects the financial position and operations of the school.

The School's 2020 financial statements are authorised for issue by the Board.



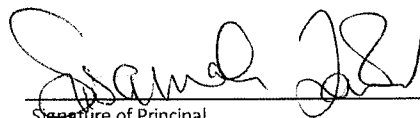
Full Name of Board Chairperson



Full Name of Principal



Signature of Board Chairperson



Signature of Principal

26-05-21

Date:

26/05/21

Date:

**The Gardens School**

**Statement of Comprehensive Revenue and Expense**

For the year ended 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
<b>Revenue</b>				
Government Grants	2	5,828,671	4,440,247	5,231,913
Locally Raised Funds	3	231,708	187,200	232,812
Interest Income		1,726	10,000	13,304
Gain on Sale of Property, Plant and Equipment		739	-	1,154
		<b>6,062,844</b>	<b>4,637,447</b>	<b>5,479,183</b>
<b>Expenses</b>				
Locally Raised Funds	3	108,422	20,500	60,405
Learning Resources	4	3,343,296	2,968,048	3,049,522
Administration	5	219,838	227,135	229,453
Finance		2,909	-	6,071
Property	6	2,141,441	1,194,664	2,214,807
Depreciation	7	256,248	266,367	237,433
Loss on Disposal of Property, Plant and Equipment		54	-	342
		<b>6,072,208</b>	<b>4,676,714</b>	<b>5,798,033</b>
<b>Net Surplus / (Deficit) for the year</b>		<b>(9,364)</b>	<b>(39,267)</b>	<b>(318,850)</b>
Other Comprehensive Revenue and Expense		-	-	-
<b>Total Comprehensive Revenue and Expense for the Year</b>		<b>(9,364)</b>	<b>(39,267)</b>	<b>(318,850)</b>

The above Statement of Comprehensive Revenue and Expense should be read in conjunction with the accompanying notes which form part of these financial statements.

**The Gardens School**  
**Statement of Changes in Net Assets/Equity**

For the year ended 31 December 2020

	2020	2020	2019
Notes	Actual \$	Budget (Unaudited) \$	Actual \$
<b>Balance at 1 January</b>	1,152,031	1,202,254	1,470,881
Total comprehensive revenue and expense for the year	(9,364)	(39,267)	(318,850)
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	1,875	-	-
<b>Equity at 31 December</b>	<b>1,144,542</b>	<b>1,162,987</b>	<b>1,152,031</b>
Retained Earnings	1,144,542	1,162,987	1,152,031
<b>Equity at 31 December</b>	<b>1,144,542</b>	<b>1,162,987</b>	<b>1,152,031</b>

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes which form part of these financial statements.

**The Gardens School**  
**Statement of Financial Position**

As at 31 December 2020

		2020	2020	2019
	Notes	Actual	Budget (Unaudited)	Actual
		\$	\$	\$
<b>Current Assets</b>				
Cash and Cash Equivalents	8	549,341	180,525	240,222
Accounts Receivable	9	210,337	200,600	176,933
GST Receivable		28,930	21,793	21,793
Prepayments		3,380	5,500	5,530
Inventories	10	478	1,410	1,410
Investments	11	-	-	-
		<b>792,466</b>	<b>409,828</b>	<b>445,888</b>
<b>Current Liabilities</b>				
Accounts Payable	13	328,557	281,470	281,591
Revenue Received in Advance	14	32	-	219
Provision for Cyclical Maintenance	15	20,000	80,000	-
Finance Lease Liability - Current Portion	16	23,780	23,332	22,978
Funds Held for Capital Works Projects	17	145,176	-	-
		<b>517,545</b>	<b>384,802</b>	<b>304,788</b>
<b>Working Capital Surplus/(Deficit)</b>		<b>274,921</b>	<b>25,026</b>	<b>141,100</b>
<b>Non-current Assets</b>				
Property, Plant and Equipment	12	947,148	1,148,276	1,092,243
		<b>947,148</b>	<b>1,148,276</b>	<b>1,092,243</b>
<b>Non-current Liabilities</b>				
Provision for Cyclical Maintenance	15	66,467	-	66,467
Finance Lease Liability	16	11,060	10,315	14,845
		<b>77,527</b>	<b>10,315</b>	<b>81,312</b>
<b>Net Assets</b>		<b>1,144,542</b>	<b>1,162,987</b>	<b>1,152,031</b>
<b>Equity</b>	23	<b>1,144,542</b>	<b>1,162,987</b>	<b>1,152,031</b>

The above Statement of Financial Position should be read in conjunction with the accompanying notes which form part of these financial statements.

# The Gardens School

## Statement of Cash Flows

For the year ended 31 December 2020

	2020	2020 Budget	2019
Note	Actual	(Unaudited)	Actual
	\$	\$	\$
<b>Cash flows from Operating Activities</b>			
Government Grants	1,058,898	1,423,782	898,862
Locally Raised Funds	231,521	186,981	231,509
Goods and Services Tax (net)	(7,137)	-	1,279
Payments to Employees	(569,055)	(523,945)	(645,699)
Payments to Suppliers	(437,471)	(880,162)	(504,999)
Interest Paid	(2,909)	-	(6,071)
Interest Received	1,672	10,000	14,141
Net cash from/(to) Operating Activities	275,519	216,656	(10,978)
<b>Cash flows from Investing Activities</b>			
Proceeds from Sale of Property Plant & Equipment (and Intangibles)	685	-	1,204
Purchase of Property Plant & Equipment (and Intangibles)	(95,801)	(497,522)	(411,114)
Net cash from/(to) Investing Activities	(95,116)	(497,522)	(409,910)
<b>Cash flows from Financing Activities</b>			
Furniture and Equipment Grant	1,875	-	-
Finance Lease Payments	(18,335)	170,946	(29,470)
Funds Held for Capital Works Projects	145,176	-	48,372
Net cash from/(to) Financing Activities	128,716	170,946	18,902
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>309,119</b>	<b>(109,920)</b>	<b>(401,986)</b>
Cash and cash equivalents at the beginning of the year	8 240,222	290,445	642,208
<b>Cash and cash equivalents at the end of the year</b>	<b>8 549,341</b>	<b>180,525</b>	<b>240,222</b>

The statement of cash flows records only those cash flows directly within the control of the School. This means centrally funded teachers' salaries and the use of land and buildings grant and expense have been excluded.

The above Statement of Cash Flows should be read in conjunction with the accompanying notes which form part of these financial statements.



# The Gardens School

## Notes to the Financial Statements

For the year ended 31 December 2020

### 1. Statement of Accounting Policies

#### Reporting Entity

The Gardens School (the School) is a Crown entity as specified in the Crown Entities Act 2004 and a school as described in the Education and Training Act 2020. The Board of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes.

#### Basis of Preparation

##### Reporting Period

The financial reports have been prepared for the period 1 January 2020 to 31 December 2020 and in accordance with the requirements of the Public Finance Act 1989.

##### Basis of Preparation

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

##### Financial Reporting Standards Applied

The Education and Training Act 2020 requires the School, as a Crown entity, to prepare financial statements in accordance with generally accepted accounting practice. The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand, applying Public Sector Public Benefit Entity (PBE) Standards Reduced Disclosure Regime as appropriate to public benefit entities that qualify for Tier 2 reporting. The School is considered a Public Benefit Entity as it meets the criteria specified as "having a primary objective to provide goods and/or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for financial return to equity holders".

##### PBE Accounting Standards Reduced Disclosure Regime

The School qualifies for Tier 2 as the school is not publicly accountable and is not considered large as it falls below the expenditure threshold of \$30 million per year. All relevant reduced disclosure concessions have been taken.

##### Measurement Base

The financial statements are prepared on the historical cost basis unless otherwise noted in a specific accounting policy.

##### Presentation Currency

These financial statements are presented in New Zealand dollars, rounded to the nearest dollar.

##### Specific Accounting Policies

The accounting policies used in the preparation of these financial statements are set out below.

##### Critical Accounting Estimates And Assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

##### Cyclical maintenance

A school recognises its obligation to maintain the Ministry's buildings in a good state of repair as a provision of cyclical maintenance. This provision relates mainly to the painting of the school buildings. The estimate is based on the school's long term maintenance plan which is prepared as part of its 10 Year Property Planning process. During the year, the Board assesses the reasonableness of its 10 Year Property Plan on which the provision is based. Cyclical maintenance is disclosed at note 15.

##### Useful lives of property, plant and equipment

The School reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The School believes that the estimated useful lives of the property, plant and equipment as disclosed in the Significant Accounting Policies are appropriate to the nature of the property, plant and equipment at reporting date. Property, plant and equipment is disclosed at note 12.

# The Gardens School

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

### ***Critical Judgements in applying accounting policies***

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

#### ***Classification of leases***

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 the school. 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 or not 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 the asset is recognised in the statement of financial position as property, plant, and equipment, whereas for an operating lease no such asset is recognised.

#### ***Recognition of grants***

The School reviews the grants monies received at the end of each reporting period and whether any require a provision to carry forward amounts unspent. The School believes all grants received have been appropriately recognised as a liability if required. Government grants are disclosed at note 2.

### **Revenue Recognition**

#### ***Government Grants***

The School receives funding from the Ministry of Education. The following are the main types of funding that the School receives.

Operational grants are recorded as revenue when the School has the rights to the funding, which is in the year that the funding is received.

Teachers salaries grants are recorded as revenue when the School has the rights to the funding in the salary period they relate to. The grants are not received in cash by the School and are paid directly to teachers by the Ministry of Education.

Use of land and buildings grants are recorded as revenue in the period the School uses the land and buildings. These are not received in cash by the School as they equate to the deemed expense for using the land and buildings which are owned by the Crown.

#### ***Other Grants***

Other grants are recorded as revenue when the School has the rights to the funding, unless there are unfulfilled conditions attached to the grant, in which case the amount relating to the unfulfilled conditions is recognised as a liability and released to revenue as the conditions are fulfilled.

#### ***Donations, Gifts and Bequests***

Donations, gifts and bequests are recorded as revenue when their receipt is formally acknowledged by the School.

#### ***Interest Revenue***

Interest Revenue earned on cash and cash equivalents and investments is recorded as revenue in the period it is earned.

#### ***Use of Land and Buildings Expense***

The property from which the School operates is owned by the Crown and managed by the Ministry of Education on behalf of the Crown. The School's use of the land and buildings as occupant is based on a property occupancy document as gazetted by the Ministry. The expense is based on an assumed market rental yield on the value of land and buildings as used for rating purposes. This is a non-cash expense that is offset by a non-cash grant from the Ministry.

#### ***Operating Lease Payments***

Payments made under operating leases are recognised in the Statement of Comprehensive Revenue and Expense on a straight line basis over the term of the lease.

#### ***Finance Lease Payments***

Finance lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term on an effective interest basis.

## The Gardens School

# Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

### Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, bank balances, deposits held at call with banks, and other short term highly liquid investments with original maturities of 90 days or less, and bank overdrafts. The carrying amount of cash and cash equivalents represent fair value.

### Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for credit losses (uncollectable debts). The schools receivables are largely made up of funding from the Ministry of Education, therefore the level of uncollectable debts is not considered to be material. However, short term receivables are written off when there is no reasonable expectation of recovery.

### Inventories

Inventories are consumable items held for sale and comprise of stationery and school uniforms. They are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis. Net realisable value is the estimated selling price in the ordinary course of activities less the estimated costs necessary to make the sale. Any write down from cost to net realisable value is recorded as an expense in the Statement of Comprehensive Revenue and Expense in the period of the write down.

### Investments

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

### Property, Plant and Equipment

Land and buildings owned by the Crown are excluded from these financial statements. The Board's use of the land and buildings as 'occupant' is based on a property occupancy document.

Improvements to buildings owned by the Crown are recorded at cost, less accumulated depreciation and impairment losses.

Property, plant and equipment are recorded at cost or, in the case of donated assets, fair value at the date of receipt, less accumulated depreciation and impairment losses. Cost or fair value as the case may be, includes those costs that relate directly to bringing the asset to the location where it will be used and making sure it is in the appropriate condition for its intended use.

Gains and losses on disposals (*i.e.* sold or given away) are determined by comparing the proceeds received with the carrying amounts (*i.e.* the book value). The gain or loss arising from the disposal of an item of property, plant and equipment is recognised in the Statement of Comprehensive Revenue and Expense.

### Finance Leases

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, 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 so as 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 whether the school 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.

### Depreciation

Property, plant and equipment except for library resources are depreciated over their estimated useful lives on a straight line basis. Library resources are depreciated on a diminishing value basis. Depreciation of all assets is reported in the Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

Buildings - School	3 years
Furniture and equipment	5-15 years
Information and communication technology	3-4 years
Leased assets held under a Finance Lease	3 years
Library resources	12.5% Diminishing value

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

### Impairment of property, plant, and equipment

The School does not hold any cash generating assets. Assets are considered cash generating where their primary objective is to generate a commercial return.

#### *Non cash generating assets*

Property, plant, and equipment held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which 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 determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure 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 amount. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

### Accounts Payable

Accounts Payable represents liabilities for goods and services provided to the School prior to the end of the financial year which are unpaid. Accounts Payable are recorded at the amount of cash required to settle those liabilities. The amounts are unsecured and are usually paid within 30 days of recognition.

### Employee Entitlements

#### *Short-term employee entitlements*

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, and also annual leave earned, by non teaching staff, to but not yet taken at balance date.

#### *Long-term employee entitlements*

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders 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 staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

## The Gardens School

# Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

### Provision for Cyclical Maintenance

The property from which the School operates is owned by the Crown, and is vested in the Ministry. The Ministry has gazetted a property occupancy document that sets out the Board's property maintenance responsibilities. The Board is responsible for maintaining the land, buildings and other facilities on the School site in a state of good order and repair.

Cyclical maintenance, which involves painting the interior and exterior of the School, makes up the most significant part of the Board's responsibilities outside day-to-day maintenance. The provision for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's ten year property plan (10YPP).

### Financial Instruments

The School's financial assets comprise cash and cash equivalents, accounts receivable, and investments. All of these financial assets, except for investments that are shares, are categorised as 'financial assets measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

Investments that are shares are categorised as 'financial assets at fair value through other comprehensive revenue and expense' for accounting purposes in accordance with financial reporting standards.

The School's financial liabilities comprise accounts payable and finance lease liability. All of these financial liabilities are categorised as 'financial liabilities measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

### Goods and Services Tax (GST)

The financial statements have been prepared on a GST exclusive basis, with the exception of accounts receivable and accounts payable which are stated as GST inclusive.

The net amount of 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.

### Budget Figures

The budget figures are extracted from the School budget that was approved by the Board.

### Services Received In-Kind

From time to time the School receives services in-kind, including the time of volunteers. The School has elected not to recognise services received in kind in the Statement of Comprehensive Revenue and Expense.

## The Gardens School

### Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

#### 2 Government Grants

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operational Grants	870,680	877,700	757,507
Teachers' Salaries Grants	2,868,445	2,449,948	2,450,384
Use of Land and Buildings Grants	1,901,328	542,817	1,872,965
Resource Teachers Learning and Behaviour Grants	3,641	5,000	2,638
Other MoE Grants	184,577	167,000	140,460
Other Government Grants	-	397,782	7,959
	<u>5,828,671</u>	<u>4,440,247</u>	<u>5,231,913</u>

Other MOE Grants total includes additional COVID-19 funding totalling \$7,579 for the year ended 31 December 2020.

#### 3 Locally Raised Funds

Local funds raised within the School's community are made up of:

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Revenue</b>			
Donations	106,697	125,000	125,409
Activities	118,263	61,700	77,915
Trading	16	-	1,162
Fundraising	6,732	500	28,326
	<u>231,708</u>	<u>187,200</u>	<u>232,812</u>
<b>Expenses</b>			
Activities	102,632	20,500	44,763
Trading	1,000	-	(1,640)
Fundraising (Costs of Raising Funds)	4,790	-	17,282
	<u>108,422</u>	<u>20,500</u>	<u>60,405</u>
	<u>123,286</u>	<u>166,700</u>	<u>172,407</u>

Surplus/ (Deficit) for the year Locally Raised Funds

#### 4 Learning Resources

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Curricular	31,835	94,300	87,730
Equipment Repairs	-	1,100	860
Information and Communication Technology	48,646	47,700	32,045
Library Resources	2,429	6,000	2,121
Employee Benefits - Salaries	3,224,927	2,768,948	2,893,159
Staff Development	35,459	50,000	33,607
	<u>3,343,296</u>	<u>2,968,048</u>	<u>3,049,522</u>

The Gardens School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

5 Administration

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Audit Fee	5,970	6,000	5,690
Board of Trustees Fees	3,700	6,000	4,655
Board of Trustees Expenses	2,515	5,500	10,994
Communication	2,769	5,900	4,990
Consumables	21,604	28,185	19,014
Other	7,954	12,050	15,216
Employee Benefits - Salaries	160,871	155,000	154,807
Insurance	5,387	-	5,533
Service Providers, Contractors and Consultancy	9,068	8,500	8,554
	<u>219,838</u>	<u>227,135</u>	<u>229,453</u>

6 Property

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Caretaking and Cleaning Consumables	76,557	96,370	100,657
Consultancy and Contract Services	1,590	3,000	2,500
Cyclical Maintenance Expense	20,000	15,000	46,467
Grounds	14,049	413,082	25,721
Heat, Light and Water	36,794	43,000	39,936
Repairs and Maintenance	24,415	27,395	51,121
Use of Land and Buildings	1,901,328	542,817	1,872,965
Security	1,481	4,000	3,000
Employee Benefits - Salaries	65,227	50,000	72,440
	<u>2,141,441</u>	<u>1,194,664</u>	<u>2,214,807</u>

The use of land and buildings figure represents 8% of the school's total property value. Property values are established as part of the nationwide revaluation exercise that is conducted every 30 June for the Ministry of Education's year end reporting purposes.

7 Depreciation

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
	\$	\$	\$
Furniture and Equipment	129,652	133,025	108,500
Information and Communication Technology	95,869	105,086	85,742
Leased Assets	23,779	19,647	36,199
Library Resources	6,948	8,609	6,992
	<u>256,248</u>	<u>266,367</u>	<u>237,433</u>

The Gardens School

**Notes to the Financial Statements (cont.)**

For the year ended 31 December 2020

**8 Cash and Cash Equivalents**

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Bank Current Account	249,341	180,525	240,222
Short-term Bank Deposits	300,000	-	-
Cash and cash equivalents for Statement of Cash Flows	<u>549,341</u>	<u>180,525</u>	<u>240,222</u>

Of the \$249,341 Cash and Cash Equivalents, \$145,176 is held by the School on behalf of the Ministry of Education. These funds are required to be spent in 2021 on Crown owned school buildings under the School's Five Year Property Plan.

**9 Accounts Receivable**

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Receivables from the Ministry of Education	-	23,700	-
Interest Receivable	54	-	-
Teacher Salaries Grant Receivable	210,283	176,900	176,933
	<u>210,337</u>	<u>200,600</u>	<u>176,933</u>
Receivables from Exchange Transactions	54	-	-
Receivables from Non-Exchange Transactions	210,283	200,600	176,933
	<u>210,337</u>	<u>200,600</u>	<u>176,933</u>

**10 Inventories**

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
School Uniforms	478	1,410	1,410
	<u>478</u>	<u>1,410</u>	<u>1,410</u>

**11 Investments**

The School's investment activities are classified as follows:

	2020 Actual \$	2020 Budget (Unaudited) \$	2019 Actual \$
Current Asset	-	-	-
Short-term Bank Deposits	-	-	-
Total Investments	<u>-</u>	<u>-</u>	<u>-</u>



The Gardens School

Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

12 Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
<b>2020</b>						
Furniture and Equipment	813,487	38,533	-	-	(129,652)	722,368
Information and Communication Technology	194,760	50,628	-	-	(95,869)	149,519
Leased Assets	35,056	15,352	-	-	(23,779)	26,629
Library Resources	48,940	6,694	(54)	-	(6,948)	48,632
<b>Balance at 31 December 2020</b>	<b>1,092,243</b>	<b>111,207</b>	<b>(54)</b>	<b>-</b>	<b>(256,248)</b>	<b>947,148</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
<b>2020</b>			
Furniture and Equipment	1,209,056	(486,688)	722,368
Information and Communication Technology	870,357	(720,838)	149,519
Leased Assets	190,474	(163,845)	26,629
Library Resources	136,158	(87,526)	48,632
<b>Balance at 31 December 2020</b>	<b>2,406,045</b>	<b>(1,458,897)</b>	<b>947,148</b>

The net carrying value of equipment held under a finance lease is \$26,629 (2019: \$35,056).

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
<b>2019</b>						
Furniture and Equipment	600,493	321,469	-	-	(108,500)	813,462
Information and Communication Technology	196,735	83,767	-	-	(85,742)	194,760
Leased Assets	50,562	20,718	-	-	(36,199)	35,081
Library Resources	50,446	5,878	(392)	-	(6,992)	48,940
<b>Balance at 31 December 2019</b>	<b>898,236</b>	<b>431,832</b>	<b>(392)</b>	<b>-</b>	<b>(237,433)</b>	<b>1,092,243</b>

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
<b>2019</b>			
Furniture and Equipment	1,170,523	(357,036)	813,487
Information and Communication Technology	819,727	(624,967)	194,760
Leased Assets	175,122	(140,066)	35,056
Library Resources	129,607	(80,667)	48,940
<b>Balance at 31 December 2019</b>	<b>2,294,979</b>	<b>(1,202,736)</b>	<b>1,092,243</b>

The net carrying value of equipment held under a finance lease is \$35,081 (2018: \$35,056).

The Gardens School

**Notes to the Financial Statements (cont.)**

For the year ended 31 December 2020

**13 Accounts Payable**

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Operating Creditors	38,233	38,000	38,143
Accruals	5,971	5,970	5,970
Employee Entitlements - Salaries	246,639	178,900	178,908
Employee Entitlements - Leave Accrual	37,714	58,600	58,570
	<u>328,557</u>	<u>281,470</u>	<u>281,591</u>
Payables for Exchange Transactions	328,557	281,470	281,591
	<u>328,557</u>	<u>281,470</u>	<u>281,591</u>

The carrying value of payables approximates their fair value.

**14 Revenue Received in Advance**

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Other	32	-	219
	<u>32</u>	<u>-</u>	<u>219</u>

**15 Provision for Cyclical Maintenance**

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Provision at the Start of the Year	66,467	66,467	20,000
Increase/(decrease) to the Provision During the Year	20,000	15,000	46,467
Use of the Provision During the Year	-	(1,467)	-
Provision at the End of the Year	<u>86,467</u>	<u>80,000</u>	<u>66,467</u>
Cyclical Maintenance - Current	20,000	80,000	-
Cyclical Maintenance - Term	66,467	-	66,467
	<u>86,467</u>	<u>80,000</u>	<u>66,467</u>

**16 Finance Lease Liability**

The school has entered into Nine finance lease agreements for for laptops and photocopier.  
Minimum lease payments payable (includes interest portion):

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
No Later than One Year	27,276	23,780	26,746
Later than One Year and no Later than Five Years	11,818	11,061	16,036
	<u>39,094</u>	<u>34,841</u>	<u>42,782</u>

## The Gardens School

### Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

#### 17 Funds Held for Capital Works Projects

During the year the school received and applied funding from the Ministry of Education for the following capital works projects:

	2020	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$		\$
Polycarbonate Shade Structure with Fire Spring	<i>In Progress</i>	-	133,200	19,686	-	113,514
Imaginationa & Jungle Playground	<i>In Progress</i>	-	-	11,367	-	(11,367)
Percussion Playground & Playground Extension	<i>In Progress</i>	-	18,900	4,585	-	14,315
Bike Pump Track	<i>In Progress</i>	-	40,500	24,045	-	16,455
Garden To Table Community Garden	<i>In Progress</i>	-	18,000	870	-	17,130
Star Shard Structures & Snadpit	<i>In Progress</i>	-	-	2,020	-	(2,020)
Min Teaching Spaces	<i>In Progress</i>	-	26,100	27,301	-	(1,201)
Decking & Bleacher	<i>In Progress</i>	-	52,004	53,654	-	(1,650)
<b>Totals</b>		-	<b>288,704</b>	<b>143,528</b>	-	<b>145,176</b>

#### Represented by:

Funds Held on Behalf of the Ministry of Education	161,414
Funds Due from the Ministry of Education	(16,238)
<b>Totals</b>	<b>145,176</b>

	2019	Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
		\$	\$	\$	\$	\$
Current Building Project	<i>Completed</i>	(23,763)	-	-	(23,763)	-
MOE Remedial Work	<i>Completed</i>	(24,609)	24,609	-	-	-
<b>Totals</b>		<b>(48,372)</b>	<b>24,609</b>	<b>-</b>	<b>(23,763)</b>	<b>-</b>

#### 18 Related Party Transactions

The School is a controlled entity of the Crown, and the Crown provides the major source of revenue to the school. The school enters into transactions with other entities also controlled by the Crown, such as government departments, state-owned enterprises and other Crown entities. Transactions with these entities are not disclosed as they occur on terms and conditions no more or less favourable than those that it is reasonable to expect the school would have adopted if dealing with that entity at arm's length.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the school would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

## Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

### 19 Remuneration

#### Key management personnel compensation

Key management personnel of the School include all trustees of the Board, Principal, Deputy Principals and Heads of Departments.

	2020 Actual \$	2019 Actual \$
<i>Board Members</i>		
Remuneration	3,700	4,655
Full-time equivalent members	0.05	0.08
<i>Leadership Team</i>		
Remuneration	472,526	270,783
Full-time equivalent members	4.00	2.00
Total key management personnel remuneration	476,226	275,438
Total full-time equivalent personnel	4.05	2.08

The full time equivalent for Board members has been determined based on attendance at Board meetings, Committee meetings and for other obligations of the Board, such as stand downs and suspensions, plus the estimated time for Board members to prepare for meetings.

#### Principal

The total value of remuneration paid or payable to the Principal was in the following bands:

	2020 Actual \$000	2019 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	150-160	140-150
Benefits and Other Emoluments	0-5	0-5
Termination Benefits	-	-

#### Other Employees

The number of other employees with remuneration greater than \$100,000 was in the following bands:

Remuneration \$000	2020 FTE Number	2019 FTE Number
120-130	1	-
110-120	-	1
100-110	2	2
	2	3

The disclosure for 'Other Employees' does not include remuneration of the Principal.

### 20 Compensation and Other Benefits Upon Leaving

There were no compensation or other benefits paid or payable to persons upon leaving.

### 21 Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2020.

(Contingent liabilities and assets as at 31 December 2019: nil)

#### Holidays Act Compliance – schools payroll

The Ministry of Education performs payroll processing and payments on behalf of school boards of trustees, through payroll service provider Education Payroll Limited.

The Ministry's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. The current phase of this review is to design potential solutions for any compliance breaches discovered in the initial phase of the Programme. Final calculations and potential impact on any specific individual will not be known until further detailed analysis and solutions have been completed.

To the extent that any obligation cannot reasonably be quantified at 31 December 2020, a contingent liability for the school may exist.

## The Gardens School

### Notes to the Financial Statements (cont.)

For the year ended 31 December 2020

#### 22 Commitments

##### (a) Capital Commitments

As at 31 December 2020 the Board has entered into no contract agreements for capital works.

(Capital commitments as at 31 December 2019: nil)

#### 23 Managing Capital

The School's capital is its equity and comprises capital contributions from the Ministry of Education for property, plant and equipment and accumulated surpluses and deficits. The School does not actively manage capital but attempts to ensure that income exceeds spending in most years. Although deficits can arise as planned in particular years, they are offset by planned surpluses in previous years or ensuing years.

#### 24 Financial Instruments

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

	2020	2020	2019
	Actual	Budget	Actual
	\$	(Unaudited)	\$
<b>Financial assets measured at amortised cost</b>			
Cash and Cash Equivalents	549,341	180,525	240,222
Receivables	210,337	200,600	176,933
Total Financial assets measured at amortised cost	<u>759,678</u>	<u>381,125</u>	<u>417,155</u>
<b>Financial liabilities measured at amortised cost</b>			
Payables	328,557	281,470	281,591
Finance Leases	34,840	33,647	37,823
Total Financial Liabilities Measured at Amortised Cost	<u>363,397</u>	<u>315,117</u>	<u>319,414</u>

#### 25 Events After Balance Date

There were no significant events after the balance date that impact these financial statements.