

RENEW SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

School Directory

Ministry Number:	1138
Principal:	Barend Blom
School Address:	2 Tarewa Road, Whangarei
School Postal Address:	P O Box 11086, Whangarei 0148
School Phone:	09 438 6471
School Email:	office@renew.school.nz

Members of the Board

Name	Position	How Position Gained	Term Expired/ Expires
Arna-Lise Harris	Presiding Member	BOT Elections	May-22
Barend Blom	Principal ex Officio	ex Officio	indefinite
Chris McColl	Parent Representative	BOT Elections	May-22
Daniel van der Kaap	Parent Representative	BOT Elections	May-22
Kristy Drake	Proprietor Representative	Proprietor appointed	indefinite
Wayne Garton	Proprietor Representative	Proprietor appointed	indefinite
Nigel Griffiths	Staff Representative	Staff Elections	May-22

Accountant / Service Provider:

Accounting 4 U Ltd
Chartered Accountants
Whangarei

RENEW SCHOOL

Annual Report - For the year ended 31 December 2021

Index

Page	Statement
------	-----------

Financial Statements

1	Statement of Responsibility
2	Statement of Comprehensive Revenue and Expense
3	Statement of Changes in Net Assets/Equity
4	Statement of Financial Position
5	Statement of Cash Flows
6-17	Notes to the Financial Statements

Other Information

Analysis of Variance

Kiwisport

Renew School

Statement of Responsibility

For the year ended 31 December 2021

The Board 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 2021 fairly reflects the financial position and operations of the school.

The School's 2021 financial statements are authorised for issue by the Board.

Arna-Lise Harris

Full Name of Presiding Member



Signature of Presiding Member

30 May 2022

Date:

Barend Blom

Full Name of Principal



Signature of Principal

30 May 2022

Date:

Renew School

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue				
Government Grants	2	2,312,238	2,021,000	2,216,879
Locally Raised Funds	3	12,490	12,100	10,012
Use of Proprietor's Land and Buildings		253,109	365,000	365,067
Interest Income		2,301	2,000	4,716
Gain on Sale of Property, Plant and Equipment		184	-	2,668
		<u>2,580,322</u>	<u>2,400,100</u>	<u>2,599,342</u>
Expenses				
Locally Raised Funds	3	12,562	11,000	9,240
Learning Resources	4	1,942,504	1,778,500	1,847,790
Administration	5	141,672	142,900	136,303
Finance		2,634	4,200	4,762
Property	6	341,498	462,354	489,650
Depreciation	10	96,868	85,000	94,178
Loss on Disposal of Property, Plant and Equipment		-	-	998
Transport		3,830	5,000	4,003
		<u>2,541,568</u>	<u>2,488,954</u>	<u>2,586,924</u>
Net Surplus / (Deficit) for the year		38,754	(88,854)	12,418
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u><u>38,754</u></u>	<u><u>(88,854)</u></u>	<u><u>12,418</u></u>

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

Renew School

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Equity at 1 January		545,954	545,954	527,087
Total comprehensive revenue and expense for the year		38,754	(88,854)	12,418
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant		6,418	-	6,449
Equity at 31 December		591,126	457,100	545,954
Retained Earnings		591,126	457,100	545,954
Equity at 31 December		591,126	457,100	545,954

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.

Renew School

Statement of Financial Position

As at 31 December 2021

	Notes	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Assets				
Cash and Cash Equivalents	7	271,804	116,143	140,476
Accounts Receivable	8	130,367	133,695	133,695
GST Receivable		8,170	11,446	11,446
Prepayments		2,542	2,596	30,596
Investments	9	150,000	150,000	150,000
		562,883	413,880	466,213
Current Liabilities				
Accounts Payable	11	179,602	153,445	153,445
Provision for Cyclical Maintenance	12	9,900	9,900	5,333
Finance Lease Liability	13	11,393	6,749	21,749
		200,895	170,094	180,527
Working Capital Surplus/(Deficit)		361,988	243,786	285,686
Non-current Assets				
Property, Plant and Equipment	10	277,099	264,941	306,441
		277,099	264,941	306,441
Non-current Liabilities				
Provision for Cyclical Maintenance	12	41,752	42,529	37,075
Finance Lease Liability	13	6,209	9,098	9,098
		47,961	51,627	46,173
Net Assets		591,126	457,100	545,954
Equity		591,126	457,100	545,954

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

Renew School

Statement of Cash Flows

For the year ended 31 December 2021

	Note	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash flows from Operating Activities				
Government Grants		666,379	571,000	679,513
Locally Raised Funds		14,390	12,100	9,817
Goods and Services Tax (net)		6,237	-	(6,039)
Payments to Employees		(261,682)	(296,000)	(272,890)
Payments to Suppliers		(247,618)	(282,933)	(263,372)
Interest Paid		(2,634)		(4,762)
Interest Received		2,301	2,000	4,716
Net cash from/(to) Operating Activities		177,373	6,167	146,983
Cash flows from Investing Activities				
Proceeds from Sale of Property Plant & Equipment (and Intangibles)		1,016	-	2,668
Purchase of Property Plant & Equipment (and Intangibles)		(31,730)	(15,500)	(70,401)
Proceeds from Sale of Investments		-	-	25,000
Net cash from/(to) Investing Activities		(30,714)	(15,500)	(42,733)
Cash flows from Financing Activities				
Furniture and Equipment Grant		6,418	-	6,449
Finance Lease Payments		(21,749)	(15,000)	(26,499)
Net cash from/(to) Financing Activities		(15,331)	(15,000)	(20,050)
Net increase/(decrease) in cash and cash equivalents		131,328	(24,333)	84,200
Cash and cash equivalents at the beginning of the year	7	140,476	140,476	56,276
Cash and cash equivalents at the end of the year	7	271,804	116,143	140,476

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.

Renew School

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

a) Reporting Entity

Renew 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 is of the view that the School is a public benefit entity for financial reporting purposes.

b) Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2021 to 31 December 2021 and in accordance with the requirements of the Education and Training Act 2020.

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 buildings in a good state of repair as a provision for 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 12.

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 10.

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.

c) 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.

The property from which the School operates is owned by the Proprietor. Grants for the use of land and buildings are also not received in cash by the school however they equate to the deemed expense for using the land and buildings. This expense is based on an assumed market rental yield on the land and buildings as used for rating purposes.

This is a non-cash revenue that is offset by a non-cash expense. The use of land and buildings grants and associated expenditure are recorded in the period the School uses the land and buildings.

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.

d) 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.

e) 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.

f) 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.

g) 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.

g) Inventories

Inventories are consumable items held for sale and comprised 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.

h) 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.

i) 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:

Board Owned Buildings	10–75 years
Furniture and equipment	10–15 years
Information and communication technology	4–5 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

i) Intangible Assets

Software costs

Computer software acquired by the School are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with subsequent maintenance or licensing of software are recognised as an expense in the Statement of Comprehensive Revenue and Expense when incurred.

The carrying value of software is amortised on a straight line basis over its useful life. The useful life of software is estimated as three years. The amortisation charge for each period and any impairment loss is recorded in the Statement of Comprehensive Revenue and Expense.

j) Impairment of property, plant, and equipment and intangible assets

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 and intangible assets 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.

k) 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.

l) Employee Entitlements*Short-term employee entitlements*

Employee entitlements that are expected to be settled within 12 months after the end of the reporting period in 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, by non teaching staff, to but not yet taken at balance date.

Long-term employee entitlements

Employee benefits that are not expected to be settled wholly before twelve months after the end of the reporting period in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis.

The calculations are based on the 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

m) Provision for Cyclical Maintenance

The property from which the school operates is owned by the Proprietor. 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 is a reasonable estimate, based on an up to date 10 Year Property Plan (10YPP) or another appropriate source of evidence.

n) 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, borrowings, finance lease liability, and painting contract liability. All of these financial liabilities are categorised as 'financial liabilities measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

o) Borrowings

Borrowings on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance. Borrowings are classified as current liabilities unless the school has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

Borrowings include but are not limited to bank overdrafts, operating leases, finance leases, painting contracts and term loans.

p) 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 statements of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

q) Budget Figures

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

u) 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.

2. Government Grants

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Operational Grants	584,818	507,000	586,454
Teachers' Salaries Grants	1,671,190	1,450,000	1,534,155
Other MoE Grants	48,160	54,000	75,239
Other Government Grants	8,070	10,000	21,031
	<u>2,312,238</u>	<u>2,021,000</u>	<u>2,216,879</u>

The school has opted in to the donations scheme for this year. Total amount received was \$27,150.

3. Locally Raised Funds

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

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue			
Donations & Bequests	6,199	7,350	248
Fees for Extra Curricular Activities	3,600	1,000	6,789
Trading	1,465	2,250	2,975
Other Revenue	1,226	1,500	-
	<u>12,490</u>	<u>12,100</u>	<u>10,012</u>
Expenses			
Extra Curricular Activities Costs	12,420	10,500	9,004
Trading	142	500	236
	<u>12,562</u>	<u>11,000</u>	<u>9,240</u>
<i>Surplus/ (Deficit) for the year Locally raised funds</i>	<u>(72)</u>	<u>1,100</u>	<u>772</u>

4. Learning Resources

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Curricular	78,637	118,500	101,329
Equipment Repairs	1,676	7,000	8,080
Employee Benefits - Salaries	1,859,600	1,651,000	1,736,450
Staff Development	2,591	2,000	1,931
	<u>1,942,504</u>	<u>1,778,500</u>	<u>1,847,790</u>

5. Administration

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Audit Fee	6,043	4,000	3,950
Board Fees	2,910	3,000	2,945
Board Expenses	1,618	1,300	1,530
Communication	5,051	5,500	5,376
Operating Lease	14,240	8,800	9,309
Other	19,114	16,800	19,224
Employee Benefits - Salaries	55,113	50,000	48,621
Insurance	4,850	5,000	4,745
Service Providers, Contractors and Consultancy	32,733	48,500	40,603
	141,672	142,900	136,303

6. Property

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Caretaking and Cleaning Consumables	9,179	8,000	7,385
Consultancy and Contract Services	12,471	16,000	13,618
Cyclical Maintenance Provision	15,892	15,354	42,408
Grounds	-	2,000	1,528
Heat, Light and Water	11,153	12,000	11,431
Rates	5,252	5,000	4,465
Repairs and Maintenance	9,645	15,000	19,745
Use of Land and Buildings	253,109	365,000	365,067
Security	1,896	2,000	2,029
Employee Benefits - Salaries	22,901	22,000	21,974
	341,498	462,354	489,650

The use of land and buildings figure represents 5% of the school's total property value (Last year: 8%). This is used as a 'proxy' for the market value rental of the property.

7. Cash and Cash Equivalents

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Bank Accounts	22,163	31,935	56,268
Short-term Bank Deposits	249,641	84,208	84,208
Cash and cash equivalents for Statement of Cash Flows	271,804	116,143	140,476

The carrying value of short-term deposits with original maturity dates of 90 days or less approximates their fair value.

8. Accounts Receivable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Receivables	2,109	9,473	9,473
Teacher Salaries Grant Receivable	128,258	124,222	124,222
	<u>130,367</u>	<u>133,695</u>	<u>133,695</u>
Receivables from Exchange Transactions	2,109	9,473	9,473
Receivables from Non-Exchange Transactions	128,258	124,222	124,222
	<u>130,367</u>	<u>133,695</u>	<u>133,695</u>

9. Investments

The School's investment activities are classified as follows:

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Asset			
Short-term Bank Deposits	150,000	150,000	150,000
Non-current Asset			
Long-term Bank Deposits	-	-	-
Total Investments	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>

10. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2021						
Land	-				-	-
Buildings	3,481				(168)	3,313
Playground	56,948	1,537			(12,430)	46,055
Furniture and Equipment	140,945	9,750			(25,692)	125,003
Information and Communication Technology	41,799	47,585	(373)		(28,729)	60,282
Motor Vehicles	17,093				(6,721)	10,372
Textbooks	425				(425)	-
Leased Assets	31,517	8,504	(458)		(20,852)	18,711
Library Resources	14,233	981			(1,851)	13,363
Balance at 31 December 2021	<u>306,441</u>	<u>68,357</u>	<u>(831)</u>	<u>-</u>	<u>(96,868)</u>	<u>277,099</u>

The net carrying value of equipment held under a finance lease is \$18,711 (2020: \$31,517)

	2021	2021	2021	2020	2020	2020
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Land	-	-	-	-	-	-
Buildings	6,612	(3,298)	3,314	6,612	(3,131)	3,481
Playground	113,322	(67,267)	46,055	111,785	(54,837)	56,948
Furniture and Equipment	345,580	(220,577)	125,003	335,830	(194,885)	140,945
Information and Communication T	216,841	(156,560)	60,281	172,294	(130,495)	41,799
Motor Vehicles	44,810	(34,438)	10,372	44,810	(27,717)	17,093
Textbooks	10,725	(10,725)	-	10,725	(10,300)	425
Leased Assets	39,998	(21,287)	18,711	77,434	(45,917)	31,517
Library Resources	53,261	(39,898)	13,363	52,280	(38,047)	14,233
Balance at 31 December	831,149	(554,050)	277,099	811,770	(505,329)	306,441

11. Accounts Payable

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Creditors	37,259	20,364	20,364
Accruals	9,343	8,859	8,859
Employee Entitlements - Salaries	133,000	124,222	124,222
	<u>179,602</u>	<u>153,445</u>	<u>153,445</u>
Payables for Exchange Transactions	179,602	153,445	153,445
	<u>179,602</u>	<u>153,445</u>	<u>153,445</u>

The carrying value of payables approximates their fair value.

12. Provision for Cyclical Maintenance

	2021	2021	2020
	Actual	Budget (Unaudited)	Actual
	\$	\$	\$
Provision at the Start of the Year	42,408	42,408	-
Increase/ (decrease) to the Provision During the Year	15,892	15,354	42,408
Use of the Provision During the Year	(6,648)	-	-
Provision at the End of the Year	<u>51,652</u>	<u>57,762</u>	<u>42,408</u>
Cyclical Maintenance - Current	9,900	9,900	5,333
Cyclical Maintenance - Term	41,752	42,529	37,075
	<u>51,652</u>	<u>52,429</u>	<u>42,408</u>

13. Finance Lease Liability

The School has entered into a number of finance lease agreements for computers and other ICT equipment. Minimum lease payments payable:

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
No Later than One Year	11,393	6,749	21,748
Later than One Year and no Later than Five Years	6,209	9,098	9,098
Later than Five Years			
	17,602	15,847	30,846
Represented by			
Finance lease liability - Current	11,393	6,749	21,748
Finance lease liability - Term	6,209	9,098	9,098
	17,602	15,847	30,846

14. 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.

The Proprietor of the School (Christian Renewal Trust Inc) is a related party of the Board because the proprietor appoints representatives to the Board, giving the proprietor significant influence over the Board. Any services or contributions between the Board and Proprietor have been disclosed appropriately, if the proprietor collects fund on behalf of the school (or vice versa) the amounts are disclosed.

The Proprietor provides land and buildings free of charge for use by the Board as noted in Note 1(c). The estimated value of this use during the current period is included in the Statement of Comprehensive Revenue and Expense as 'Use of Land and Buildings'.

15. Remuneration

Key management personnel compensation

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i>		
Remuneration	2,910	2,945
<i>Leadership Team</i>		
Remuneration	378,662	348,501
Full-time equivalent members	3	3
Total key management personnel remuneration	381,572	351,446

There are 7 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. As well as these regular meetings, including preparation time, the Chair and other Board members have also been involved in ad hoc meetings to consider student welfare matters including stand downs, suspensions, and other disciplinary matters.

Principal

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

	2021	2020
	Actual	Actual
	\$000	\$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	140-150	130 - 140
Benefits and Other Emoluments	4	4
Termination Benefits	-	-

Other Employees

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

Remuneration	2021	2020
\$000	FTE Number	FTE Number
100 - 110	4.00	2.00
	<u>4.00</u>	<u>2.00</u>

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

16. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be board members, committee members, or employees during the financial year in relation to that cessation and number of persons to whom all or part of that total was payable was as follows:

	2021	2020
	Actual	Actual
Total	\$0	\$0
Number of People	0	0

17. Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2021 (Contingent liabilities and assets at 31 December 2020: nil).

Holidays Act Compliance – schools payroll

The Ministry of Education performs payroll processing and payments on behalf of boards, 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. 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 2021, a contingent liability for the school may exist.

18. Commitments

(a) Capital Commitments

As at 31 December 2021 the Board had not entered into any contract agreements for capital works.

(Capital commitments at 31 December 2020: \$ Nil)

(b) Operating Commitments

As at 31 December 2021 the Board has entered into the following contracts:

(a) operating lease for photocopiers

	2021 Actual \$	2020 Actual \$
No later than One Year	9,186	9,186
Later than One Year and No Later than Five Years	18,372	27,558
Later than Five Years	-	-
	<u>27,558</u>	<u>36,744</u>

19. Financial Instruments

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

Financial assets measured at amortised cost

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash and Cash Equivalents	271,804	116,143	140,476
Receivables	130,367	133,695	133,695
Investments - Term Deposits	150,000	150,000	150,000
Total Financial assets measured at amortised cost	<u>552,171</u>	<u>399,838</u>	<u>424,171</u>

Financial liabilities measured at amortised cost

Payables	179,602	153,445	153,445
Finance Leases	17,602	15,847	30,847
Total Financial Liabilities Measured at Amortised Cost	<u>197,204</u>	<u>169,292</u>	<u>184,292</u>

20. Events after Balance Day

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

21. COVID 19 Pandemic on going implications

Impact of Covid-19

During 2021 the country moved between alert levels. During February and March 2021 Auckland was placed into alert levels 3 and 2 and other parts of the country moved into alert level 2.

Towards the end of August 2021, the entire country moved to alert level 4, with a move to alert level 3 and 2 for everyone outside the Auckland region three weeks later. While Auckland has remained in alert level 3 for a prolonged period of time the Northland and Waikato regions have also returned to alert level 3 restrictions during this period.

Impact on operations

Schools have been required to continue adapting to remote and online learning practices when physical attendance is unable to occur in alert level 4 and 3. Schools continue to receive funding from the Te Tāhuhu o te Mātauranga / Ministry to Education, even while closed.

The ongoing interruptions resulting from the moves in alert levels have impacted schools in various ways which potentially will negatively affect the operations and services of the school. However, the school has not identified any quantifiable effects resulting from the ongoing impacts of the COVID-19 alert level changes.