

RENWICK SCHOOL

LEARNING IS STRENGTH
BE THE BEST YOU CAN BE



HE MANA TŌ TE AKO,
KEI A KOE TE TIKANGA

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

School Directory

Ministry Number:	2978
Principal:	Michelle Spencer
School Address:	High Street, Renwick
School Postal Address:	PO Box 48171, Renwick, 7243
School Phone:	03 572 8158
School Email:	office@renwick.school.nz

RENWICK SCHOOL

Annual Report - For the year ended 31 December 2021

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Renwick 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.

Full Name of Presiding Member

Full Name of Principal

Full Name of Presiding Member

Signature of Principal

Date:

Date:

Renwick School

Members of the Board

For the year ended 31 December 2021

Name	Position	How Position Gained	Term Expired/ Expires
Anthony Bowron	Presiding Member	Elected	Sep 2022
Simon Heath	Principal ex Officio		Mar 2021
Robyn Lyall	Acting Principal ex Officio		Dec 2021
Michelle Spencer	Principal ex Officio	From Jan 2022	
Richard Thompson	Parent Representative	Elected	Sep 2022
Amy Murphy	Parent Representative	Elected	Sep 2022
Tineka Smith	Te Pa Wananga Representative	Co-Opted	Sep 2022
Lee Mason	Omaka Marae Representative	Co-Opted	Sep 2022
Sara Stocker	Parent Representative	Selected	Sep 2022
Rachel Anderson	Parent Representative	Selected	Sep 2022
Rowena Ferguson	Staff Representative	Elected	Sep 2022

Renwick 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	5,238,549	4,476,545	4,561,485
Locally Raised Funds	3	211,607	76,600	859,869
Interest Income		1,594	12,000	10,997
International Students	4	19,118	21,980	11,292
		<u>5,470,868</u>	<u>4,587,125</u>	<u>5,443,643</u>
Expenses				
Locally Raised Funds	3	60,321	12,641	75,942
International Students	4	896	5,000	4,044
Learning Resources	5	4,119,760	3,232,438	3,298,229
Administration	6	195,372	260,415	203,350
Finance		5,019	-	3,004
Property	7	957,299	1,033,514	1,049,195
Depreciation	12	143,397	130,000	126,727
Loss on Disposal of Property, Plant and Equipment		1,031	-	1,915
		<u>5,483,095</u>	<u>4,674,008</u>	<u>4,762,406</u>
Net (Deficit)/Surplus for the year		(12,227)	(86,883)	681,237
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		<u>(12,227)</u>	<u>(86,883)</u>	<u>681,237</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.

Renwick 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	1,351,650	1,351,650	670,413
Total comprehensive revenue and expense for the year	(12,227)	(86,883)	681,237
Capital Contributions from the Ministry of Education			
Contribution - Furniture and Equipment Grant	41,787	-	-
Contribution - Hall Upgrade	(623,814)	(638,404)	-
Equity at 31 December	757,396	626,363	1,351,650
Retained Earnings	757,396	626,363	1,351,650
Equity at 31 December	757,396	626,363	1,351,650

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.

Renwick School

Statement of Financial Position

As at 31 December 2021

		2021	2021	2020
	Notes	Actual	Budget	Actual
		\$	(Unaudited)	\$
			\$	
Current Assets				
Cash and Cash Equivalents	8	305,613	199,772	260,615
Accounts Receivable	9	264,636	318,758	318,758
GST Receivable		26,732	-	-
Prepayments		25,501	21,802	21,802
Inventories	10	1,666	2,221	2,221
Investments	11	126,256	124,999	147,093
Funds owing for Capital Works Projects	18	-	-	389,972
		<u>750,404</u>	<u>667,552</u>	<u>1,140,461</u>
Current Liabilities				
GST Payable		-	7,692	7,692
Accounts Payable	13	326,196	215,597	215,597
Revenue Received in Advance	14	3,137	34,394	29,395
Provision for Cyclical Maintenance	15	6,832	9,234	9,234
Painting Contract Liability	16	(13,732)	-	-
Finance Lease Liability	17	31,335	24,275	24,275
Funds held for Capital Works Projects	18	91,639	246,433	-
Funds for Resource Teachers of Learning & Behaviour Cluster	19	49,348	(84,054)	-
		<u>494,755</u>	<u>453,571</u>	<u>286,193</u>
Working Capital Surplus/(Deficit)		255,649	213,981	854,268
Non-current Assets				
Property, Plant and Equipment	12	644,713	513,311	603,311
		<u>644,713</u>	<u>513,311</u>	<u>603,311</u>
Non-current Liabilities				
Provision for Cyclical Maintenance	15	108,385	60,281	65,281
Finance Lease Liability	17	34,581	40,648	40,648
		<u>142,966</u>	<u>100,929</u>	<u>105,929</u>
Net Assets		<u>757,396</u>	<u>626,363</u>	<u>1,351,650</u>
Equity		<u>757,396</u>	<u>626,363</u>	<u>1,351,650</u>

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

Renwick 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		1,178,378	1,028,045	1,211,100
Locally Raised Funds		348,558	81,599	299,307
International Students		-	21,980	30,410
Goods and Services Tax (net)		(34,424)	-	(209,268)
Payments to Employees		(657,011)	(465,017)	(722,292)
Payments to Suppliers		(569,394)	(635,491)	(578,360)
Interest Received		1,749	12,000	13,173
Net cash from/(to) Operating Activities		267,856	43,116	44,070
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment (and Intangibles)		(148,103)	(40,000)	(143,829)
Proceeds from Sale of Investments		20,837	22,094	703,507
Net cash (to)/from Investing Activities		(127,266)	(17,906)	559,678
Cash flows from Financing Activities				
Furniture and Equipment Grant		41,787	-	-
Distribution of Equity		(623,814)	(638,404)	-
Finance Lease Payments		(30,792)	-	(25,675)
Painting Contract Payments		(13,732)	-	(14,876)
Funds Administered on Behalf of Third Parties		530,959	552,351	(798,145)
Net cash (to)/from Financing Activities		(95,592)	(86,053)	(838,696)
Net increase/(decrease) in cash and cash equivalents		44,998	(60,843)	(234,948)
Cash and cash equivalents at the beginning of the year	8	260,615	260,615	495,563
Cash and cash equivalents at the end of the year	8	305,613	199,772	260,615

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.

Renwick School

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

1.1. Reporting Entity

Renwick 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.

1.2. 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 Ministry's 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 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.

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.

1.3. 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 Crown and managed by the Ministry of Education on behalf of the Crown. 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. 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 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.

1.4. 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.

1.5. 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.

1.6. 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.

1.7. Accounts Receivable

Short-term receivables are recorded at the amount due, less an allowance for credit losses (uncollectable debts). The School's 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.

1.8. 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.

1.9. 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.

1.10. 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:

Building improvements to Crown Owned Assets	10–75 years
Furniture and equipment	10 years
Information and communication technology	4–5 years
Motor vehicles	8 years
Textbooks	3 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

1.11. 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.

1.12. 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.

1.13. 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 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.

1.14. Revenue Received in Advance

Revenue received in advance relates to fees received from students and grants received where there are unfulfilled obligations for the School to provide services in the future. The fees are recorded as revenue as the obligations are fulfilled and the fees earned.

The School holds sufficient funds to enable the refund of unearned fees in relation to international students, should the School be unable to provide the services to which they relate.

1.15. Funds Held in Trust

Funds are held in trust where they have been received by the School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense.

The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

1.16. Shared Funds

Shared Funds are held on behalf of a cluster of participating schools as agreed with the Ministry of Education. The cluster of schools operate activities outside of the School's control. These amounts are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose.

1.17. 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 is a reasonable estimate, based on an up to date 10 Year Property Plan (10YPP) or another appropriate source of evidence.

1.18. 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, painting contract liability 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.

1.19. 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.

1.20. 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.

1.21. Budget Figures

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

1.22. 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	995,916	890,445	1,011,457
Teachers' Salaries Grants	3,433,924	2,700,000	2,567,594
Use of Land and Buildings Grants	614,200	748,500	774,209
Other MoE Grants	194,509	137,600	208,225
	<u>5,238,549</u>	<u>4,476,545</u>	<u>4,561,485</u>

The School has opted in to the donations scheme for this year. Total amount received was \$82,500 (2020: \$84,300).

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	13,030	20,000	26,114
Curriculum related Activities - Purchase of goods and services	28,344	-	-
Fees for Extra Curricular Activities	47,370	-	61,790
Trading	11,353	10,000	17,609
Fundraising & Community Grants	20,956	5,000	553,084
Other Revenue	90,554	41,600	201,272
	<u>211,607</u>	<u>76,600</u>	<u>859,869</u>
Expenses			
Extra Curricular Activities Costs	46,908	11,000	61,704
Trading	11,739	-	10,464
Fundraising & Community Grant Costs	1,674	1,641	3,774
	<u>60,321</u>	<u>12,641</u>	<u>75,942</u>
<i>Surplus / (Deficit) for the year Locally raised funds</i>	<u>151,286</u>	<u>63,959</u>	<u>783,927</u>

4. International Student Revenue and Expenses

	2021 Actual Number	2021 Budget (Unaudited) Number	2020 Actual Number
International Student Roll	2	2	2
	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Revenue			
International Student Fees	19,118	21,980	11,292
Expenses			
Other Expenses	896	5,000	4,044
	<u>896</u>	<u>5,000</u>	<u>4,044</u>
<i>Surplus / (Deficit) for the year International Students</i>	<u>18,222</u>	<u>16,980</u>	<u>7,248</u>

5. Learning Resources

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Curricular	169,955	155,900	107,854
Equipment Repairs	423	700	672
Information and Communication Technology	22,632	28,000	25,589
Library Resources	268	1,500	2,399
Employee Benefits - Salaries	3,918,951	3,003,338	3,115,497
Staff Development	7,531	43,000	46,218
	<u>4,119,760</u>	<u>3,232,438</u>	<u>3,298,229</u>

6. Administration

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Audit Fee	5,435	4,700	5,235
Board Fees	4,085	6,500	5,225
Board Expenses	15,921	2,000	5,278
Communication	9,293	11,300	13,432
Consumables	37,069	106,600	37,880
Operating Lease	-	12,600	-
Other	16,677	20,300	36,756
Employee Benefits - Salaries	86,805	69,565	83,862
Insurance	16,527	23,000	11,972
Service Providers, Contractors and Consultancy	3,560	3,850	3,710
	<u>195,372</u>	<u>260,415</u>	<u>203,350</u>

7. Property

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Caretaking and Cleaning Consumables	6,856	7,500	8,827
Consultancy and Contract Services	68,189	73,100	60,065
Cyclical Maintenance Provision	48,672	25,000	24,999
Grounds	11,534	16,800	16,644
Heat, Light and Water	34,772	30,500	25,597
Rates	2,085	2,500	1,952
Repairs and Maintenance	70,398	35,500	38,705
Use of Land and Buildings	614,200	748,500	774,209
Security	1,259	2,000	1,291
Employee Benefits - Salaries	99,334	92,114	96,906
	<u>957,299</u>	<u>1,033,514</u>	<u>1,049,195</u>

In 2021, the Ministry of Education revised the notional rent rate from 8% to 5% to align it with the Government Capital Charge rate. This is considered to be a reasonable proxy for the market rental yield on the value of land and buildings used by schools. Accordingly in 2021, the use of land and buildings figure represents 5% of the school's total property value. Property values are established as part of the nation-wide revaluation exercise that is conducted every 30 June for the Ministry of Education's year-end reporting purposes.

8. Cash and Cash Equivalents

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Bank Accounts	305,613	177,678	260,615
Short-term Bank Deposits	-	22,094	-
Cash and cash equivalents for Statement of Cash Flows	<u>305,613</u>	<u>199,772</u>	<u>260,615</u>

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

Of the \$305,613 Cash and Cash Equivalents, \$128,234 is held by the School on behalf of the Ministry of Education. These funds have been provided for the Ministry as part of the school's 5 Year Agreement funding for upgrades to the school's buildings. The funds are required to be spent in 2022 on Crown owned school buildings. B140

Of the \$305,613 Cash and Cash Equivalents, \$49,348 is held by the School on behalf of the RTL cluster. See note 19 for details of how the funding received for the cluster has been spent in the year.

Of the \$305,613 Cash and Cash Equivalents, \$0,000 is held by the School on behalf of the COL cluster. See note 20 for details of how the funding received for the cluster has been spent in the year.

9. Accounts Receivable

	2021	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
Receivables	3,020	147,111	147,111
Interest Receivable	159	314	314
Teacher Salaries Grant Receivable	261,182	171,333	171,333
	<u>264,636</u>	<u>318,758</u>	<u>318,758</u>
Receivables from Exchange Transactions	3,179	147,425	147,425
Receivables from Non-Exchange Transactions	261,457	171,333	171,333
	<u>264,636</u>	<u>318,758</u>	<u>318,758</u>

10. Inventories

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Stationery	1,146	1,348	1,348
School Uniforms	520	873	873
	1,666	2,221	2,221

11. Investments

The School's investment activities are classified as follows:

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Current Asset			
Short-term Bank Deposits	126,256	124,999	147,093
	126,256	124,999	147,093

12. Property, Plant and Equipment

	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
2021						
Building Improvements	237,553	24,790	-	-	(33,037)	229,306
Furniture and Equipment	199,300	116,589	(617)	-	(43,880)	271,392
Information and Communication Technology	79,298	4,714	-	-	(26,232)	57,780
Leased Assets	64,522	37,727	-	-	(37,219)	65,030
Library Resources	22,638	2,636	(1,040)	-	(3,029)	21,205
Balance at 31 December 2021	603,311	186,456	(1,657)	-	(143,397)	644,713

The net carrying value of equipment held under a finance lease is \$40,285 (2020: \$33,655)

The net carrying value of motor vehicles held under a finance lease is \$24,750 (2020: \$30,867)

	2021 Cost or Valuation \$	2021 Accumulated Depreciation \$	2021 Net Book Value \$	2020 Cost or Valuation \$	2020 Accumulated Depreciation \$	2020 Net Book Value \$
Building Improvements	753,764	(524,458)	229,306	728,974	(491,421)	237,553
Furniture and Equipment	775,494	(504,102)	271,392	659,548	(460,248)	199,300
Information and Communication Technology	274,173	(216,393)	57,780	269,459	(190,161)	79,298
Leased Assets	107,592	(42,562)	65,030	95,833	(31,311)	64,522
Library Resources	72,586	(51,381)	21,205	73,319	(50,681)	22,638
Balance at 31 December	1,983,609	(1,338,896)	644,713	1,827,133	(1,223,822)	603,311

13. Accounts Payable

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Creditors	24,989	19,648	19,648
Accruals	5,435	3,475	3,475
Employee Entitlements - Salaries	272,462	173,291	173,291
Employee Entitlements - Leave Accrual	23,310	19,183	19,183
	326,196	215,597	215,597
Payables for Exchange Transactions	326,196	215,597	215,597
	326,196	215,597	215,597

The carrying value of payables approximates their fair value.

14. Revenue Received in Advance

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
International Student Fees in Advance	-	19,118	19,118
Other revenue in Advance	3,137	15,276	10,277
	3,137	34,394	29,395

15. Provision for Cyclical Maintenance

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Provision at the Start of the Year	74,515	74,515	60,288
Increase/ (decrease) to the Provision During the Year	29,807	25,000	24,999
Adjustment to the Provision	18,865	-	-
Use of the Provision During the Year	(7,970)	(30,000)	(10,772)
Provision at the End of the Year	115,217	69,515	74,515
Cyclical Maintenance - Current	6,832	9,234	9,234
Cyclical Maintenance - Term	108,385	60,281	65,281
	115,217	69,515	74,515

16. Painting Contract Liability

	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Due within one year	(13,732)	-	-
	(13,732)	-	-

In 2021 the Board signed an agreement with Programme Maintenance Services Ltd (the contractor) for an agreed programme of work covering an seven year period. The programme provides for an exterior repaint of the Ministry owned buildings in 2021, with regular maintenance in subsequent years. The liability is the best estimate of the actual amount of work performed by the contractor for which the contractor has not been paid at balance sheet date. The liability has not been adjusted for inflation and the effect of the time value of money.

17. 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	34,542	26,671	26,671
Later than One Year and no Later than Five Years	35,850	42,006	42,006
Future Finance Charges	(4,476)	(3,754)	(3,754)
	65,916	64,923	64,923
Represented by:			
Finance lease liability - Current	31,335	24,275	24,275
Finance lease liability - Term	34,581	40,648	40,648
	65,916	64,923	64,923

18. 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:

2021	Opening Balances \$	Receipts from MoE \$	Payments \$	Board Contributions \$	Closing Balances \$
Hall Modernisation	(636,404)	4,595	(69,597)	701,406	-
Jnr Sandpit	28,671	-	(28,671)	-	-
Senior Toilet Canopy	2,309	-	(2,309)	-	-
CCTV Cameras	16,391	-	(16,391)	-	-
New Adventure Playground (SIP)	113,499	50,000	(71,860)	-	91,639
Senior Outdoor Learning	4,336	2,976	(7,312)	-	-
Block F Hall Stage Two (SIP)	81,226	-	(3,634)	(77,592)	-
Totals	(389,972)	57,571	(199,774)	623,814	91,639

Represented by:

Funds Held on Behalf of the Ministry of Education

91,639
91,639

2020	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	\$	\$	\$	\$	\$
Hall Modernisation	408,556	15,317	(1,060,277)	-	(636,404)
Block L Roof/Drinking fountains	-	14,238	(14,238)	-	-
Block M Jnr Boys Toilet & Cloakbay	-	13,112	(13,112)	-	-
Block A Library Air conditioning	-	18,335	(18,335)	-	-
Jnr Sandpit	-	40,500	(11,829)	-	28,671
Senior Toilet Canopy	-	12,688	(10,379)	-	2,309
CCTV Cameras	-	17,519	(1,128)	-	16,391
New Adventure Playground (SIP)	-	117,811	(4,312)	-	113,499
Senior Outdoor Learning	-	27,000	(22,664)	-	4,336
Block F Hall Stage Two (SIP)	-	150,000	(68,774)	-	81,226
Totals	408,556	426,520	(1,225,048)	-	(389,972)

19. Funds for Resource Teachers of Learning and Behaviour Services (RTLB)

Renwick School is the lead school funded by the Ministry of Education to provide the services of Resource Teachers of Learning and Behaviour to its cluster of schools.

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Funds transferred from previous provider	40,085	-	-
<i>Revenue</i>			
Administration Grant	34,083	34,083	-
Learning Support Funding	68,562	68,562	-
Travel Grant	69,953	69,953	-
Other Revenue	3,106	41,823	-
	175,704	214,421	-
Total funds available	215,789	214,421	-
<i>Expenses</i>			
Administration	70,535	87,914	-
Learning Support	71,309	68,562	-
Travel	24,597	141,999	-
	166,441	298,475	-
Funds Held at Year End	49,348	(84,054)	-

20. Funds Held on Behalf of the Piritahi COL Cluster

Renwick School was the lead school and held funds on behalf of the Piritahi COL cluster, a group of schools funded by the Ministry of Education to share professional development. This cluster was transferred during 2020.

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$
Funds Held at Beginning of the Year	-	-	(383)
Funds Received from Cluster Members	-	-	69,656
Funds Received from MoE	-	-	14,000
Funds Spent on Behalf of the Cluster	-	-	(83,273)
Funds Held at Year End	-	-	-

21. 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.

22. Remuneration

Key management personnel compensation

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

	2021 Actual \$	2020 Actual \$
<i>Board Members</i>		
Remuneration	4,085	5,225
<i>Leadership Team</i>		
Remuneration	361,501	374,114
Full-time equivalent members	3.00	3.00
Total key management personnel remuneration	365,586	379,339

There are eight members of the Board excluding the Principal. The Board had held nine full meetings of the Board in the year. The Board also has Finance and Property that meet monthly and quarterly respectively. 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 1

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

	2021 Actual \$000	2020 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	0-1	150-160
Benefits and Other Emoluments	0-0	0-10
Termination Benefits	0-0	0-0

Principal 2

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

	2021 Actual \$000	2020 Actual \$000
Salaries and Other Short-term Employee Benefits:		
Salary and Other Payments	140-150	0-0
Benefits and Other Emoluments	0-0	0-0
Termination Benefits	0-0	0-0

Other Employees

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

Remuneration \$000	2021 FTE Number	2020 FTE Number
100 -110	5.00	2.00
110 -120	1.00	1.00
120 - 130	-	-
	6.00	3.00

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

23. Compensation and Other Benefits Upon Leaving

The total value of compensation or other benefits paid or payable to persons who ceased to be trustees, committee member, 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 Actual \$	2020 Actual \$
Total	-	-
Number of People	-	-

24. 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.

25. Commitments

(a) Capital Commitments

As at 31 December 2021 the Board has entered into the following contract agreements for capital works.

(a) The school contracted for the Hall Modernisation Project several years ago. The Initial cost of this project was estimated to be \$924,869 which the school contracted into with several contractors as agent for the Ministry of Education. This project was to be jointly funded by the Ministry with \$477,198 and New Zealand Lotteries Grant with \$477,671. To date \$1,026,114 has been received and \$1,730,273 has been spent on the project. The Occupancy Use Certificate for the project has yet to be signed off but the balance of \$704,159 (less any MOE funds owing or to be paid) will be a BOT owned asset. The BOT has yet to confirm if this asset will be donated back to the MOE.

(b) The school has contracted for the Hall additional works. The total cost of this project is estimated to be \$150,000 which the school has contracted into with several contractors as agent for the Ministry of Education. The project is fully funded by the Ministry and \$150,000 has been received of which \$63,304 has been spent on the project to balance date. This project has been approved by the Ministry.

(c) The school has contracted for the new Adventure Playground. The total cost of this project is estimated to be \$130,902 which the school has contracted into with several contractors as agent for the Ministry of Education. The project is fully funded by the Ministry and \$117,811 has been received of which \$76,447 has been spent on the project to balance date. This project has been approved by the Ministry.

(Capital commitments in relation to Ministry projects at 31 December 2020: \$1,164,596)

(b) Operating Commitments

As at 31 December 2021 the Board has not entered into any operating contracts.

(Operating commitments at 31 December 2020: nil)

26. 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	2021	2020
	Actual	Budget	Actual
	\$	(Unaudited)	\$
		\$	
Cash and Cash Equivalents	305,613	199,772	260,615
Receivables	264,636	318,758	318,758
Investments - Term Deposits	126,256	124,999	147,093
Total Financial assets measured at amortised cost	<u>696,505</u>	<u>643,529</u>	<u>726,466</u>

Financial liabilities measured at amortised cost

Payables	326,196	215,597	215,597
Finance Leases	65,916	64,923	64,923
Painting Contract Liability	(13,732)	-	-
Total Financial liabilities measured at amortised Cost	<u>378,380</u>	<u>280,520</u>	<u>280,520</u>

27. Events After Balance Date

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

28. Comparatives

There have been a number of prior period comparatives which have been reclassified to make disclosure consistent with the current year.

29. 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 June 2021, the Wellington region was placed into alert level 2 for one week.

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.

However, 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. We describe below the possible effects on the school that we have identified, resulting from the ongoing impacts of the COVID-19 alert level changes.

Reduction in locally raised funds

Under alert levels 4,3, and 2 the school's ability to undertake fund raising events in the community and/ or collect donations or other contributions from parents, may have been compromised. Costs already incurred arranging future events may not be recoverable.

Increased Remote learning additional costs

Under alert levels 4 and 3 ensuring that students have the ability to undertake remote or distance learning often incurs additional costs in the supply of materials and devices to students to enable alternative methods of curriculum delivery.