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LIMEHILLS SCHOOL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

School Directory

Ministry Number:	3975
Principal:	Jim Turrell
School Address:	State Highway 6, Limehills
School Postal Address:	State Highway 6, Limehills 9783
School Phone:	03 236 0772
School Email:	office@limehills.school.nz

Accountant / Service Provider:

EDUCATION FINANCE
www.educationfinance.co.nz

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LIMEHILLS SCHOOL

Annual Report - For the year ended 31 December 2021

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	Board of Trustees

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Limehills 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.

Anna Howard	Katrina Thompson
Full Name of Presiding Member	Full Name of Principal
Anna Howard	Katrina Thompson
Signature of Presiding Member	Signature of Principal
30-May-2022	24-May-2022
Date:	Date:

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Limehills 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	1,651,240	1,263,356	1,543,483
Locally Raised Funds	3	180,694	159,250	190,440
Interest Income		2,324	3,000	5,348
		1,834,258	1,425,606	1,739,271
Expenses				
Locally Raised Funds	3	111,858	89,350	84,209
Learning Resources	4	1,185,758	882,717	1,060,665
Administration	5	139,017	118,550	117,192
Finance		2,548	-	2,159
Property	6	327,970	295,850	415,953
Depreciation	11	52,427	42,500	55,887
		1,819,578	1,428,967	1,736,065
Net Surplus / (Deficit) for the year		14,680	(3,361)	3,206
Other Comprehensive Revenue and Expense		-	-	-
Total Comprehensive Revenue and Expense for the Year		14,680	(3,361)	3,206

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

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Limehills 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		569,159	569,159	558,378
Total comprehensive revenue and expense for the year		14,680	(3,361)	3,206
Capital Contributions from the Ministry of Education				
Contribution - Furniture and Equipment Grant		-	-	7,575
Equity at 31 December		583,839	565,798	569,159
Retained Earnings		583,839	565,798	569,159
Reserves		-	-	-
Equity at 31 December		583,839	565,798	569,159

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.

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Limehills 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	208,547	62,479	43,340
Accounts Receivable	8	409,814	82,648	82,648
Prepayments		4,730	-	-
Inventories	9	5,466	4,542	4,542
Investments	10	152,106	250,000	250,000
		780,663	399,669	380,530
Current Liabilities				
GST Payable		42,374	8,617	8,617
Accounts Payable	12	151,881	100,841	100,841
Provision for Cyclical Maintenance	13	14,100	12,337	12,337
Finance Lease Liability	14	8,763	7,070	7,070
Funds held for Capital Works Projects	15	259,215	-	-
		476,333	128,865	128,865
Working Capital Surplus/(Deficit)		304,330	270,804	251,665
Non-current Assets				
Property, Plant and Equipment	11	339,182	349,080	371,580
		339,182	349,080	371,580
Non-current Liabilities				
Provision for Cyclical Maintenance	13	46,529	36,643	36,643
Finance Lease Liability	14	13,144	17,443	17,443
		59,673	54,086	54,086
Net Assets		583,839	565,798	569,159
Equity		583,839	565,798	569,159

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

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Limehills 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		366,234	331,356	327,223
Locally Raised Funds		180,694	159,250	178,818
Goods and Services Tax (net)		33,757	-	(7,408)
Payments to Employees		(220,994)	(200,817)	(190,883)
Payments to Suppliers		(278,734)	(253,650)	(263,720)
Interest Paid		(2,548)	-	(2,159)
Interest Received		2,324	3,000	5,946
Net cash from/(to) Operating Activities		80,733	39,139	47,817
Cash flows from Investing Activities				
Purchase of Property Plant & Equipment		(14,071)	(20,000)	(22,497)
Purchase of Investments		(2,106)	-	(1,520)
Proceeds from Sale of Investments		100,000	-	10,000
Net cash from/(to) Investing Activities		83,823	(20,000)	(14,017)
Cash flows from Financing Activities				
Furniture and Equipment Grant		-	-	7,575
Finance Lease Payments		(8,564)	-	(8,585)
Funds Administered on Behalf of Third Parties		9,215	-	-
Net cash from/(to) Financing Activities		651	-	(1,010)
Net increase/(decrease) in cash and cash equivalents		165,207	19,139	32,790
Cash and cash equivalents at the beginning of the year	7	43,340	43,340	10,550
Cash and cash equivalents at the end of the year	7	208,547	62,479	43,340

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.

Limehills School
Notes to the Financial Statements
For the year ended 31 December 2021

1. Statement of Accounting Policies

a) Reporting Entity
Limehills 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 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 13.

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 11.

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 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.

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.

h) 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.

i) 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.

j) 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	20–50 years
Furniture and equipment	5–10 years
Information and communication technology	5 years
Leased assets held under a Finance Lease	Term of Lease
Library resources	12.5% Diminishing value

k) 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.

l) 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.

m) 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

n) 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.

o) 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.

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.

r) 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	329,691	309,657	307,025
Teachers' Salaries Grants	1,044,406	720,000	900,964
Use of Land and Buildings Grants	238,150	212,000	307,075
Other MoE Grants	37,945	18,500	28,419
Other Government Grants	1,048	3,199	-
	1,651,240	1,263,356	1,543,483

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	14,543	30,000	50,136
Fees for Extra Curricular Activities	60,238	60,600	48,855
Trading	13,392	21,800	25,975
Fundraising & Community Grants	39,066	500	14,369
Other Revenue	53,455	46,350	51,105
	180,694	159,250	190,440
Expenses			
Extra Curricular Activities Costs	58,953	61,100	46,969
Trading	8,876	11,000	14,114
Fundraising and Community Grant Costs	30,561	500	7,789
Other Locally Raised Funds Expenditure	13,468	16,750	15,337
	111,858	89,350	84,209
Surplus for the year Locally raised funds	68,836	69,900	106,231

4. Learning Resources

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	$	$	$
Curricular	26,035	30,200	26,600
Employee Benefits - Salaries	1,154,299	846,017	1,027,208
Staff Development	5,424	6,500	6,857
	1,185,758	882,717	1,060,665

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5. Administration

	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Audit Fee	5,095	3,800	3,777
Board Fees	2,630	3,000	2,540
Board Expenses	6,767	3,000	4,065
Communication	2,014	3,000	2,921
Consumables	14,315	10,000	10,420
Operating Lease	4,598	4,200	4,185
Other	25,557	18,000	23,972
Employee Benefits - Salaries	69,110	65,800	57,589
Insurance	5,431	5,250	5,223
Service Providers, Contractors and Consultancy	3,500	2,500	2,500
	139,017	118,550	117,192

6. Property

	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Caretaking and Cleaning Consumables	4,247	2,500	4,344
Consultancy and Contract Services	20,809	17,000	16,925
Cyclical Maintenance Provision	11,649	5,000	17,618
Grounds	9,719	10,000	7,733
Heat, Light and Water	24,820	21,000	22,601
Rates	904	1,200	902
Repairs and Maintenance	10,304	17,000	30,541
Use of Land and Buildings	238,150	212,000	307,075
Security	420	1,150	1,164
Employee Benefits - Salaries	6,948	9,000	7,050
	327,970	295,850	415,953

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.

7. Cash and Cash Equivalents

	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Bank Accounts	208,547	62,479	43,340
Cash and cash equivalents for Statement of Cash Flows	208,547	62,479	43,340

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	8,166	11,622	11,622
Receivables from the Ministry of Education	287,500	-	-
Banking Staffing Underuse	35,050	-	-
Teacher Salaries Grant Receivable	79,098	71,026	71,026
	409,814	82,648	82,648
Receivables from Exchange Transactions	8,166	11,622	11,622
Receivables from Non-Exchange Transactions	401,648	71,026	71,026
	409,814	82,648	82,648

9. Inventories

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	$	$	$
Stationery	2,052	1,327	1,327
School Uniforms	1,414	965	965
Canteen	2,000	2,250	2,250
	5,466	4,542	4,542

10. Investments

The School's investment activities are classified as follows:

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
Current Asset	$	$	$
Short-term Bank Deposits	152,106	250,000	250,000
Total Investments	152,106	250,000	250,000

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11. Property, Plant and Equipment

2021	Opening Balance (NBV) $	Additions $	Disposals $	Impairment $	Depreciation $	Total (NBV) $
Building Improvements	264,831	-	-	-	(19,608)	**245,223**
Furniture and Equipment	44,026	2,330	-	-	(10,290)	**36,066**
Information and Communication Technology	23,587	9,352	-	-	(9,446)	**23,493**
Leased Assets	24,637	5,958	-	-	(11,246)	**19,349**
Library Resources	14,499	2,389	-	-	(1,837)	**15,051**
Balance at 31 December 2021	371,580	20,029	-	-	(52,427)	**339,182**

The net carrying value of equipment held under a finance lease is $19,349 (2020: $24,637)

	2021 Cost or Valuation $	2021 Accumulated Depreciation $	2021 Net Book Value $	2020 Cost or Valuation $	2020 Accumulated Depreciation $	2020 Net Book Value $
Building Improvements	532,087	(286,864)	**245,223**	535,335	(270,504)	**264,831**
Furniture and Equipment	125,440	(89,374)	**36,066**	128,516	(84,490)	**44,026**
Information and Communication T	92,128	(68,635)	**23,493**	108,494	(84,907)	**23,587**
Leased Assets	45,359	(26,010)	**19,349**	49,424	(24,787)	**24,637**
Library Resources	68,836	(53,785)	**15,051**	66,447	(51,948)	**14,499**
Balance at 31 December	863,850	(524,668)	**339,182**	888,216	(516,636)	**371,580**

12. Accounts Payable

	2021 Actual $	2021 Budget (Unaudited) $	2020 Actual $
Creditors	61,052	15,615	15,615
Accruals	8,555	6,500	6,500
Banking Staffing Overuse	-	5,688	5,688
Employee Entitlements - Salaries	79,098	71,026	71,026
Employee Entitlements - Leave Accrual	3,176	2,012	2,012
	151,881	100,841	100,841
Payables for Exchange Transactions	151,881	100,841	100,841
	151,881	100,841	100,841

The carrying value of payables approximates their fair value.

13. Provision for Cyclical Maintenance

	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	$	$	$
Provision at the Start of the Year	48,980	48,980	31,362
Increase/ (decrease) to the Provision During the Year	11,649	5,000	11,648
Adjustment to the Provision	-	-	5,970
Use of the Provision During the Year	-	(5,000)	-
Provision at the End of the Year	60,629	48,980	48,980
Cyclical Maintenance - Current	14,100	12,337	12,337
Cyclical Maintenance - Term	46,529	36,643	36,643
	60,629	48,980	48,980

14. 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	8,763	7,070	7,070
Later than One Year and no Later than Five Years	13,144	17,443	17,443
Future Finance Charges	-	-	-
	21,907	24,513	24,513
Represented by			
Finance lease liability - Current	8,763	7,070	7,070
Finance lease liability - Term	13,144	17,443	17,443
	21,907	24,513	24,513

15. 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. The amount of cash held on behalf of the Ministry for capital works project is included in Cash and Cash Equivalents note 7.

2021	Opening Balances	Receipts from MoE	Payments	Board Contributions	Closing Balances
	$	$	$	$	$
Breakout Space, LSC Office, Library	-	316,872	66,456	-	250,416
Fence Replacement	-	198,000	189,201	-	8,799
Totals	-	514,872	255,657	-	259,215

Represented by:

Funds Held on Behalf of the Ministry of Education	259,215
Funds Due from the Ministry of Education	-
	259,215

2020	Opening Balances $	Receipts from MoE $	Payments $	Board Contributions $	Closing Balances $
Water Bore Replacement	98,365	-	98,365	-	-
Totals	98,365	-	98,365	-	-

16. 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.

17. 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 $
Board Members		
Remuneration	2,630	2,540
Leadership Team		
Remuneration	228,116	138,193
Full-time equivalent members	2.0	1.0
Total key management personnel remuneration	230,746	140,733

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 property and finance and appointment of a new principal.

Principal 1
The total value of remuneration paid or payable to the Principal was in the following bands:

Salaries and Other Short-term Employee Benefits:	2021 Actual $000	2020 Actual $000
Salary and Other Payments	120-130	130-140
Benefits and Other Emoluments	-	2-3
Termination Benefits	-	-

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	-	-
	0.00	0.00

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

18. 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 Actual	2020 Actual
Total	-	-
Number of People	-	-

19. Contingencies

There are no contingent liabilities 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.

20. Commitments

(a) Capital Commitments

As at 31 December 2021 the Board has entered into contract agreements for capital works as follows:

(a) Contract for Breakout Space, Library, Office to be completed in 2022, which will be partially funded by the Ministry of Education. The school have been granted approval by MOE to Contibute up to $88,274 to the project. $66,872 has been received of which $66,456 has been spent on the project to date;

(Capital commitments at 31 December 2020: $Nil)

(b) Operating Commitments

As at 31 December 2021 there are no operating commitments. (2020:Nil)

21. 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	208,547	62,479	43,340
Receivables	409,814	82,648	82,648
Investments - Term Deposits	152,106	250,000	250,000
Total Financial assets measured at amortised cost	770,467	395,127	375,988

Financial liabilities measured at amortised cost

Payables	151,881	100,841	100,841
Finance Leases	21,907	24,513	24,513
Total Financial Liabilities Measured at Amortised Cost	173,788	125,354	125,354

22. Events After Balance Date

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

23. 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.

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.

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MINISTRY OF EDUCATION
TE TĀHUHU O TE MĀTAURANGA

Analysis of Variance Reporting

School Name:	Limehills School	School Number:	3975

Strategic Aim:	To increase and raise the overall wellbeing and hauora of Senior students at Limehills School. To equip them with transferable tools to regulate their emotions and become more self aware.
Annual Aim:	To have all students build a self awareness of emotional resilience and transfer tools and strategies equipping themselves for the future.
Target:	Students in Year 7 and 8 will develop greater positivity with regard to their confidence, self esteem, relationships with others, and their feelings toward school. Year 7 students 12 (M) 14 (F) Maori students 7 Pasifika students 0 Year 8 students 7 (M) 11 (F) Maori students 3 Pasifika students 1
Baseline Data:	Wellness programme information; Student voice; teacher Observation Observational and incidental data to be gathered and analysed in term 1 and revisited in end of year 2021
Results 2021	**Anecdotal feedback from Facilitator and staff:** • Students were all engaged and participated in weekly well being lessons with a positive attitude. • Welcoming facilitator and showed a high level of respect. • Massive difference with the level of contributing and participation in all tasks throughout the program. • Students confidently started using terminology and language from the feelings wheel in everyday life. • Weaving Wellness is sowing seeds/ techniques and strategies when they are young adults will be better equipped to deal with challenging situations. • Senior students started to transfer their skills using their knowledge/strategies to calm junior students during play/lunchtime or tukana/Teina time.

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Parent/student voice and feedback (Source: Term 1 student reflections; Learning Korero)

"I use my breathing exercises at night time to get to sleep."

"Sometimes I do elevator breathing when I am nervous for a rugby game."

"My daughter took herself away at the National Gymnastics Championships and did some breathing exercises to calm her nerves."

A teacher from Dipton came up to us confused at Cross Country and asked why our Limehills students were in a circle breathing before the race. One of the Year 8 students had suggested that since they were all nervous about the race they should step aside and do elevator breathing before the race started. It did raise some eyebrows!

"I have started asking my daughter what her 10/10 moment is after school, she comes home each afternoon with a big smile on her face waiting for me to ask."

It's our pleasure at PowerNet to be able to partner with St John and give your awesome students some tools to navigate life's ups and downs. Your students were really engaged, polite and kind natured. I was very impressed by them, the Lime Hill's school teachers and (Board chair).

Student voice December 2021

- "Mana - Mitey & how it represents our pride when we do our haka, represents Limehills and how we act."
- "I've learnt about the Growth Mindset and it has become a really important part of Limehills."
- "Weaving wellness was important because we learnt how to handle situations about how other people might be feeling."
- "We have been able to manage our feelings and self-regulate."

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Actions ***What did we do?***	**Outcomes** ***What happened?***	**Reasons for the variance** ***Why did it happen?***	**Evaluation** ***Where to next?***
1. Weaving Wellness information to be used to identify issues to be addressed to support great student wellbeing.	Y7 and 8 teachers shared an overview of each session with staff. Individual well-being monitored through a daily 'Check-in' system.	Teachers observed that students are much more adept at describing feelings and emotions, and being able to describe and use strategies for wellbeing and self-management.	Year 7 class will be completing Weaving Wellness in term 1 2022. Still considering if it is beneficial for 2022 Year 8 students to complete the program again.
2. Staff and Weaving Wellness facilitator will collaborate to design/adapt strategies to promote wellbeing aligning with issues identified.	Mitey Programme (John Kirwin Foundation) initiated through support from Mitey coach. Staffing allocated for in-school leadership to support the implementation of Mitey across the school.	The school now has a programme in place to be able to support students with life-long tools for positive wellbeing at a preventative level, rather that reactively dealing with issues (ambulance at bottom of cliff).	
3. Specific strategies put in place for children 'at risk' of sustained low wellbeing, and closely monitored through regular 'check-ins'.	Holistic approach from teachers in each class to monitor student wellbeing. Check in systems, restorative conversations and strategies for target students. SENCO monitors students who are 'at risk' with support from LSC, RTLB, ROK on initiative and regular conversations with teachers.	Teacher observation and student voice points to lower anxiety levels, 'at risk' students better able to self-regulate their emotions, and greater empathy between students.	
4. Teachers will communicate frequently with parents of these priority students.	Regular communication through phone calls and seesaw. Parents have been appreciative of the level of communication this year. Parents have commented about being well informed. This has also allowed teachers to communicate with Parents to create a bigger picture for the students' wellbeing.	Teachers have seen instances where student anxiety level issues are less frequent and intense,through a greater 'team' approach to their wellbeing.	Mitey Wellbeing programme implementation to progress further in 2022, with support from Coach. One of the school foci for 2022 staff development.

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5. Life Education classroom visit to focus specifically on Wellbeing.	Cancelled due to Covid.	Cancelled due to Covid.	Cancelled due to Covid.
6. Public Health South Sexuality Ed Teacher to consult with board, community, lead PLD session with staff, and teach sessions with Years 5-8 children, to help them understand changes at puberty (which is aligned with both physical and mental wellbeing).	The new Health and Sexuality curriculum aligns with Mitey concepts. Consultation was carried out, parent information sessions held, and programmes implemented through Public health South educators.	Children have greater knowledge and understanding about how their bodies change, compared with previous years with minimal education in this area.	Will continue to work with Evelyn Mann in 2022 and Wellsouth. Feedback from Sexuality Evening was positive.
7. Staff Wellbeing PLD session. New understandings and learnings will not only benefit one's own wellbeing, but help with tools to promote student wellbeing, e.g. strategies to use within everyday classroom routines.	Regular check in of staff wellbeing incidentally throughout the day or scheduled in team meetings. If staff require further support we can access this through external agencies.	There are now planned and deliberate strategies for maintaining and fostering staff wellbeing .	
8. Attending Mental Health Professional Development for adults.	Sr Syndicate Leader and Lead Wellbeing Teacher to feedback to staff after PD.	Greater staff knowledge and capability in this area.	Will continue in the future especially with the current climate.

Planning for next year: We plan to continue to have wellbeing as a sub focus for 2022. The successful programs and approach from 2021 will continue to be implemented school wide. This will include the Mitey approach from the John Kirwan Foundation. A current staff member has recently been appointed a Mitey Coach, so will remain leading PLD with our school for 2 terms. This approach is being implemented school wide

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following the Mitey curriculum outcomes. We will also ensure that staff wellbeing is a focus using some strategies from experts we connected with in 2021, including Jason Mckenzie from the Southland Sports Academy. The 2022 Year 7 group will complete Weaving Wellness in 2022 with a St John Facilitator. We are very fortunate that Mitey, Wellness South program and the Health and Physical Education curriculum have components of Sexuality Education which will benefit the Senior Students in the future. We will have Evelyn Mann (Well South) deliver this program again in 2022 as it was successful with students, staff and our community last year.

Based on our mid and end of year data from 2021 we will embark on a Structured Literacy journey to improve reading, writing, spelling and oral language outcomes school wide.

The board will continue to support both foci points for 2022, which is continuation of the Mitey program and the PLD for staff in 2022 to enhance the wellbeing of staff and students. These aims will be achieved through the Weaving Wellness program.
The board is committed to financially investing in Structure Literacy resources to enhance student learning opportunities and outcomes.

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Kiwi Sport

Kiwi Sport is a Government funding initiative to support students' participation in organised sport. In 2021, the school received total Kiwi Sport funding of $3,199.93 (excluding GST).

Central Southland Schools, including Limehills combined their Kiwisport funding and employed a 'Sports Coordinator'. Her position was funded by our Kiwisport funding. The main purpose of her role was to coordinate sports team, co-organise local cluster events, holiday programmes and tournaments, coordinate visits from RSOs, and providing a sports calendar for schools. The remaining Kiwi sport funding was used to purchase sporting equipment and subsidise sporting activities or events.

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BOARD OF TRUSTEES MEMBERS
As at 31 December 2021

Name	Position	How position on board gained	Occupation	Term Expires
Anna Howard	Chairperson	Re-elected May 2019	Mother and Funding Advisor	May 2022
Andrew Watson	Acting Principal	Appointed Jan 2021	Principal	Dec 2021
Jim Turrell	Principal (on leave)	Re-appointed May 2019	Principal	May 2022
Kerri Brand	Staff Rep	Elected May 2019	Teacher	May 2022
Amber Mitchell	Parent Rep	Re-elected May 2019	Teacher	May 2022
Aaron Gill	Parent Rep	Re-elected May 2019	General Manager and Farmer	May 2022
Chris Cairns	Parent Rep	Elected December 2020	Farmer	Dec 2023
Anna Pulley	Parent Rep	Elected December 2020	AB Technician / Sheep Scanner	Dec 2023

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INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF LIMEHILLS SCHOOL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

The Auditor-General is the auditor of Limehills School (the School). The Auditor-General has appointed me, Aaron Higham, using the staff and resources of BDO Invercargill, to carry out the audit of the financial statements of the School on his behalf.

Opinion

We have audited the financial statements of the School on pages 2 to 19, that comprise the statement of financial position as at 31 December 2021, the statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion the financial statements of the School:

- present fairly, in all material respects:
    - its financial position as at 31 December 2021; and
    - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Sector – Public Benefit Entity Standards, Reduced Disclosure Regime.

Our audit was completed on 30 May 2022. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board for the financial statements

The Board is responsible on behalf of the School for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

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The Board is responsible for such internal control as it determines is necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to close or merge the School, or there is no realistic alternative but to do so.

The Board's responsibilities, in terms of the requirements of the Education and Training Act 2020, arise from section 87 of the Education Act 1989.

Responsibilities of the auditor for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

For the budget information reported in the financial statements, our procedures were limited to checking that the information agreed to the School's approved budget.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

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Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the School to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- We assess the risk of material misstatement arising from the school payroll system, which may still contain errors. As a result, we carried out procedures to minimise the risk of material errors arising from the system that, in our judgement, would likely influence readers' overall understanding of the financial statements

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arises from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the Analysis of Variance, Kiwisport paragraph and Board of Trustees Members information included on pages 20 to 26, but does not include the financial statements, and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

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

Independence

We are independent of the School in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with or interests in the School.

Aaron Higham
BDO Invercargill
On behalf of the Auditor-General
Invercargill, New Zealand

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