

One Tree Hill College

Group Annual Report for the year ended 31 December 2021

Ministry Number:	85
Principal:	Nicholas Coughlan
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Service Provider:	Edtech Financial Services Ltd

ONE TREE HILL COLLEGE

Members of the Board

For the year ended 31 December 2021

Name	Position	How position on Board gained	Term expired/expires
Guptill, Max	Presiding Member	Re-elected June 19	June 2022
Coughlan, Nicholas	Principal		
McKnight, Rob	Deputy Chair	Re-elected June 19	June 2022
Anderson, Derek	Parent Rep	Re-elected June 19	June 2022
Fehoko, Edmond	Parent Rep	Elected June 19	June 2022
Felton, Alison	Parent Rep	Co-opted June 19	June 2022
Leadbetter, Mark	Parent Rep	Re-elected June 19	June 2022
Whata, Stan	Parent Rep	Co-opted June 19	June 2022
Crawford, Ann	Staff Rep	Re-elected June 19	June 2022
Fifita, Masina	Student Rep	Elected Sept 20	September 22
Nicholls, Felix	Student Rep	Elected Sept 20	September 22

One Tree Hill College

Group Annual Report

For the year ended 31 December 2021

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One Tree Hill College
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 consolidated 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 consolidated 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 consolidated financial statements are authorised for issue by the Board.

Max GAPTILL

Full Name of Presiding Member



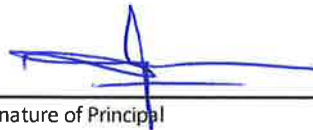
Signature of Presiding Member

26/5/22

Date:

N. COUGHLAN
PRINCIPAL

Full Name of Principal



Signature of Principal

26 MAY 2022

Date:

One Tree Hill College

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2021

	Notes	2021 Actual \$	School 2021 Budget (Unaudited) \$	2020 Actual \$	2021 Actual \$	Group 2021 Budget (Unaudited) \$	2020 Actual \$
Revenue							
Government Grants	2	13,662,450	12,986,894	13,716,276	13,662,450	12,986,894	13,716,276
Locally Raised Funds	3	545,053	680,870	583,467	630,031	680,870	700,467
Interest Earned		12,630	20,000	32,107	12,664	20,000	32,194
Gain on Sale of Property, Plant and Equipment		89,508	-	73,647	(150)	-	16,173
International Students	4	148,959	166,275	276,119	148,959	166,275	276,119
Total Revenue		14,458,600	13,854,039	14,681,616	14,453,954	13,854,039	14,741,229
Expenses							
Locally Raised Funds	3	312,730	144,200	193,103	312,730	144,200	193,103
International Students	4	170,779	160,500	234,546	170,779	160,500	234,546
Learning Resources	5	9,244,448	8,483,550	8,833,975	9,244,448	8,483,550	8,833,975
Administration	6	686,811	744,980	608,717	686,855	744,980	608,762
Finance Costs		36,665	25,000	29,427	36,665	25,000	29,427
Property	7	3,225,770	4,138,173	4,046,159	3,225,770	4,138,173	4,046,159
Depreciation	12	470,442	360,000	423,687	470,442	360,000	423,687
Loss on Disposal of Property, Plant and Equipment		(130)	-	508	(130)	-	508
Total Expenses		14,147,515	14,056,403	14,370,122	14,147,559	14,056,403	14,370,167
Net Surplus / (Deficit) for the year		311,085	(202,364)	311,494	306,395	(202,364)	371,062
Other Comprehensive Revenue and Expenses		-	-	-	-	-	-
Total Comprehensive Revenue and Expense for the Year		311,085	(202,364)	311,494	306,395	(202,364)	371,062

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

One Tree Hill College

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2021

Notes	2021	School	2020	2021	Group	2020
	Actual	2021	Actual	Actual	2021	Actual
	\$	Budget (Unaudited) \$	\$	\$	Budget (Unaudited) \$	\$
Equity at 1 January	2,425,890	2,425,890	2,066,661	2,578,352	2,425,890	2,159,555
Total comprehensive revenue and expense for the year	311,085	(202,364)	311,494	306,395	(202,364)	371,062
Capital Contributions from the Ministry of Education						
Contribution - Furniture and Equipment Grant	-	-	47,735	-	-	47,735
Equity at 31 December	2,736,975	2,223,526	2,425,890	2,884,747	2,223,526	2,578,352
Retained Earnings	2,736,975	2,223,526	2,425,890	2,884,747	2,223,526	2,578,352
Equity at 31 December	2,736,975	2,223,526	2,425,890	2,884,747	2,223,526	2,578,352

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

One Tree Hill College

Statement of Financial Position

As at 31 December 2021

		2021	School 2021	2020	2021	Group 2021	2020
	Notes	Actual	Budget (Unaudited)	Actual	Actual	Budget (Unaudited)	Actual
		\$	\$	\$	\$	\$	\$
Current Assets							
Cash and Cash Equivalents	8	807,347	365,400	1,029,829	844,361	365,400	1,123,962
Accounts Receivable	9	840,272	568,500	552,716	840,272	568,500	552,716
GST Receivable		20,322	80,000	91,142	20,322	80,000	89,759
Prepayments		6,136	8,000	8,322	6,136	8,000	8,322
Inventories	10	10,106	-	-	10,106	-	-
Investments	11	1,336,994	1,200,000	1,168,945	1,336,994	1,200,000	1,168,945
		3,021,177	2,221,900	2,850,954	3,058,191	2,221,900	2,943,704
Current Liabilities							
Accounts Payable	13	998,062	1,295,238	1,120,101	998,062	1,295,238	1,109,501
Revenue Received in Advance	14	374,893	-	572,886	374,893	-	572,886
Provision for Cyclical Maintenance	15	141,927	110,000	99,861	141,927	110,000	99,861
Finance Lease Liability - Current Portion	16	157,551	75,000	73,972	157,551	75,000	73,972
Funds held for Capital Works Projects	17	175,584	150,000	158,221	175,584	150,000	158,221
		1,848,017	1,630,238	2,025,041	1,848,017	1,630,238	2,014,441
Working Capital Surplus		1,173,160	591,662	825,913	1,210,174	591,662	929,263
Non-current Assets							
Property, Plant and Equipment	12	2,114,683	2,191,864	2,191,864	2,225,441	2,191,864	2,240,976
		2,114,683	2,191,864	2,191,864	2,225,441	2,191,864	2,240,976
Non-current Liabilities							
Provision for Cyclical Maintenance	15	354,072	400,000	428,855	354,072	400,000	428,855
Finance Lease Liability	16	196,796	160,000	163,032	196,796	160,000	163,032
		550,868	560,000	591,887	550,868	560,000	591,887
Net Assets		2,736,975	2,223,526	2,425,890	2,884,747	2,223,526	2,578,352
Equity							
Accumulated surplus	22	2,736,975	2,223,526	2,425,890	2,884,747	2,223,526	2,578,352
Total Equity		2,736,975	2,223,526	2,425,890	2,884,747	2,223,526	2,578,352

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

Statement of Cash Flows

For the year ended 31 December 2021

Note	2021 Actual	School 2021 Budget (Unaudited)	2020 Actual	2021 Actual	Group 2021 Budget (Unaudited)	2020 Actual	
	\$	\$	\$	\$	\$	\$	
Cash flows from Operating Activities							
Government Grants	3,650,045	3,242,254	3,417,879	3,650,045	3,242,254	3,417,879	
Locally Raised Funds	310,285	375,870	650,066	395,263	375,870	767,066	
International Students	70,318	1,275	238,260	70,318	1,275	238,260	
Goods and Services Tax (net)	70,821	(15,000)	(7,382)	69,438	(15,000)	(5,999)	
Payments to Employees	(1,683,853)	(1,549,793)	(1,502,401)	(1,683,852)	(1,549,793)	(1,502,401)	
Payments to Suppliers	(2,428,878)	(1,830,622)	(1,775,803)	(2,418,322)	(1,830,622)	(1,786,448)	
Interest Paid	(36,665)	(25,000)	(29,427)	(36,665)	(25,000)	(29,427)	
Interest Received	12,419	23,500	36,031	12,453	23,500	36,118	
Net cash from / (to) the Operating Activities	(35,508)	222,484	1,027,223	58,678	222,484	1,135,048	
Cash flows from Investing Activities							
Proceeds from Sale of Property Plant and Equipment (and Intangibles)	89,637	-	(443,903)	-	-	(443,903)	
Purchase of Property Plant and Equipment (and Intangibles)	30,486	(663,691)	(74,930)	(31,182)	(663,691)	(74,930)	
Sale/(Purchase) of Investments	(168,049)	(200,000)	81,217	(168,049)	(200,000)	16,173	
Net cash from / (to) the Investing Activities	(47,926)	(863,691)	(437,616)	(199,231)	(863,691)	(502,660)	
Cash flows from Financing Activities							
Furniture and Equipment Grant	-	-	47,735	-	-	47,735	
Finance Lease Payments	(156,409)	197	(177,291)	(156,409)	197	(177,291)	
Funds Administered on Behalf of Third Parties	17,361	150,000	(26,593)	17,361	150,000	(26,593)	
Net cash from Financing Activities	(139,048)	150,197	(156,149)	(139,048)	150,197	(156,149)	
Net increase/(decrease) in cash and cash equivalents	(222,482)	(491,010)	433,458	(279,601)	(491,010)	476,239	
Cash and cash equivalents at the beginning of the year	8	1,029,829	856,410	596,371	1,123,962	856,410	647,723
Cash and cash equivalents at the end of the year	8	807,347	365,400	1,029,829	844,361	365,400	1,123,962

The Consolidated 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 omitted.

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

One Tree Hill College

Notes to the Financial Statements

For the year ended 31 December 2021

1. Statement of Accounting Policies

Reporting Entity

One Tree Hill College (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 One Tree Hill College Group (the Group) consists of One Tree Hill College (the School) and its controlled entity, One Tree Hill College Art Trust (the Trust).

The School's subsidiary is incorporated and domiciled in New Zealand.

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

Basis of Consolidation

The group financial statements are prepared by adding together like items of assets, liabilities, equity, revenue, expenses, and cash flows of entities in the group on a line-by-line basis. All intra-group balances, transactions, revenue and expenses are eliminated on consolidation.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed, or has rights, to variable benefits from its involvement with the other entity and has the ability to affect the nature or amount of those benefits through its power over the other entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in surplus or deficit. Any interest retained in the former subsidiary is measured at fair value when control is lost.

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 consolidated 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 Group 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 Group qualifies for Tier 2 as the Group 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 consolidated financial statements are prepared on the historical cost basis unless otherwise noted in a specific accounting policy.

Presentation Currency

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

One Tree Hill College

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

Specific Accounting Policies

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

Critical Accounting Estimates And Assumptions

The preparation of consolidated 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 Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting date. The Group 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.

Consolidation of entities

The Group consolidates entities based on whether the School has established control of the subsidiary. The subsidiaries which are controlled are disclosed at note 25.

Revenue Recognition

Government Grants

The Group 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 Group 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 Group has the rights to the funding in the salary period they relate to. The grants are not received in cash by the Group 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 Group 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.

One Tree Hill College

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

Donations, Gifts and Bequests

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

Interest Revenue

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

Operating Lease Payments

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

Finance Lease Payments

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

Cash and Cash Equivalents

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

Accounts Receivable

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

Inventories

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

Investments

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

Equity investments are designated at initial recognition at fair value through other comprehensive revenue and expense. They are initially measured at fair value plus transaction costs. They are subsequently measured at their fair value with gains and losses recognised in other comprehensive revenue and expense. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred within equity to accumulated surplus/(deficit).

The Group has met the requirements of Section 154 (2)(b)(ii) of the Education and Training Act 2020 in relation to the acquisition of investment securities.

Property, Plant and Equipment

Land and buildings owned by the Crown are excluded from these consolidated 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.

Property, plant and equipment acquired with individual values under \$1,000 are not capitalised, they are recognised as an expense in the Consolidated Statement of Comprehensive Revenue and Expense.

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 Consolidated Statement of Comprehensive Revenue and Expense.

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

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 Consolidated Statement of Comprehensive Revenue and Expense.

The estimated useful lives of the assets are:

Building improvements to Crown owned assets	10-75 years
Board owned buildings	10 years
Furniture and equipment	10–15 years
Information and communication technology	4-5 years
Motor vehicles	10 years
Art Prints	Nil
Leased assets held under a Finance Lease	Term of lease
Library resources	12.5% Diminishing value

Impairment of property, plant, and equipment and intangible assets

The Group 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.

Accounts Payable

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

Employee Entitlements

Short-term employee entitlements

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

Long-term employee entitlements

Employee benefits that are 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.

One Tree Hill College

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

Revenue Received in Advance

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

The Group holds sufficient funds to enable the refund of unearned fees in relation to the above revenue received in advance, should the Group be unable to provide the services to which they relate.

Funds Held in Trust

Funds are held in trust where they have been received by the Group for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Consolidated Statement of Revenue and Expense. The Group holds sufficient funds to enable the funds to be used for their intended purpose at any time.

Provision for Cyclical Maintenance

The property from which the Group 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 Group 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.

Financial Instruments

The Group'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 Group'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.

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.

Goods and Services Tax (GST)

The consolidated 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 Consolidated Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

Budget Figures

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

Services Received In-Kind

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

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

	School			Group		
	2021	2021	2020	2021	2021	2020
	Actual	Budget (Unaudited)	Actual	Actual	Budget (Unaudited)	Actual
	\$	\$	\$	\$	\$	\$
Operational grants	3,227,191	2,750,903	2,919,224	3,227,191	2,750,903	2,919,224
Teachers' salaries grants	7,217,517	6,400,500	6,812,661	7,217,517	6,400,500	6,812,661
Use of Land and Buildings grants	2,236,214	3,344,140	3,252,747	2,236,214	3,344,140	3,252,747
Other MoE Grants	915,444	425,267	664,049	915,444	425,267	664,049
Other government grants	66,084	66,084	67,595	66,084	66,084	67,595
	13,662,450	12,986,894	13,716,276	13,662,450	12,986,894	13,716,276

The School has opted in to the donations scheme for this year. Total amount received was \$179,700 (2020: \$165,900).

Other MOE Grants total includes additional COVID-19 funding totalling \$33,123 (2020:\$69,366) for the year ended 31 December 2021.

3 Locally Raised Funds

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

	School			Group		
	2021	2021	2020	2021	2021	2020
	Actual	Budget (Unaudited)	Actual	Actual	Budget (Unaudited)	Actual
	\$	\$	\$	\$	\$	\$
Revenue						
Donations & Bequests	128,652	125,400	139,789	213,630	125,400	206,789
Curriculum related Activities - purchase of goods & service	119,509	157,470	188,430	119,509	157,470	188,430
Trading	127,080	147,000	108,775	127,080	147,000	108,775
Fundraising & Community Grants	214	53,000	379	214	53,000	379
Other Revenue	169,598	198,000	146,094	169,598	198,000	196,094
	545,053	680,870	583,467	630,031	680,870	700,467
Expenses						
Trading	3,414	10,200	36,545	3,414	10,200	36,545
Fundraising (costs of raising funds)	208	-	634	208	-	634
Other Locally Raised Funds Expenditure	309,108	134,000	155,924	309,108	134,000	155,924
	312,730	144,200	193,103	312,730	144,200	193,103
Surplus for the year Locally Raised Funds	232,323	536,670	390,364	317,301	536,670	507,364

4 International Student Revenue and Expenses

	School			Group		
	2021	2021	2020	2021	2021	2020
	Actual	Budget (Unaudited)	Actual	Actual	Budget (Unaudited)	Actual
	Number	Number	Number	Number	Number	Number
International Student Roll	11	25	25	11	25	25
	2021	2021	2020	2021	2021	2020
	Actual	Budget (Unaudited)	Actual	Actual	Budget (Unaudited)	Actual
	\$	\$	\$	\$	\$	\$
Revenue						
International student fees	148,959	166,275	276,119	148,959	166,275	276,119
Expenses						
Advertising	1,920	20,000	2,100	1,920	20,000	2,100
Commissions	8,218	8,000	25,659	8,218	8,000	25,659
International student levy	4,203	4,300	10,126	4,203	4,300	10,126
Employee Benefit - Salaries	154,136	125,000	190,609	154,136	125,000	190,609
Other Expenses	2,302	3,200	6,052	2,302	3,200	6,052
	170,779	160,500	234,546	170,779	160,500	234,546
Surplus for the year International Students¹	(21,820)	5,775	41,573	(21,820)	5,775	41,573

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

	School			Group		
	2021	2021	2020	2021	2021	2020
	Actual	Budget (Unaudited)	Actual	Actual	Budget (Unaudited)	Actual
	\$	\$	\$	\$	\$	\$
5 Learning Resources						
Curricular	480,273	537,300	443,785	480,273	537,300	443,785
Information and communication technology	168,215	150,000	155,137	168,215	150,000	155,137
Extra-curricular activities	465,434	418,750	558,388	465,434	418,750	558,388
Library resources	2,057	8,000	2,775	2,057	8,000	2,775
Employee benefits - salaries	8,074,338	7,315,500	7,646,175	8,074,338	7,315,500	7,646,175
Staff development	54,131	54,000	27,715	54,131	54,000	27,715
	9,244,448	8,483,550	8,833,975	9,244,448	8,483,550	8,833,975
6 Administration						
Audit Fee	13,804	13,187	13,022	13,804	13,187	13,022
Board of Trustees Fees	4,475	7,500	6,105	4,475	7,500	6,105
Board of Trustees Expenses	38,657	10,000	3,589	38,657	10,000	3,589
Communication	15,066	25,000	28,685	15,066	25,000	28,685
Consumables	8,264	76,100	14,069	8,264	76,100	14,069
Operating Lease	911	40,000	10,643	911	40,000	10,643
Postage	4,674	7,000	2,273	4,674	7,000	2,273
Other	71,417	84,400	75,961	71,461	84,400	76,006
Employee Benefits - Salaries	475,905	433,793	409,499	475,905	433,793	409,499
Insurance	37,352	30,000	27,236	37,352	30,000	27,236
Service Providers, Contractors and Consultancy	16,286	18,000	17,635	16,286	18,000	17,635
	686,811	744,980	608,717	686,855	744,980	608,762
7 Property						
Caretaking and Cleaning Consumables	19,478	25,500	29,351	19,478	25,500	29,351
Consultancy and Contract Services	178,321	166,200	165,945	178,321	166,200	165,945
Cyclical Maintenance Provision	27,090	101,833	59,679	27,090	101,833	59,679
Grounds	45,758	21,000	61,052	45,758	21,000	61,052
Heat, Light and Water	91,809	111,000	94,919	91,809	111,000	94,919
Repairs and Maintenance	403,640	168,500	260,550	403,640	168,500	260,550
Use of Land and Buildings	2,236,214	3,344,140	3,252,747	2,236,214	3,344,140	3,252,747
Employee Benefits - Salaries	223,460	200,000	121,916	223,460	200,000	121,916
	3,225,770	4,138,173	4,046,159	3,225,770	4,138,173	4,046,159

In 2021, the Ministry of Education revised the notional rent 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 Group's total property value. This is used as a 'proxy' for the market rental of the property. 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.

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

8 Cash and Cash Equivalents

	School			Group		
	2021 Actual	2021 Budget (Unaudited)	2020 Actual	2021 Actual	2021 Budget (Unaudited)	2020 Actual
	\$	\$	\$	\$	\$	\$
Cash on Hand	400	400	400	400	400	400
Bank Current Account	453,545	165,000	520,428	490,559	165,000	614,561
Bank Call Account	626	-	-	626	-	-
Short-term Bank Deposits	352,776	200,000	509,001	352,776	200,000	509,001
Net cash and cash equivalents and bank overdraft for Cash	807,347	365,400	1,029,829	844,361	365,400	1,123,962

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

Of the \$844,361 Cash and Cash Equivalents, \$180,302 is held by the Group 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 2021 on Crown owned Group buildings.

9 Accounts Receivable

	2021	2021	2020	2021	2021	2020
	Actual	Budget (Unaudited)	Actual	Actual	Budget (Unaudited)	Actual
	\$	\$	\$	\$	\$	\$
Receivables	204,746	15,000	12,515	204,746	15,000	12,515
Interest Receivable	3,669	3,500	3,458	3,669	3,500	3,458
Teacher Salaries Grant Receivable	631,857	550,000	536,743	631,857	550,000	536,743
	840,272	568,500	552,716	840,272	568,500	552,716
Receivables from Exchange Transactions	208,415	18,500	15,973	208,415	18,500	15,973
Receivables from Non-Exchange Transactions	631,857	550,000	536,743	631,857	550,000	536,743
	840,272	568,500	552,716	840,272	568,500	552,716

10 Inventories

	2021	2021	2020	2021	2021	2020
	Actual	Budget (Unaudited)	Actual	Actual	Budget (Unaudited)	Actual
	\$	\$	\$	\$	\$	\$
School Uniforms	10,106	-	-	10,106	-	-
	10,106	-	-	10,106	-	-

11 Investments

The School's investment activities are classified as follows:

	2021	2021	2020	2021	2021	2020
	Actual	Budget (Unaudited)	Actual	Actual	Budget (Unaudited)	Actual
	\$	\$	\$	\$	\$	\$
Current Asset						
Short-term Bank Deposits	1,336,994	1,200,000	1,168,945	1,336,994	1,200,000	1,168,945
Total Investments	1,336,994	1,200,000	1,168,945	1,336,994	1,200,000	1,168,945

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

School						
12 Property, Plant and Equipment	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2021	\$	\$	\$	\$	\$	\$
Buildings	413,908	8,064	(115,519)	-	(45,728)	260,725
Furniture and Equipment	840,679	63,414	-	-	(113,890)	790,203
Information and Communication Technology	293,903	171,616	-	-	(102,285)	363,234
Motor Vehicles	87,916	-	-	-	(14,102)	73,814
Art Prints	256,067	-	(15,559)	-	-	240,508
Leased Assets	240,188	273,752	-	-	(186,306)	327,634
Library Resources	59,203	8,545	(1,052)	-	(8,131)	58,565
Balance at 31 December 2021	2,191,864	525,391	(132,130)	-	(470,442)	2,114,683

	2021	2021	2021	2020	2020	2020
	Cost or Valuation	Accumulated Depreciation	Net Book Value	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$	\$	\$	\$
Buildings	857,887	(597,162)	260,725	965,342	(551,434)	413,908
Furniture and Equipment	2,146,341	(1,356,138)	790,203	2,091,637	(1,250,958)	840,679
Information and Communication Technology	1,092,447	(729,213)	363,234	920,831	(626,928)	293,903
Motor Vehicles	141,255	(67,441)	73,814	141,255	(53,339)	87,916
Art Prints	240,508	-	240,508	256,067	-	256,067
Leased Assets	762,418	(434,784)	327,634	664,389	(424,201)	240,188
Library Resources	165,199	(106,634)	58,565	159,487	(100,284)	59,203
Balance at 31 December 2020	5,406,055	(3,291,372)	2,114,683	5,199,008	(3,007,144)	2,191,864

The net carrying value of equipment held under a finance lease is \$327,634 (2020: \$240,188).

The net carrying value of motor vehicles held under a finance lease is \$73,814 (2020: \$87,916).

Group						
Property, Plant and Equipment	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2021	\$	\$	\$	\$	\$	\$
Buildings	413,908	8,064	(115,519)	-	(45,728)	260,725
Furniture and Equipment	861,335	63,414	-	-	(113,890)	810,859
Information and Communication Technology	293,903	171,616	-	-	(102,285)	363,234
Motor Vehicles	87,916	-	-	-	(14,102)	73,814
Art Print	284,523	46,087	-	-	-	330,610
Leased Assets	240,188	273,752	-	-	(186,306)	327,634
Library Resources	59,203	8,545	(1,052)	-	(8,131)	58,565
Balance at 31 December 2021	2,240,976	571,478	(116,571)	-	(470,442)	2,225,441

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
2020	\$	\$	\$	\$	\$	\$
Buildings	343,233	115,519	-	-	(44,844)	413,908
Furniture and Equipment	754,633	196,606	-	-	(89,904)	861,335
Information and Communication Technology	134,043	236,404	-	-	(76,544)	293,903
Motor Vehicles	102,789	-	-	-	(14,873)	87,916
Art Prints	284,523	-	-	-	-	284,523
Leased Assets	255,961	176,034	-	-	(191,807)	240,188
Library Resources	54,533	10,893	(508)	-	(5,715)	59,203
Balance at 31 December 2020	1,929,715	735,456	(508)	-	(423,687)	2,240,976

One Tree Hill College

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

13 Accounts Payable

	School			Group		
	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Operating creditors	234,458	560,238	455,205	234,458	560,238	444,605
Accruals	9,203	-	8,682	9,203	-	8,682
Banking staffing overuse	-	50,000	15,476	-	50,000	15,476
Employee Entitlements - salaries	754,401	600,000	563,068	754,401	600,000	563,068
Employee Entitlements - leave accrual	-	85,000	77,670	-	85,000	77,670
	998,062	1,295,238	1,120,101	998,062	1,295,238	1,109,501
Payables for Exchange Transactions	998,062	1,295,238	1,120,101	998,062	1,295,238	1,109,501
	998,062	1,295,238	1,120,101	998,062	1,295,238	1,109,501

The carrying value of payables approximates their fair value.

14 Revenue Received in Advance

	School			Group		
	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Grants in Advance - Ministry of Education	-	-	76,815	-	-	76,815
International Student Fees	47,826	-	126,467	47,826	-	126,467
Other	327,067	-	369,604	327,067	-	369,604
	374,893	-	572,886	374,893	-	572,886

15 Provision for Cyclical Maintenance

	School			Group		
	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Provision at the Start of the Year	528,716	528,716	501,077	528,716	528,716	501,077
Increase to the Provision During the Year	27,090	101,833	59,679	27,090	101,833	59,679
Use of the Provision During the Year	(59,807)	(120,549)	(32,040)	(59,807)	(120,549)	(32,040)
Provision at the End of the Year	495,999	510,000	528,716	495,999	510,000	528,716
Cyclical Maintenance - Current	141,927	110,000	99,861	141,927	110,000	99,861
Cyclical Maintenance - Term	354,072	400,000	428,855	354,072	400,000	428,855
	495,999	510,000	528,716	495,999	510,000	528,716

16 Finance Lease Liability

The school has entered into a number of finance lease agreements for laptops, photocopiers, computer equipment and a vehicle
Minimum lease payments payable: (Including interest portion)

	School			Group		
	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
No Later than One Year	181,437	75,000	90,217	181,437	75,000	90,217
Later than One Year and no Later than Five Years	209,323	160,000	182,793	209,323	160,000	182,793
Future Finance Charges	(36,413)	-	-	(36,413)	-	-
	354,347	235,000	273,010	354,347	235,000	273,010
Represented by						
Finance lease liability - Current	157,551	75,000	73,972	157,551	75,000	73,972
Finance lease liability - Term	196,796	160,000	163,032	196,796	160,000	163,032
	354,347	235,000	237,004	354,347	235,000	237,004

These funds relate to arrangements where the school is acting as an agent. These amounts are not revenue or expenditure of the school and therefore are not included in the Statement of Comprehensive Revenue and Expenditure.

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

School and Group

17 Funds Held for Capital Works Projects

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

		Opening	Receipts	Payments	BOT Contribution/ (Write-off to R&M)	Closing
	2021	Balances	from MoE			Balances
		\$	\$	\$		\$
Dance/Drama	Completed	3,519	-	-	(3,519)	-
Upgrade H3 - Food Tech	Completed	49,538	-	(73,598)	24,060	-
Tawa/Kowhai Roof	Completed	(288)	-	-	288	-
Hinau Canopy	Completed	(1,518)	-	-	1,518	-
Upper Tawa & Kowhai Window Replacement	Completed	-	30,474	(30,474)	-	-
MOE Projects - SYA	Completed	(2,191)	2,191	-	-	-
Roofing (Hinau & Gym)	Completed	11,254	-	(17,318)	6,064	-
LSC-Student Support	In progress	(8,161)	16,500	(13,057)	-	(4,718)
Canteen Canopy SIP	Completed	-	45,933	(45,933)	-	-
Food Tech Room	Completed	-	66,773	(66,773)	-	-
Dilution Traps	Completed	343	4,985	(5,328)	-	-
Electrical	Completed	-	4,978	(4,978)	-	-
Upper Tawa Classroom Upgrade	Completed	(1,531)	-	-	1,531	-
Upper Tawa and Kowhai Upgrade	Completed	108,574	62,379	(188,814)	17,861	-
Weather Tightness	In progress	(1,318)	212,657	(31,037)	-	180,302
Joinery and Electrical (SIP)	Completed	-	51,260	(51,287)	27	-
Totals		158,221	498,130	(528,597)	47,830	175,584

Represented by:

Funds Held on Behalf of the Ministry of Education
Funds Due from the Ministry of Education

180,302
(4,718)

175,584

		Opening	Receipts	Payments	BOT Contribution/ (Write-off to R&M)	Closing
	2020	Balances	from MoE			Balances
		\$	\$	\$	\$	\$
Dance/Drama	Completed	3,519	-	-	-	3,519
Food Tech Upgrade	Completed	-	135,216	(85,678)	-	49,538
Tawa/Kowhai Roof	In progress	(93,161)	226,108	(133,235)	-	(288)
Gym Recladding	In progress	166,147	26,531	(198,761)	(6,083)	-
Carpark/Driveway	In progress	-	105,292	(105,292)	-	-
Hall Roofing	In progress	-	27,805	(41,493)	(13,688)	-
Hinau Canopy	In progress	-	51,272	(52,790)	-	(1,518)
Upper Tawa & Kowhai Windows	In progress	-	132,485	(136,868)	(4,383)	-
SYA Proj Mgmt	In progress	-	-	(2,191)	-	(2,191)
Roofing Hinau & Gym	In progress	-	118,004	(106,750)	-	11,254
LSC Student Support	In progress	-	-	(8,161)	-	(8,161)
Canteen Canopy	In progress	-	59,444	(89,878)	(30,434)	-
Food Tech Room	In progress	-	-	(51,124)	(51,124)	-
Dilution Traps	In progress	-	22,299	(21,956)	-	343
Artificial Grass	In progress	-	22,936	(22,936)	-	-
Electrical	In progress	-	52,736	(62,544)	(9,808)	-
Upper Tawa Classroom	In progress	-	-	(1,531)	-	(1,531)
Upper Tawa & Kowhai Upgrade	In progress	-	250,000	(141,426)	-	108,574
Weather Tightness	In progress	-	-	(1,318)	-	(1,318)
SIP - Joinery & Electrical	In progress	-	-	-	-	-
Totals		76,505	1,230,128	(1,263,932)	(115,520)	158,221

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

18 Related Party Transactions

The group is a controlled entity of the Crown, and the Crown provides the major source of revenue to the group. The group 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 group 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 group 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.

19 Remuneration

Key management personnel compensation (School and Group)

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

	2021 Actual \$	2020 Actual \$
<i>Board Members - School</i>		
Remuneration	4,475	6,105
Full-time equivalent members	0.26	0.18
<i>Leadership Team</i>		
Remuneration	802,548	769,795
Full-time equivalent members	6.00	7.00
Total key management personnel remuneration	807,023	775,900
Total full-time equivalent personnel	6.26	7.18

There are 9 members of the Board excluding the Principal. The Board had held 8 full meetings of the Board in the year. The Board also has Finance members and Property members 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

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	200-210	190-200
Benefits and Other Emoluments	5-10	0-5
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
130-140	1	-
120-130	2	1
110-120	5	2
100-110	12	13
	20	16

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

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

20 Contingencies

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

(Contingent liabilities and assets as at 31 December 2020: nil)

Holidays Act Compliance – schools payroll

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

The Ministry's review of the schools sector payroll to ensure compliance with the Holidays Act 2003 is ongoing. 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.

21 Commitments

(a) Capital Commitments

As at 31 December 2021 the Board has entered into no contract agreements for capital works.

0

(Capital commitments as at 31 December 2020: \$677,163)

(a) \$320,000 contract for LSC Student Support Projects, which will be fully funded by the Ministry of Education. None has been received of which \$8,161 has been spent on the project to date.

(b) \$357,163 contract for Upgrading Upper Tawa & Kowhai Blocks, which will be fully funded by the Ministry of Education. \$250,000 has been received of which \$141,426 has been spent on the project to date.

(b) Operating Commitments (School and Group)

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

- operating commitment for cleaning services

	Parent		Group	
	2021 Actual	2020 Actual	2021 Actual	2020 Actual
No later than One Year	\$ 155,200	\$ 155,200	\$ 155,200	\$ 155,200
Later than One Year and No Later than Five Years	77,600	232,800	77,600	232,800
	<u>232,800</u>	<u>388,000</u>	<u>232,800</u>	<u>388,000</u>

22 Managing Capital

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

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

23 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 \$	2021 Actual \$	2021 Budget (Unaudited) \$	2020 Actual \$
Cash and Cash Equivalents	807,347	365,400	1,029,829	844,361	365,400	1,123,962
Receivables	840,272	568,500	552,716	840,272	568,500	552,716
Investments - Term Deposits	1,336,994	1,200,000	1,168,945	1,336,994	1,200,000	1,168,945
Total Financial Assets Measured at Amortised Cost	2,984,613	2,133,900	2,751,490	3,021,627	2,133,900	2,845,623

Financial liabilities measured at amortised cost

Payables	998,062	1,295,238	1,120,101	998,062	1,295,238	1,109,501
Finance Leases	354,347	235,000	237,004	354,347	235,000	237,004
Total Financial Liabilities Measured at Amortised Cost	1,352,409	1,530,238	1,357,105	1,352,409	1,530,238	1,346,505

24 Events After Balance Date

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

25 Investment in Subsidiaries

Details of the Group's material subsidiaries at the end of the reporting period are as follows.

Name of Subsidiary	Principal Activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group		Value of investment \$000	
			2021	2020	2021	2020
One Tree Hill College Art Trust (the Trust)	Protecting the school's art collection	Auckland, NZ	100%	100%		

The subsidiary has a 31 December balance date, is 100% owned by the School, and is incorporated and domiciled in New Zealand.

The School controls the Trust for financial reporting purposes because, in substance, the school predetermined the objectives of the Trust at establishment and benefits from the Trust's complementary activities.

The Trust is a registered charity. The school consolidates the One Tree Hill Art Trust (the Trust) as it is a controlled entity as outlined in the accounting policies. The Trust was established in 2009 as part of a formal process of protecting the School's important art collection. The Trust is a registered charitable trust.

The art collection was started in 1969 by the then principal Murray Print, with the help of Wally Crossman. The Collection has been added to over the years largely through gifts and donations to the school and forms an important part of the school's culture and environment with the art work on display throughout the school.

Notes to the Financial Statements (cont.)

For the year ended 31 December 2021

26 Impact of Covid-19

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

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

Impact on operations

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

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.

Reduction in International students

Under alert levels 4, 3, 2, and 1 International travel is heavily restricted. The school has been unable to welcome and enrol prospective international students which has resulted in a reduction in revenue from student fees & charges from International students.

INDEPENDENT AUDITOR'S REPORT**TO THE READERS OF ONE TREE HILL COLLEGE'S GROUP FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

The Auditor-General is the auditor of One Tree Hill College ('the Parent') and its controlled entity (collectively referred to as 'the Group'). The Auditor-General has appointed me, Kurt Sherlock, using the staff and resources of Crowe New Zealand Audit Partnership, to carry out the audit of the financial statements of the Parent and Group on his behalf.

Opinion

We have audited the financial statements of the Parent and Group on pages 2 to 20, that comprise the statements of financial position as at 31 December 2021, the statements of comprehensive revenue and expense, statements of changes in net assets/equity and statements 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 Parent and Group:

- present fairly, in all material respects:
 - their financial position as at 31 December 2021; and
 - their 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 27 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.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss Verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd.

Services are provided by Crowe New Zealand Audit Partnership an affiliate of Findex (Aust) Pty Ltd.

Responsibilities of the Board for the financial statements

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

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 Parent and Group for assessing the Parent and Group'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 Parent and Group, 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 Parent and Group'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 Parent and Group'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 Parent and Group'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. 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 Parent and Group 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 obtained at the date of our audit report is the Analysis of Variance 2021 and the Kiwisport Funding Report, 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 Group 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 Parent or its controlled entity.



Kurt Sherlock
Crowe New Zealand Audit Partnership
On behalf of the Auditor-General
Auckland, New Zealand



One Tree Hill
COLLEGE

ANALYSIS OF VARIANCE 2021



ANNUAL PLAN 2021

(Section 3 of the Charter)

2021 Annual Plan

The 2021 Annual Plan identified TWO major school achievement targets which were drawn from the National Priorities for Educational Achievement.

These targets were established as a result of the analysis of student achievement data.

The targets in our Annual Plan were:

1. Every Year 9 & 10 student will increase by at least one curriculum level in all subjects
2. Ensure equity and excellence for all Māori students

The FOUR identified strategic areas to achieve this target are detailed on the following page.



STRIVE FOR HIGHER THINGS

One Tree Hill College Annual Targets 2021

1. Every Year 9 & 10 student will increase by at least one curriculum level in all subjects
2. Ensure equity and excellence for all Māori students

4 STRATEGIC AREAS:

QUALITY TEACHING

All students experience quality teaching and learning across the various aspects of the college.

This will be achieved by:

- All staff participating in target focussed Spirals of Inquiry.
- The integration of culturally responsive pedagogy.
- Use of formative assessment.
- Incorporation of innovative teaching tools and strategies.
- Professional development programmes are put in place to support the achievement of school-wide targets.
- Development of leadership across the Maungakiekie Kāhui Ako.

MENTORING & SUPPORT

All students are mentored and supported to achieve their potential.

This will be achieved by:

- Focussed use of whānau time for individual mentoring.
- Professional learning and development programmes are utilised to grow the capacity of staff.
- Milestone data is used to further support student success.
- Māori learners enjoying educational success as Māori.
- Pasifika learners enjoying educational success as Pasifika.
- Students who are at risk of not achieving are identified early and specific supports are put in place.

DATA TRACKING & ANALYSIS

All student academic progress is frequently tracked, analysed and reported to ensure all students are on course for success.

This will be achieved by:

- Frequent tracking of student achievement data by subject teachers, whānau teachers, whānau leaders and curriculum leaders.
- Analysis of student achievement for each course per term.
- Junior students being assessed against curriculum levels.
- Targeted reporting to students and parents.
- Māori student achievement being tracked and analysed.
- Regularly celebrating student academic progress and excellence.

PB4L

All students experience a positive learning environment and are participating, engaging & achieving.

This will be achieved by:

- Students participating and growing in a range of leadership opportunities.
- Ensuring all students are secure in their identities, languages and cultures.
- Restorative practices being utilised across the school.
- Students maximizing their learning by attending all classes.
- Positive reinforcement of school values.
- There being a clear understanding of the Safe School Charter by all students.



Baseline NCEA Student Achievement Data

Baseline Data 2018 - 2021:
**2021 NCEA data is provisional*

	Achieved				Merit				Excellence				Pasifika Student NCEA Achievement				Māori Student NCEA Achievement			
	2018	2019	2020	2021*	2018	2019	2020	2021*	2018	2019	2020	2021*	2018	2019	2020	2021*	2018	2019	2020	2021*
Level 1	83.8	85.0	74.3	75.6	22.5	30.6	27.6	38.3	19.4	10.2	21.6	16.9	84.3	85.0	63.6	63.1	62.5	66.0	56.8	61.1
Level 2	84.4	84.7	92.2	83.3	20.8	26.4	25.5	18.9	10.4	13.2	10.0	10.6	83.5	77.0	92.8	79.3	63.4	80.6	85.0	58.8
Level 3	75.7	70.2	83.2	83.5	12.7	25.8	21.5	21.6	4.5	4.2	9.4	8.6	74.4	63.5	72.0	85.4	59.3	58.6	68.0	68.8
UE	42.4	46.2	49.2	43.8									36.0	28.4	25.3	28.0	25.9	17.2	16.0	25.0
Literacy	96.9	92.5	93.2	91.7																
Numeracy	95.6	91.7	87.6	88.0																

Target: Every Year 9 & 10 student will increase by at least one curriculum level in all subjects

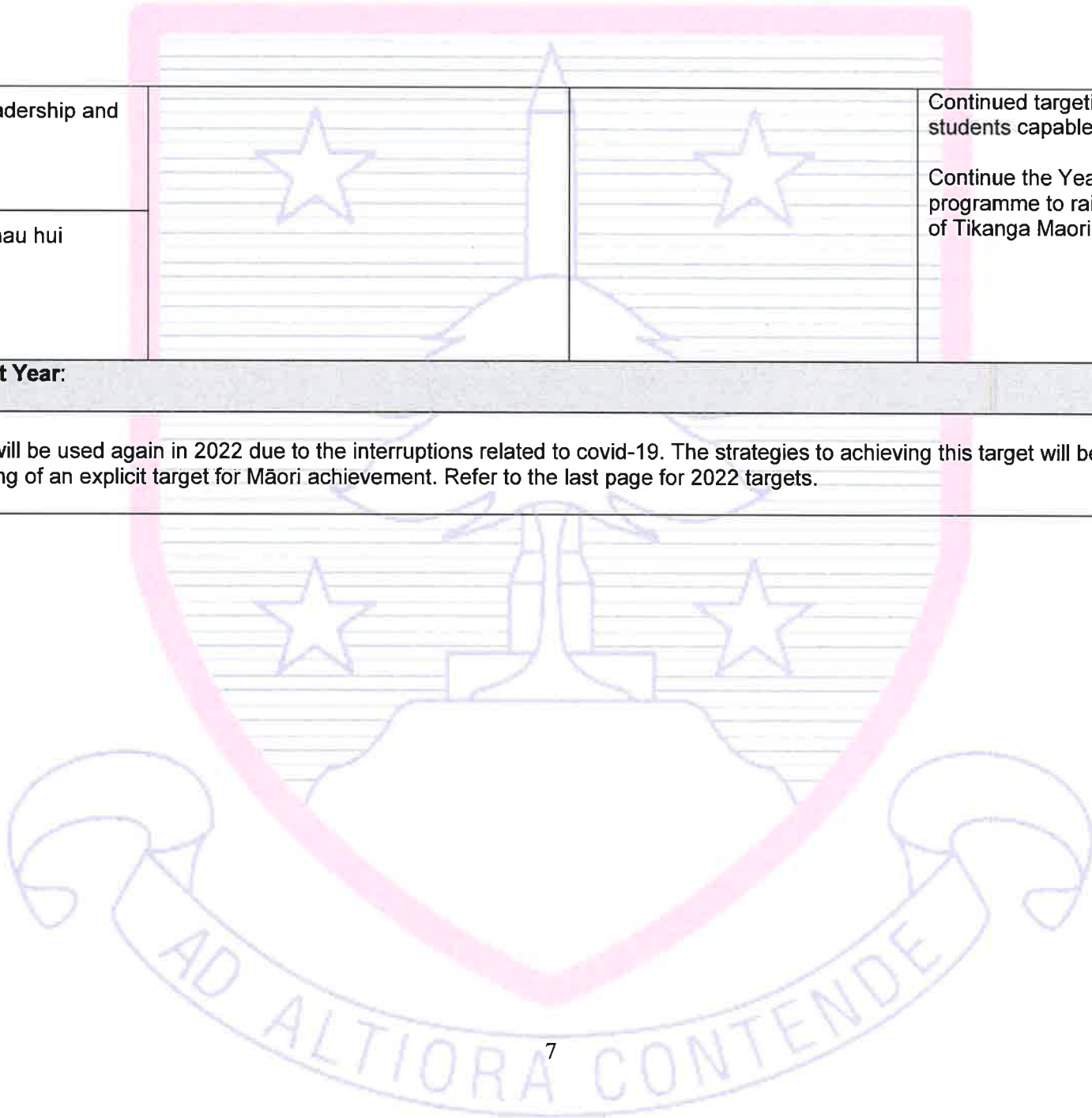
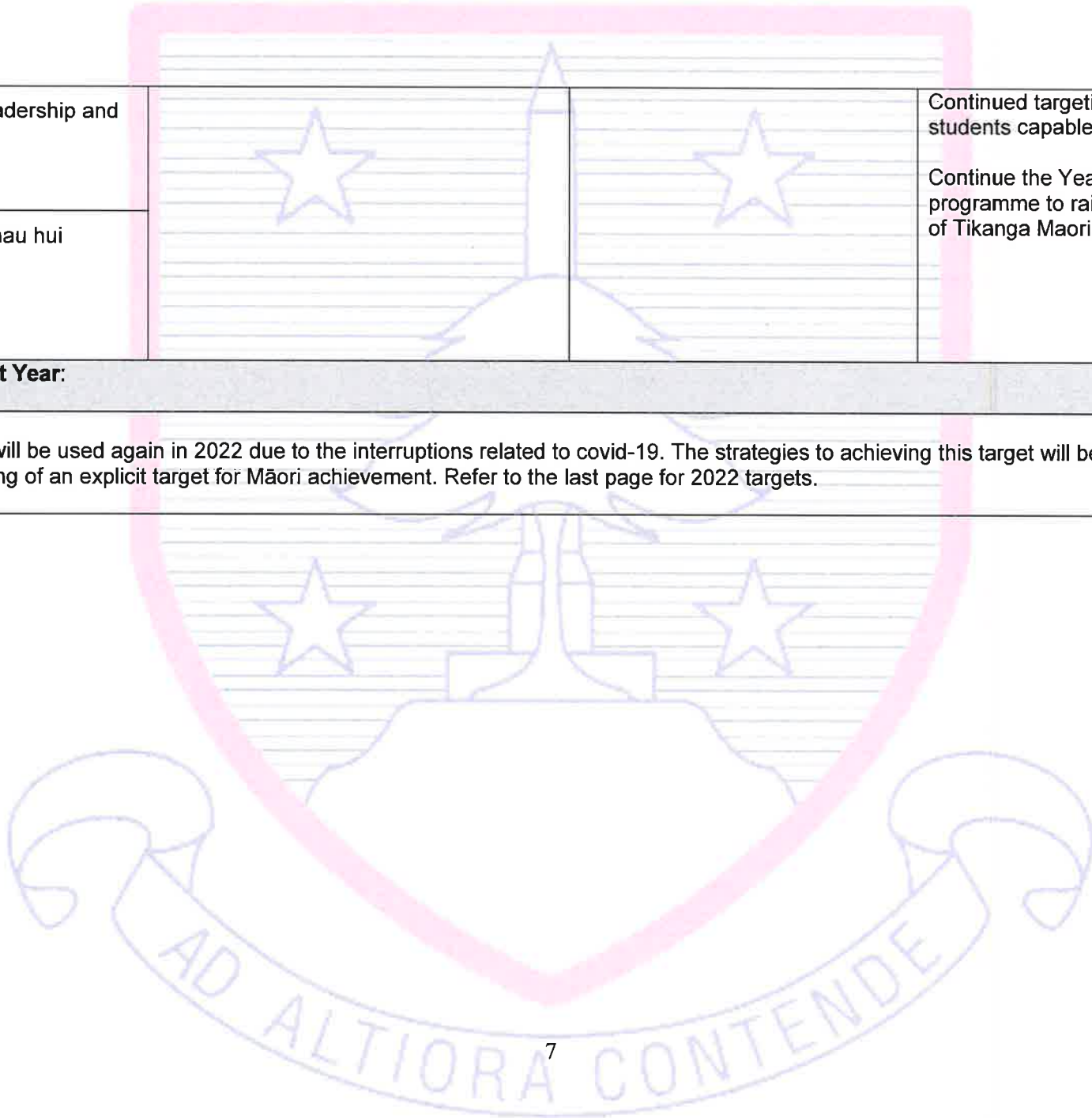
Strategies/Actions (What did we do?)	Outcomes (What happened?)	Reasons for the Variance (Why did it happen?)	Evaluation (Where to Next?)
Develop action plan	<p>Action plan was completed, but unfortunately due to covid-19 and three significant lock downs (one of which lasted for 15 weeks), only some parts of the plan could be completed.</p> <p>All staff completed their SOI. These were presented in PLGs at the end of the year.</p> <p>All faculties now assess and report against curriculum levels.</p> <p>All units across learning areas were reported against curriculum levels in a newly designed reporting format.</p>	<p>The global covid-19 pandemic meant Auckland schools endured three lock downs, the last of which lasted for 15 weeks and had significant impacts on teaching and learning.</p> <p>Due to the lock downs, Faculty Leaders had to divert their attention towards supporting their staff and own faculties. NCEA became a very significant and urgent focus.</p>	<p>Continued use of SOI in PLGs in 2022 focussed on annual targets</p> <p>Findings from the spirals of inquiry to inform teaching practices in 2022.</p> <p>PLD will continue in 2022 to strengthen our assessing and reporting against curriculum levels.</p> <p>Analyse the 2021 junior achievement data to establish baselines for future comparisons.</p> <p>Continue reviewing the junior curriculum.</p> <p>Greater explanation to students and and parents/caregivers about their child's success in relation to curriculum levels.</p>
All staff participated in target focussed spirals of inquiry (SOI)			
Faculty Leaders meetings to collaborate and share knowledge			
Aligned units to curriculum levels			
Assessed against curriculum levels			
Re-designed junior report format			
Reported junior achievement against curriculum levels			

Planning for Next Year:

The same target will be used again in 2022 due to the interruptions related to covid-19. The strategies to achieving this target will be strengthened. Refer to the last page for 2022 targets. An application for PLD support was successful and will focus on the junior curriculum in 2022.

Target: Ensure equity and excellence for all Māori students

Strategies/Actions (What did we do?)	Outcomes (What happened?)	Reasons for the Variance (Why did it happen?)	Evaluation (Where to Next?)
Develop action plan	Action plan was completed, but unfortunately due to covid-19 and three significant lock downs (one of which lasted for 15 weeks), only some parts of the plan could be completed.	The global covid-19 pandemic meant Auckland schools endured three lock downs, the last of which lasted for 15 weeks and had significant impacts on teaching and learning.	Continued use of SOI in PLGs in 2022 focussed on annual targets
All staff participated in target focussed spirals of inquiry (SOI)			Findings from the spirals of inquiry to inform teaching practices in 2022.
Celebrated Māori Success	All staff completed their SOI. These were presented in PLGs at the end of the year.	Due to the lock downs, teachers had to divert their attention towards supporting their students with catching up on learning missed.	PLD will continue in 2022 to support our Māori learners.
Māori learners enjoying educational success as Māori	There continued to be mixed outcomes in Māori student achievement at NCEA. L1 and UE increased, however the level of achievement in L2 decreased.	Data was used to track student progress, however this was difficult given the extended lockdown in the latter half of the year.	The introduction of a new CL Māori in 2022 – rebuilding to occur with our Māori whanau throughout 2022.
The integration of culturally responsive pedagogy	No whānau hui were able to be held due to covid-19.	Students were offered additional learning opportunities in Tikanga Maori.	Continue to set explicit targets for Māori student achievement to achieve equity for all Māori learners.
Māori students who are at risk of not achieving are identified early and specific supports are put in place	The annual Māori Awards Ceremony was cancelled due to covid restrictions.		Continue to highlight student academic success with regular awards ceremony as students reach endorsement levels.
Professional learning and development programmes are utilised to grow the capacity of staff			Continue to use student data to inform teaching practice.
Frequent tracking of student achievement data			Continued use of 'check points' for all senior students with a greater emphasis on doing this through our whānau system.

Promote Māori leadership and role models			<p>Continued targeting and tracking of students capable of achieving UE.</p> <p>Continue the Year 9 Citizenship programme to raise understanding of Tikanga Maori.</p>
Hold regular whānau hui			<p>Planning for Next Year:</p>
<p>The same target will be used again in 2022 due to the interruptions related to covid-19. The strategies to achieving this target will be strengthened, including the setting of an explicit target for Māori achievement. Refer to the last page for 2022 targets.</p>			

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One Tree Hill
COLLEGE

One Tree Hill College

Kiwisport Funding

For the year ended 31 December 2021

Kiwisport is a Government funding initiative to support student in organised sport. In 2021, the school received the total for Kiwisport funding of \$28,526.61 (excluding GST).

The funding was spent on our ongoing multisport programme, basketball and on coaching seminars.

Signed: 
Principal: N. COUGHLAN
Date: 23/3/2022

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