

One Tree Hill College

Financial Statements for the year ended 31 December 2017

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One Tree Hill College

Financial Statements

For the year ended 31 December 2017

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One Tree Hill College
Statement of Responsibility
For the year ended 31 December 2017

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

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

It is the opinion of the Board and management that the annual financial statements for the financial year ended 31 December 2017 fairly reflects the financial position and operations of the school.

The School's 2017 financial statements are authorised for issue by the Board.

Darryl Richard Follows

Full Name of Board Chairperson



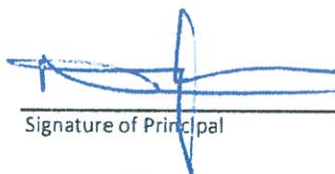
Signature of Board Chairperson

27th May 2018

Date:

N. J. JOURNAL
10/10/17

Full Name of Principal



Signature of Principal

29 May 2018

Date:

One Tree Hill College

Statement of Comprehensive Revenue and Expense

For the year ended 31 December 2017

	Notes	PARENT			GROUP		
		2017	2017	2016	2017	2017	2016
		Actual	Budget	Actual	Actual	Budget	Actual
		\$	(Unaudited)	\$	\$	(Unaudited)	\$
Revenue							
Government Grants	2	11,618,571	10,392,012	11,211,549	11,618,571	10,392,012	11,211,549
Locally Raised Funds	3	951,782	831,209	1,011,690	986,782	831,209	1,056,745
Interest Earned		91,558	100,000	82,674	91,898	100,000	82,883
Gain on Sale of Property, Plant and Equipment		44,906	-	6,192	-	-	(764)
International Students	4	435,224	428,875	364,883	435,224	428,875	364,883
		13,142,041	11,752,096	12,676,988	13,132,475	11,752,096	12,715,296
Expenses							
Locally Raised Funds	3	69,846	21,000	29,723	69,846	21,000	29,723
International Students	4	153,233	173,800	178,420	153,233	173,800	178,420
Learning Resources	5	7,908,109	7,457,684	7,748,775	7,908,109	7,457,684	7,748,775
Administration	6	664,312	803,200	655,395	664,356	803,200	655,395
Finance Costs		2,548	6,000	6,448	2,548	6,000	6,448
Property	7	4,085,638	3,119,490	3,565,581	4,085,638	3,119,490	3,565,581
Depreciation	8	208,159	210,000	144,164	208,159	210,000	144,164
Loss on Disposal of Property, Plant and Equipment		3,099	-	507	3,099	-	507
		13,094,944	11,791,174	12,329,013	13,094,988	11,791,174	12,329,013
Net Surplus / (Deficit)		47,097	(39,078)	347,975	37,487	(39,078)	386,283
Other Comprehensive Revenue and Expenses		-	-	-	-	-	-
Total Comprehensive Revenue and Expense for the Year		47,097	(39,078)	347,975	37,487	(39,078)	386,283

The above Statement of Comprehensive Revenue and Expense should be read in conjunction with the accompanying notes.



One Tree Hill College

Statement of Changes in Net Assets/Equity

For the year ended 31 December 2017

	PARENT			GROUP		
	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Balance at 1 January	2,180,065	2,180,065	1,786,791	2,247,052	2,180,065	1,815,470
Total comprehensive revenue and expense for the year	47,097	(39,078)	347,975	37,487	(39,078)	386,283
Capital Contributions from the Ministry of Education Contribution - Furniture and Equipment Grant	-	-	45,299	-	-	45,299
Equity at 31 December	2,227,163	2,140,987	2,180,065	2,284,539	2,140,987	2,247,052
Retained Earnings	2,227,163	2,140,987	2,180,065	2,284,539	2,140,987	2,247,052
Equity at 31 December	2,227,163	2,140,987	2,180,065	2,284,539	2,140,987	2,247,052

The above Statement of Changes in Net Assets/Equity should be read in conjunction with the accompanying notes.



One Tree Hill College
Statement of Financial Position
As at 31 December 2017

	Notes	PARENT			GROUP		
		2017	2017	2016	2017	2017	2016
		Actual	Budget	Actual	Actual	Budget	Actual
		\$	(Unaudited)	\$	\$	(Unaudited)	\$
Current Assets							
Cash and Cash Equivalents	9	126,490	70,400	73,864	155,937	70,400	120,195
Accounts Receivable	10	450,036	372,000	370,367	450,036	372,000	370,367
GST Receivable		62,886	18,000	18,306	62,893	18,000	18,306
Prepayments		172,613	40,000	10,166	172,613	40,000	10,166
Investments	11	1,959,529	1,748,239	2,377,577	1,959,529	1,748,239	2,377,577
		<u>2,771,554</u>	<u>2,248,639</u>	<u>2,850,280</u>	<u>2,801,008</u>	<u>2,248,639</u>	<u>2,896,611</u>
Current Liabilities							
Accounts Payable	13	894,451	904,000	899,286	894,451	904,000	899,286
Borrowings - Due in one year	14	-	63,552	63,552	-	63,552	63,552
Revenue Received in Advance	15	606,447	156,635	129,551	606,447	156,635	129,551
Provision for Cyclical Maintenance	16	121,500	132,300	-	121,500	132,300	-
Finance Lease Liability - Current Portion	17	135,369	79,287	79,287	135,369	79,287	79,287
Funds held in Trust	18	-	-	56,635	-	-	56,635
Funds held for Capital Works Projects	19	-	-	222,839	-	-	222,839
		<u>1,757,767</u>	<u>1,335,774</u>	<u>1,451,150</u>	<u>1,757,767</u>	<u>1,335,774</u>	<u>1,451,150</u>
Working Capital Surplus/(Deficit)		<u>1,013,787</u>	<u>912,865</u>	<u>1,399,130</u>	<u>1,043,241</u>	<u>912,865</u>	<u>1,445,461</u>
Non-current Assets							
Property, Plant and Equipment	12	1,589,206	1,496,798	940,226	1,617,128	1,496,798	960,882
Capital Works In Progress	14	-	-	252,572	-	-	252,572
		<u>1,589,206</u>	<u>1,496,798</u>	<u>1,192,798</u>	<u>1,617,128</u>	<u>1,496,798</u>	<u>1,213,454</u>
Non-current Liabilities							
Borrowings - Due beyond one year	14	-	-	3,900	-	-	3,900
Provision for Cyclical Maintenance	16	252,801	216,300	276,300	252,801	216,300	276,300
Finance Lease Liability	17	123,029	52,376	131,663	123,029	52,376	131,663
		<u>375,830</u>	<u>268,676</u>	<u>411,863</u>	<u>375,830</u>	<u>268,676</u>	<u>411,863</u>
Net Assets		<u>2,227,163</u>	<u>2,140,987</u>	<u>2,180,065</u>	<u>2,284,539</u>	<u>2,140,987</u>	<u>2,247,052</u>
Equity		<u>2,227,163</u>	<u>2,140,987</u>	<u>2,180,065</u>	<u>2,284,539</u>	<u>2,140,987</u>	<u>2,247,052</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.



One Tree Hill College

Statement of Cash Flows

For the year ended 31 December 2017

Note	PARENT			GROUP		
	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Cash flows from Operating Activities						
Government Grants	2,566,332	2,711,965	2,886,810	2,566,332	2,711,965	2,886,810
Locally Raised Funds	1,309,014	693,844	600,791	1,344,014	693,844	645,846
International Students	577,929	428,875	256,992	577,929	428,875	256,992
Goods and Services Tax (net)	(44,580)	7,000	7,206	(44,587)	7,000	7,206
Payments to Employees	(1,323,780)	(950,500)	(1,252,662)	(1,323,780)	(950,500)	(1,252,662)
Payments to Suppliers	(2,675,795)	(2,636,526)	(1,943,135)	(2,675,839)	(2,636,526)	(1,943,135)
Interest Paid	(2,548)	(6,000)	(6,448)	(2,548)	(6,000)	(6,448)
Interest Received	90,243	100,000	78,926	90,583	100,000	79,135
Net cash from / (to) the Operating Activities	496,815	348,658	628,480	532,104	348,658	673,744
Cash flows from Investing Activities						
Proceeds from Sale of PPE (and Intangibles)	41,808	(10,395)	5,685	(3,098)	(10,395)	(1,271)
Purchase of PPE (and Intangibles)	(452,072)	(782,836)	(345,346)	(459,338)	(782,836)	(345,347)
Sale/(Purchase) of Investments	418,048	(58,739)	(524,232)	418,048	(58,739)	(524,232)
Net cash from / (to) the Investing Activities	7,784	(851,970)	(863,893)	(44,388)	(851,970)	(870,850)
Cash flows from Financing Activities						
Furniture and Equipment Grant	-	-	45,299	-	-	45,299
Finance Lease Payments	(105,048)	(3,979)	(52,213)	(105,048)	(3,979)	(52,213)
Loans Received/ (Repayment of Loans)	(67,452)	(7,574)	(63,552)	(67,452)	(7,574)	(63,552)
Funds Administered on Behalf of Third Parties	(279,474)	-	60,958	(279,474)	-	60,958
Net cash from Financing Activities	(451,974)	(11,553)	(9,508)	(451,974)	(11,553)	(9,508)
Net increase/(decrease) in cash and cash equivalents	52,625	(514,865)	(244,921)	35,742	(514,865)	(206,614)
Cash and cash equivalents at the beginning of the year	9 73,864	585,265	318,785	120,195	585,265	326,809
Cash and cash equivalents at the end of the year	9 126,490	70,400	73,864	155,937	70,400	120,195

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 omitted.



One Tree Hill College

Notes to the Financial Statements

For the year ended 31 December 2017

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 Act 1989. The Board of Trustees (the Board) is of the view that the School is a public benefit entity for financial reporting purposes. These statements are the annual financial statements of the One Tree Hill College and its controlled entity, One Tree Hill College Art Trust.

Basis of Preparation

Reporting Period

The financial reports have been prepared for the period 1 January 2017 to 31 December 2017 and in accordance with the requirements of the Public Finance Act 1989.

Basis of Preparation

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

Financial Reporting Standards Applied

The Education Act 1989 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".

Controlled Entity

The consolidated financial statements incorporate the assets and liabilities of all controlled entities of the School as at 31 December 2017 and the results of all controlled entities for the year then ended. The School and its controlled entities together are referred to in these financial statements as the Group or consolidated entity.

Controlled entities are all those entities (including special purpose entities) over which the Group has power to govern the financial and operating policies. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the School controls the entity.

Controlled entities which form part of the Group are consolidated from the date on which control is transferred to the School. These are de-consolidated from the date that control ceases. The School has consolidated The One Tree Hill College Art Trust which it controls. Further information regarding this entity can be found in note 28.

Inter-entity transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated. Accounting policies have been changed where necessary to ensure consistency with the policies adopted by the Group.

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.



One Tree Hill College

Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

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.

Useful lives of property, plant and equipment

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

Critical Judgements in applying accounting policies

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

Classification of leases

The School reviews the details of lease agreements at the end of each reporting date. The School believes the classification of each lease as either operation or finance is appropriate and reflects the nature of the agreement in place. Finance leases are disclosed at note 17.

Recognition of grants

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

Revenue Recognition

Government Grants

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

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

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

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

Other Grants

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

Donations, Gifts and Bequests

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

Interest Revenue

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

Use of Land and Buildings Expense

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



One Tree Hill College

Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

Operating Lease Payments

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

Finance Lease Payments

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

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

Accounts Receivable represents items that the School has issued invoices for or accrued for, but has not received payment for at year end. Receivables are initially recorded at fair value and subsequently recorded at the amount the School realistically expects to receive. A receivable is considered uncollectable where there is objective evidence the School will not be able to collect all amounts due. The amount that is uncollectable (the provision for uncollectibility) is the difference between the amount due and the present value of the amounts expected to be collected.

Inventories

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

Investments

Bank term deposits for periods exceeding 90 days are classified as investments and are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.

After initial recognition any investments categorised as available for sale are measured at their fair value without any deduction for transaction costs the School may incur on sale or other disposal.

The School has met the requirements under Schedule 6 Section 28 of the Education Act 1989 in relation to the acquisition of investment securities.

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.

Property, plant and equipment acquired with individual values under \$500 are not capitalised, they are recognised as an expense in the 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 Statement of Comprehensive Revenue and Expense.



One Tree Hill College

Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

Leased Assets

Leases where the School assumes substantially all the risks and rewards of ownership are classified as finance leases. The assets acquired by way of finance lease are measured at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses. Leased assets and corresponding liability are recognised in the Statement of Financial Position and leased assets are depreciated over the period the School is expected to benefit from their use or over the term of the lease.

Depreciation

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

The estimated useful lives of the assets are:

Buildings - School	10 years
Building Improvements to Crown owned assets	10 years
Furniture and equipment	10–15 years
Information and communication technology	5-10 years
Motor vehicles	10 years
Art Prints	Nil
Leased assets held under a Finance Lease	4 years
Library resources	12.5% Diminishing value

Impairment of property, plant, and equipment and intangible assets

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

Non cash generating assets

Property, plant, and equipment and intangible assets held at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit.

Accounts Payable

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

Employee Entitlements

Short-term employee entitlements

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



One Tree Hill College

Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

Revenue Received in Advance

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

The School holds sufficient funds to enable the refund of unearned fees in relation to the above revenue received in advance, should the School 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 School for a specified purpose, or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense. The School holds sufficient funds to enable the funds to be used for their intended purpose at any time.

Provision for Cyclical Maintenance

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

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

Financial Assets and Liabilities

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 "loans and receivables" for accounting purposes in accordance with financial reporting standards.

Investments that are shares are categorised as "available for sale" for accounting purposes in accordance with financial reporting standards.

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

Goods and Services Tax (GST)

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

The net amount of GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

Budget Figures

The budget figures are extracted from the School budget that was approved by the Board at the start of the year.

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.



One Tree Hill College

Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

	PARENT			GROUP		
2 Government Grants	2017	2017 Budget (Unaudited)	2016	2017	2017 Budget (Unaudited)	2016
	Actual \$	Actual \$	Actual \$	Actual \$	Actual \$	Actual \$
Operational grants	2,436,807	2,442,965	2,456,661	2,436,807	2,442,965	2,456,661
Teachers' salaries grants	5,618,214	5,238,685	5,497,926	5,618,214	5,238,685	5,497,926
Use of Land and Buildings grants	3,212,190	2,441,362	2,826,813	3,212,190	2,441,362	2,826,813
Other MoE Grants	277,836	202,000	355,318	277,836	202,000	355,318
Other government grants	73,524	67,000	74,831	73,524	67,000	74,831
	<u>11,618,571</u>	<u>10,392,012</u>	<u>11,211,549</u>	<u>11,618,571</u>	<u>10,392,012</u>	<u>11,211,549</u>
3 Locally Raised Funds						
Local funds raised within the School's community are						
	2017	2017 Budget (Unaudited)	2016	2017	2017 Budget (Unaudited)	2016
	Actual \$	Actual \$	Actual \$	Actual \$	Actual \$	Actual \$
Revenue						
Donations	52,731	81,000	53,820	87,731	81,000	98,875
Fundraising	204,680	183,309	7,366	204,680	183,309	7,366
Other Revenue	325,516	305,300	563,655	325,516	305,300	563,655
Trading	137,230	130,000	140,471	137,230	130,000	140,471
Activities	-	-	77,310	-	-	77,310
Curriculum Recoveries	231,625	131,600	169,068	231,625	131,600	169,068
	<u>951,782</u>	<u>831,209</u>	<u>1,011,690</u>	<u>986,782</u>	<u>831,209</u>	<u>1,056,745</u>
Expenses						
Trading	35,348	12,000	17,048	35,348	12,000	17,048
Fundraising (costs of raising funds)	34,498	9,000	12,675	34,498	9,000	12,675
	<u>69,846</u>	<u>21,000</u>	<u>29,723</u>	<u>69,846</u>	<u>21,000</u>	<u>29,723</u>
Surplus for the year Locally Raised Funds	<u>881,936</u>	<u>810,209</u>	<u>981,967</u>	<u>916,936</u>	<u>810,209</u>	<u>1,027,022</u>
4 International Student Revenue and Expenses						
	2017	2017 Budget (Unaudited)	2016	2017	2017 Budget (Unaudited)	2016
	Actual Number	Actual Number	Actual Number	Actual Number	Actual Number	Actual Number
International Student Roll	32	27	27	32	27	38
	2017	2017 Budget (Unaudited)	2016	2017	2017 Budget (Unaudited)	2016
	Actual \$	Actual \$	Actual \$	Actual \$	Actual \$	Actual \$
Revenue						
International student fees	435,224	428,875	364,883	435,224	428,875	364,883
Expenses						
Advertising	16,538	25,000	-	16,538	25,000	-
Commissions	18,888	30,000	21,890	18,888	30,000	21,890
Recruitment	-	-	33,880	-	-	33,880
International student levy	5,844	14,500	6,083	5,844	14,500	6,083
Employee Benefit - Salaries	107,041	100,000	109,987	107,041	100,000	109,987
Other Expenses	4,922	4,300	6,580	4,922	4,300	6,580
	<u>153,233</u>	<u>173,800</u>	<u>178,420</u>	<u>153,233</u>	<u>173,800</u>	<u>178,420</u>
Surplus for the year International Students'	<u>281,991</u>	<u>255,075</u>	<u>186,463</u>	<u>281,991</u>	<u>255,075</u>	<u>186,463</u>



Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

5 Learning Resources

	PARENT			GROUP		
	2017	2017 Budget	2016	2017	2017 Budget	2016
	Actual	(Unaudited)	Actual	Actual	(Unaudited)	Actual
	\$	\$	\$	\$	\$	\$
Curricular	529,220	606,599	545,761	529,220	606,599	545,761
Information and communication technology	208,599	131,800	119,986	208,599	131,800	119,986
Extra-curricular activities	576,001	445,400	544,214	576,001	445,400	544,214
Library resources	6,122	9,700	10,171	6,122	9,700	10,171
Employee benefits - salaries	6,537,658	6,210,185	6,487,042	6,537,658	6,210,185	6,487,042
Staff development	50,509	54,000	41,601	50,509	54,000	41,601
	<u>7,908,109</u>	<u>7,457,684</u>	<u>7,748,775</u>	<u>7,908,109</u>	<u>7,457,684</u>	<u>7,748,775</u>

6 Administration

	2017	2017 Budget	2016	2017	2017 Budget	2016
	Actual	(Unaudited)	Actual	Actual	(Unaudited)	Actual
	\$	\$	\$	\$	\$	\$
Audit Fee	10,500	10,500	10,000	10,500	10,500	10,000
Board of Trustees Fees	7,120	5,000	3,405	7,120	5,000	3,405
Board of Trustees Expenses	10,073	86,900	38,492	10,073	86,900	38,492
Communication	28,553	30,000	42,169	28,553	30,000	42,169
Consumables	31,050	106,100	70,474	31,050	106,100	70,474
Operating Lease	155,236	127,000	148,750	155,236	127,000	148,750
Other	69,362	100,700	57,332	69,406	100,700	57,332
Employee Benefits - Salaries	300,646	290,000	233,959	300,646	290,000	233,959
Insurance	26,760	25,000	24,714	26,760	25,000	24,714
Service Providers, Contractors and Consultancy	16,398	16,000	15,972	16,398	16,000	15,972
	<u>664,312</u>	<u>803,200</u>	<u>655,395</u>	<u>664,356</u>	<u>803,200</u>	<u>655,395</u>

7 Property

	2017	2017 Budget	2016	2017	2017 Budget	2016
	Actual	(Unaudited)	Actual	Actual	(Unaudited)	Actual
	\$	\$	\$	\$	\$	\$
Caretaking and Cleaning Consumables	20,547	34,000	47,389	20,547	34,000	47,389
Consultancy and Contract Services	123,843	138,000	116,001	123,843	138,000	116,001
Cyclical Maintenance Provision	127,719	87,320	69,488	127,719	87,320	69,488
Grounds	21,072	45,000	127,168	21,072	45,000	127,168
Heat, Light and Water	96,595	99,000	98,273	96,595	99,000	98,273
Repairs and Maintenance	365,739	144,808	155,642	365,739	144,808	155,642
Use of Land and Buildings	3,212,190	2,441,362	2,826,813	3,212,190	2,441,362	2,826,813
Employee Benefits - Salaries	117,933	130,000	124,807	117,933	130,000	124,807
	<u>4,085,638</u>	<u>3,119,490</u>	<u>3,565,581</u>	<u>4,085,638</u>	<u>3,119,490</u>	<u>3,565,581</u>

The use of land and buildings figure represents 8% of the school'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.

8 Depreciation of Property, Plant and Equipment

	2017	2017 Budget	2016	2017	2017 Budget	2016
	Actual	(Unaudited)	Actual	Actual	(Unaudited)	Actual
	\$	\$	\$	\$	\$	\$
Buildings - School	16,060	25,524	-	16,060	25,524	-
Furniture and Equipment	72,180	80,797	79,847	72,180	80,797	79,847
Information and Communication Technology	64,639	61,276	42,827	64,639	61,276	42,827
Motor Vehicles	10,084	10,395	9,978	10,084	10,395	9,978
Leased Assets	39,481	25,982	6,128	39,481	25,982	6,128
Library Resources	5,715	6,026	5,384	5,715	6,026	5,384
	<u>208,159</u>	<u>210,000</u>	<u>144,164</u>	<u>208,159</u>	<u>210,000</u>	<u>144,164</u>



Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

	PARENT			GROUP		
9 Cash and Cash Equivalents	2017	2017 Budget	2016	2017	2017 Budget	2016
	Actual	(Unaudited)	Actual	Actual	(Unaudited)	Actual
	\$	\$	\$	\$	\$	\$
Cash on Hand	400	400	100	400	400	100
Bank Current Account	126,090	70,000	73,764	155,537	70,000	120,095
Net cash and cash equivalents and bank overdraft	126,490	70,400	73,864	155,937	70,400	120,195

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

10 Accounts Receivable

	2017	2017 Budget	2016	2017	2017 Budget	2016
	Actual	(Unaudited)	Actual	Actual	(Unaudited)	Actual
	\$	\$	\$	\$	\$	\$
Receivables	17,773	64,000	40,814	17,773	64,000	40,814
Receivables from the Ministry of Education	14,179	-	-	14,179	-	-
Interest Receivable	14,716	-	13,401	14,716	-	13,401
Teacher Salaries Grant Receivable	403,368	308,000	316,152	403,368	308,000	316,152
	450,036	372,000	370,367	450,036	372,000	370,367
Receivables from Exchange Transactions	32,489	64,000	54,215	32,489	64,000	54,215
Receivables from Non-Exchange Transactions	417,547	308,000	316,152	417,547	308,000	316,152
	450,036	372,000	370,367	450,036	372,000	370,367

11 Investments

The School's investment activities are classified as follows:

	2017	2017 Budget	2016	2017	2017 Budget	2016
	Actual	(Unaudited)	Actual	Actual	(Unaudited)	Actual
	\$	\$	\$	\$	\$	\$
Current Asset						
Short-term Bank Deposits	1,959,529	1,748,239	2,377,577	1,959,529	1,748,239	2,377,577

The carrying value of long term deposits longer than 12 months approximates their fair value at 31 December 2017.



Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

PARENT

12. Property, Plant and Equipment

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2017						
Buildings	-	432,252	-	-	(16,060)	416,192
Furniture and Equipment	391,610	162,669	(20,000)	-	(72,180)	462,099
Information and Communication Technology	107,201	107,110	-	-	(64,639)	149,672
Motor Vehicles	72,042	1,957	-	-	(10,084)	63,915
Art Prints	259,655	20,000	(7,268)	-	-	272,387
Leased Assets	71,921	152,496	-	-	(39,481)	184,936
Library Resources	37,797	11,022	(3,099)	-	(5,715)	40,005
Balance at 31 December 2017	940,226	887,506	(30,367)	-	(208,159)	1,589,206

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2017			
Buildings	833,632	(417,440)	416,192
Furniture and Equipment	1,482,391	(1,020,292)	462,099
Information and Communication Technology	579,482	(429,810)	149,672
Motor Vehicles	128,969	(65,054)	63,915
Art Prints	272,387	-	272,387
Leased Assets	230,545	(45,609)	184,936
Library Resources	130,327	(90,322)	40,005
Balance at 31 December 2017	3,657,733	(2,068,527)	1,589,206

The net carrying value of equipment held under a finance lease is \$184,936.

	Opening Balance (NBV)	Additions	Disposals	Impairment	Depreciation	Total (NBV)
	\$	\$	\$	\$	\$	\$
2016						
Furniture and Equipment	414,848	60,303	(3,694)	-	(79,847)	391,610
Information and Communication Technology	126,572	23,456	-	-	(42,827)	107,201
Motor Vehicles	82,020	-	-	-	(9,978)	72,042
Art Prints	252,245	8,175	(765)	-	-	259,655
Leased Assets	-	78,049	-	-	(6,128)	71,921
Library Resources	37,882	5,806	(507)	-	(5,384)	37,797
Balance at 31 December 2016	913,567	175,789	(4,966)	-	(144,164)	940,226

	Cost or Valuation	Accumulated Depreciation	Net Book Value
	\$	\$	\$
2016			
Buildings	401,380	(401,380)	-
Furniture and Equipment	1,417,723	(1,026,113)	391,610
Information and Communication Technology	394,372	(287,171)	107,201
Motor Vehicles	127,011	(54,969)	72,042
Art Print	259,655	-	259,655
Leased Assets	78,049	(6,128)	71,921
Library Resources	129,962	(92,165)	37,797
Balance at 31 December 2016	2,808,152	(1,867,926)	940,226



Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

GROUP						
Property, Plant and Equipment						
2017	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Buildings	-	432,252	-	-	(16,060)	416,192
Furniture and Equipment	412,266	162,669	(20,000)	-	(72,180)	482,755
Information and Communication Technology	107,201	107,110	-	-	(64,639)	149,672
Motor Vehicles	72,042	1,957	-	-	(10,084)	63,915
Art Print	266,921	20,000	(7,268)	-	-	279,653
Leased Assets	71,921	152,496	-	-	(39,481)	184,936
Library Resources	37,797	11,022	(3,099)	-	(5,715)	40,005
Balance at 31 December 2017	968,148	887,506	(30,367)	-	(208,159)	1,617,128

2017	Cost or Valuation \$	Accumulated Depreciation \$	Net Book Value \$
Buildings	833,632	(417,440)	416,192
Furniture and Equipment	1,503,047	(1,020,292)	482,755
Information and Communication Technology	579,482	(429,810)	149,672
Motor Vehicles	128,969	(65,054)	63,915
Art Print	279,653	-	279,653
Leased Assets	230,545	(45,609)	184,936
Library Resources	130,327	(90,322)	40,005
Balance at 31 December 2017	3,685,655	(2,068,527)	1,617,128

The net carrying value of equipment held under a finance lease is \$184,936.

2016	Opening Balance (NBV) \$	Additions \$	Disposals \$	Impairment \$	Depreciation \$	Total (NBV) \$
Furniture and Equipment	435,504	60,303	(3,694)	-	(79,847)	412,266
Information and Communication Technology	126,572	23,456	-	-	(42,827)	107,201
Motor Vehicles	82,020	-	-	-	(9,978)	72,042
Art Print	252,245	8,175	(765)	-	-	259,655
Leased Assets	-	78,049	-	-	(6,128)	71,921
Library Resources	37,882	5,806	(507)	-	(5,384)	37,797
Balance at 31 December 2016	934,223	175,789	(4,966)	-	(144,164)	960,882

2016	Cost or \$	Accumulated \$	Net Book Value \$
Buildings	401,380	(401,380)	-
Furniture and Equipment	1,438,379	(1,026,113)	412,266
Information and Communication Technology	394,372	(287,171)	107,201
Motor Vehicles	127,011	(54,969)	72,042
Art Print	259,655	-	259,655
Leased Assets	78,049	(6,128)	71,921
Library Resources	129,962	(92,165)	37,797
Balance at 31 December 2016	2,828,808	(1,867,926)	960,882



One Tree Hill College

Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

	PARENT			GROUP		
	2017	2017 Budget	2016	2017	2017 Budget	2016
	Actual	(Unaudited)	Actual	Actual	(Unaudited)	Actual
	\$	\$	\$	\$	\$	\$
Operating creditors	274,234	-	191,967	274,234	-	191,967
Accruals	28,687	596,000	116,633	28,687	596,000	116,633
Banking staffing overuse	127,633	-	207,656	127,633	-	207,656
Employee Entitlements - salaries	403,368	308,000	316,152	403,368	308,000	316,152
Employee Entitlements - leave accrual	60,529	-	66,878	60,529	-	66,878
	<u>894,451</u>	<u>904,000</u>	<u>899,286</u>	<u>894,451</u>	<u>904,000</u>	<u>899,286</u>
Payables for Exchange Transactions	894,451	904,000	899,286	894,451	904,000	899,286
	<u>894,451</u>	<u>904,000</u>	<u>899,286</u>	<u>894,451</u>	<u>904,000</u>	<u>899,286</u>

The carrying value of payables approximates their fair value.

14 Borrowings

	2017	2017 Budget	2016	2017	2017 Budget	2016
	Actual	(Unaudited)	Actual	Actual	(Unaudited)	Actual
	\$	\$	\$	\$	\$	\$
Due in One Year	-	63,552	63,552	-	63,552	63,552
Due Beyond One Year	-	-	3,900	-	-	3,900
	<u>-</u>	<u>63,552</u>	<u>67,452</u>	<u>-</u>	<u>63,552</u>	<u>67,452</u>

The school had borrowings at 31 December 2017 : \$Nil (31 December 2016 \$67,452). In 2005 the school received an interest free loan from Ministry of Education for \$900,000. The loan was for 10 years but in 2009 it was extended to 12 years. It is repayable in quarterly installments of \$17,500. The loan is carried at amortised costs using an effective interest rate of 6%. This has now been repaid in full as at 31 December 2017.

15 Revenue Received in Advance

	2017	2017 Budget	2016	2017	2017 Budget	2016
	Actual	(Unaudited)	Actual	Actual	(Unaudited)	Actual
	\$	\$	\$	\$	\$	\$
International Student Fees	208,814	100,000	66,109	208,814	100,000	66,109
Other	397,633	56,635	63,442	397,633	56,635	63,442
	<u>606,447</u>	<u>156,635</u>	<u>129,551</u>	<u>606,447</u>	<u>156,635</u>	<u>129,551</u>

16 Provision for Cyclical Maintenance

	2017	2017 Budget	2016	2017	2017 Budget	2016
	Actual	(Unaudited)	Actual	Actual	(Unaudited)	Actual
	\$	\$	\$	\$	\$	\$
Provision at the Start of the Year	276,300	276,300	280,700	276,300	276,300	280,700
Increase to the Provision During the Year	127,719	87,320	69,488	127,719	87,320	69,488
Use of the Provision During the Year	(29,718)	(15,020)	(73,888)	(29,718)	(15,020)	(73,888)
Provision at the End of the Year	<u>374,301</u>	<u>348,600</u>	<u>276,300</u>	<u>374,301</u>	<u>348,600</u>	<u>276,300</u>
Cyclical Maintenance - Current	121,500	132,300	-	121,500	132,300	-
Cyclical Maintenance - Term	<u>252,801</u>	<u>216,300</u>	<u>276,300</u>	<u>252,801</u>	<u>216,300</u>	<u>276,300</u>
	<u>374,301</u>	<u>348,600</u>	<u>276,300</u>	<u>374,301</u>	<u>348,600</u>	<u>276,300</u>



Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

	PARENT			GROUP		
17 Finance Lease Liability						
The school has entered into a number of finance lease agreements for laptops and photocopiers						
Minimum lease payments payable:						
	2017	2017 Budget	2016	2017	2017 Budget	2016
	Actual	(Unaudited)	Actual	Actual	(Unaudited)	Actual
	\$	\$	\$	\$	\$	\$
No Later than One Year	135,369	79,287	79,287	135,369	79,287	79,287
Later than One Year and no Later than Five Years	123,029	52,376	131,663	123,029	52,376	131,663
	<u>258,398</u>	<u>131,663</u>	<u>210,950</u>	<u>258,398</u>	<u>131,663</u>	<u>210,950</u>
18 Funds held in Trust						
	2017	2017 Budget	2016	2017	2017 Budget	2016
	Actual	(Unaudited)	Actual	Actual	(Unaudited)	Actual
	\$	\$	\$	\$	\$	\$
Funds Held in Trust on Behalf of Third Parties -						
Current	-	-	56,635	-	-	56,635
	<u>-</u>	<u>-</u>	<u>56,635</u>	<u>-</u>	<u>-</u>	<u>56,635</u>

These funds are held in trust for international student



Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

PARENT

19 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 Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
	2017	\$	\$	\$		\$
New Joinery	Completed	(826)	-	-	(826)	-
Dance/Drama	Completed	223,665	-	-	223,665	-
Food Tech Room	In Progress	-	-	14,179	(14,179)	-
Totals		222,839	-	14,179	208,660	-

		Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
	2016	\$	\$	\$	\$	\$
Art Suite (old Gym)	completed	(7,902)	14,861	6,959	-	-
Kiln	completed	24,510	3,331	27,841	-	-
Ventilation	completed	(10,558)	188,127	177,569	-	-
New Joinery	In progress	75,577	1,692	78,096	-	(826)
Stairs	completed	23,080	-	23,080	-	-
Drainage	completed	(441)	12,107	11,666	-	-
Dance/Drama	In progress	2,115	243,000	21,450	-	223,665
Miro Roofing	completed	9,183	-	9,183	-	-
Totals		115,564	463,118	355,844	-	222,839

GROUP

		Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
	2017	\$	\$	\$		\$
New Joinery	Completed	(826)	-	-	(826)	-
Dance/Drama	Completed	223,665	-	-	223,665	-
Food Tech Room	In Progress	-	-	14,179	(14,179)	-
Totals		222,839	-	14,179	208,660	-

		Opening Balances	Receipts from MoE	Payments	BOT Contribution/ (Write-off to R&M)	Closing Balances
	2016	\$	\$	\$	\$	\$
Art Suite (old Gym)	completed	(7,902)	14,861	6,959	-	-
Kiln	completed	24,510	3,331	27,841	-	-
Ventilation	completed	(10,558)	188,127	177,569	-	-
New Joinery	In progress	75,577	1,692	78,096	-	(826)
Stairs	completed	23,080	-	23,080	-	-
Drainage	completed	(441)	12,107	11,666	-	-
Dance/Drama	In progress	2,115	243,000	21,450	-	223,665
Miro Roofing	completed	9,183	-	9,183	-	-
Totals		115,564	463,118	355,844	-	222,839



Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

20 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.

21 Remuneration

Key management personnel compensation

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

	PARENT		GROUP	
	2017 Actual \$	2016 Actual \$	2017 Actual \$	2016 Actual \$
Board Members				
Remuneration	7,120	3,405	7,120	3,405
Full-time equivalent members	0.18	0.26	0.18	0.26
Leadership Team				
Remuneration	609,248	598,766	609,248	598,766
Full-time equivalent members	5.00	5.00	5.00	5.00
Total key management personnel remuneration	616,368	602,171	616,368	602,171
Total full-time equivalent personnel	5.18	5.26	5.18	5.26

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

Principal

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

	2017 Actual \$000	2016 Actual \$000	2017 Actual \$000	2016 Actual \$000
Salaries and Other Short-term Employee Benefits:				
Salary and Other Payments	170-180	170-180	170-180	170-180
Benefits and Other Emoluments	4-5	4-5	4-5	4-5
Termination Benefits	-	-	-	-

Other Employees

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

Remuneration \$000	2017 FTE Number	2016 FTE Number	2017 FTE Number	2016 FTE Number
100-110	5	4	5	4
	5	4	5	4

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

22 Compensation and Other Benefits Upon Leaving

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

	2017 Actual	2016 Actual	2017 Actual	2016 Actual
Total	-	\$33,000	-	\$33,000
Number of People	-	2	-	2

23 Contingencies

There are no contingent liabilities (except as noted below) and no contingent assets as at 31 December 2017.

(Contingent liabilities and assets as at 31 December 2016: nil)



Notes to the Financial Statements (cont.)

For the year ended 31 December 2017

24 Commitments

(a) Capital Commitments

The Board considers there to be no contractual commitments at the above date other than those disclosed in the preceding financial statements and detailed below.

(Capital commitments as at 31 December 2016: nil)

(b) Operating Commitments

As at 31 December 2016 the Board has entered into the following contracts:

- Operating Leases for teacher laptops (TELA) entered into before 2016 and not classified to finance leases as immaterial.

	PARENT		GROUP	
	2017 Actual \$	2016 Actual \$	2017 Actual \$	2016 Actual \$
No later than One Year	15,258	7,181	15,258	7,181
Later than One Year and No Later than Five Years	-	1,643	-	1,643
	<u>15,258</u>	<u>8,824</u>	<u>15,258</u>	<u>8,824</u>

25 Managing Capital

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

26 Financial Instruments

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

Loans and receivables	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$	2017 Actual \$	2017 Budget (Unaudited) \$	2016 Actual \$
Cash and Cash Equivalents	126,490	70,400	73,864	155,937	70,400	120,195
Receivables	450,036	372,000	370,367	450,036	372,000	370,367
Investments - Term Deposits	1,959,529	1,748,239	2,377,577	1,959,529	1,748,239	2,377,577
Total Loans and Receivables	<u>2,536,055</u>	<u>2,190,639</u>	<u>2,821,808</u>	<u>2,565,502</u>	<u>2,190,639</u>	<u>2,868,139</u>
Financial liabilities measured at amortised cost						
Payables	894,451	904,000	899,286	894,451	904,000	899,286
Borrowings - Loans	-	63,552	67,452	-	63,552	67,452
Finance Leases	258,398	131,663	210,950	258,398	131,663	210,950
Total Financial Liabilities Measured at Amortised Cost	<u>1,152,849</u>	<u>1,099,215</u>	<u>1,177,688</u>	<u>1,152,849</u>	<u>1,099,215</u>	<u>1,177,688</u>

27 Events After Balance Date

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

28 Controlled Entities

The School consolidates The One Tree Hill College 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.



INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF ONE TREE HILL COLLEGE'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

The Auditor-General is the auditor of One Tree Hill College (the School). The Auditor-General has appointed me, Kurt Sherlock, using the staff and resources of Crowe Horwath New Zealand Audit Partnership, 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 20, that comprise the statement of financial position as at 31 December 2017, 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 2017; 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 29 May 2018. 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 of Trustees 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 of Trustees for the financial statements

The Board of Trustees 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. The Board of Trustees 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 of Trustees is responsible on behalf of the School for assessing the School's ability to continue as a going concern. The Board of Trustees 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 of Trustees' responsibilities arise from 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 of Trustees.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees 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. 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 Novopay 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 of Trustees 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 arise from the Public Audit Act 2001.

Other information

The Board of Trustees are responsible for the other information. The other information obtained at the date of our report is the Kiwisport Funding Report and Analysis of Variance Report, which are attached to the financial statements, 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 (Revised): *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.



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

ONE TREE HILL COLLEGE CONTACT LIST: BOARD OF TRUSTEES

First Name	Surname	Trustee	Committee	Address	Home Phone	Mobile	Email
Derek	Anderson	Parent	P&C Discipline	16B Ellerslie Park Road Ellerslie 1051	525 7646	027 270 6723	danderson@alsco.co.nz
Nick	Coughlan	Principal	All	25 Bay Road St Heliers 1071	575 5299	021 420 397	ncoughlan@onetreeshillcollege.school.nz
Dagmar	Dyck	Co-opted	P&C Discipline	124 Waipuna Road East Mt Wellington		021 147 4535	dagmar.dyck@gmail.com
Darryl	Follows	Parent (Chair)	F&P Discipline	10 / 11 Harrison Road Ellerslie 1051	924 8625 (work)	029 474 0420	darryl_follows@bnz.co.nz
Max	Guptill	Parent (Deputy Chair)	P&C Discipline	48A Commissariat Road Mt Wellington 1060	524 2616	0274 742 122	max.guptill@mccf.org.nz
Desiree	Hughes	Staff	P&C	60A Strong Street St Johns		021 103 3285	dhughes@onetreeshillcollege.school.nz
Mark	Leadbetter	Parent	F&P Discipline	30A Ruawai Road Mt Wellington	525 3919	021 272 4640	markl@xtra.co.nz
Rob	McKnight	Parent	F&P Discipline	10 Derry Street Greenlane	524 6766	027 444 2420	rob@mcknight.co.nz
Ishwanka	Sharma	Student		16 Hill Road Manurewa	264 0700	021 064 4919	ishwankasharmaoath@gmail.com



One Tree Hill
COLLEGE

One Tree Hill College

Kiwisport Funding

For the year ended 31 December 2017

Kiwisport is a Government funding initiative to support student in organised sport.

In 2017, the school received the total for Kiwisport funding was \$24,251.91 (excluding GST).

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

Signed: _____

Principal: N. COUGHLAN

Date: 13/2/18

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One Tree Hill
COLLEGE

ANALYSIS OF VARIANCE 2017

ANNUAL PLAN 2017

(Section 3 of the Charter)

2017 Annual Plan

The 2017 Annual Plan identifies four major school achievement targets which are drawn from the National Priorities for Educational Achievement.

The four targets have been established as a result of consultation with the various sectors in the school community and the analysis of student achievement data.

The four targets in our Annual Plan are:

1 **Raising Student Achievement**

We will use data, structures, and teaching strategies effectively to raise the achievement of all students. Strategies will be put in place to ensure continuing focus on increasing the achievement of Māori and Pasifika students.

2 **Increasing the Effective Use of E-Learning to Enhance Teaching and Learning**

We will increase the use of ICT to enhance student engagement and academic achievement – BYOD plan.

3 **Implementing Positive Behaviour For Learning (PB4L)**

We will focus on creating a learning culture of excellence to increase student engagement and achievement – “STRIVE @ OTHC”

4 **Establishing the Maungakiekie Community of Learning (MaCoL)**

We will focus on establishing the MaCoL and creating strong links across schools to strengthen pedagogy and student achievement.



2017 Annual Targets

Achievement
= E-Learning + PB4L + MaCoL



Strategic Area 1: Raising Student Achievement

Objective:

We will use data, structures, and teaching strategies effectively to raise the achievement of all students. Strategies will be put in place to ensure continuing focus on priority learners - increasing the achievement of Māori students, Pasifika students and students with special needs.

We chose this strategic objective because although our results are excellent, academic achievement for all students must always remain our major focus.

Baseline Data 2014 - 2017:

**2017 NCEA data is provisional*

	Achieved				Merit				Excellence				Pasifika Student NCEA Achievement				Māori Student NCEA Achievement			
	2014	2015	2016	2017*	2014	2015	2016	2017*	2014	2015	2016	2017*	2014	2015	2016	2017*	2014	2015	2016	2017*
Level 1	77	84	87	86	16	25	30	27	9	13	9	17	78	71	85	83	56	90	82	80
Level 2	82	82	89	87	15	13	16	28	6	7	12	8	81	78	85	86	59	83	91	77
Level 3	68	76	89	75	15	21	17	22	2	3	6	7	65	73	82	69	63	70	79	63
UE	29	41	40	48									25	36	29	25	13	20	36	32
Literacy	90	90	98	95																
Numeracy	82	86	98	96																

**2017 NCEA data is provisional*

Targets:

1. We will increase the percentage of students achieving NCEA level 1 from 87% to 90% (national mean 87%)
2. We will increase the percentage of students achieving NCEA level 2 from 89% to 90% (national mean 90%)
3. We will increase the percentage of students achieving University Entrance from 40% to 65% (national mean 63%)
4. We will increase the percentage of students gaining Merit and Excellence endorsements at NCEA levels 1, 2 and 3 to national means:

	Merit			Excellence		
	2015	2016	2017*	2015	2016	2017*
Level 1	25%	30%	27%	13%	9%	17%
Level 2	13%	16%	28%	7%	12%	8%
Level 3	21%	17%	22%	3%	6%	7%

**2017 NCEA data is provisional*

Strategic Area 1: Raising Student Achievement

Actions (What did we do?)	Outcomes (What happened?)	Reasons for the Variance (Why did it happen?)	Evaluation (Where to Next?)
Significant focus on engaging Māori whānau in their child's learning with the establishment of a Māori Advisory Group and representation on the Board of Trustees.	*2017 NCEA data is provisional We are tracking towards continued improvements in student achievement at NCEA L1 and L2 which will be equal to or above national means.	The CL Māori passed away suddenly in October. This certainly had negative impacts on the academic outcomes of our senior Māori students.	Continued focus on engaging Māori families, strengthening Kapa Haka, growing student numbers in Te Reo, and new CL Maori.
Professional Learning Groups (PLGs) running spirals of inquiry into Māori and Pasifika student achievement. Increased focus by MaCoL.	There will also be a significant improvement in UE. There will also be increased results in merit endorsements across all levels of NCEA L1, L2 and L3.	There was a decrease in Māori and Pasifika achievement in NCEA L3. This will be the focus of a spiral of inquiry into the reasons for this.	Findings from the spirals of inquiry to inform teaching practices in 2018. PLD will continue in 2018 to support our Pasifika and Māori learners.
Formal Academic Excellence Awards Ceremony	There was a very significant increase in excellence endorsements at L1 and a small increase at L3.	Making a clear statement to students and families that academic studies are our priority and applauding success.	Continue to highlight student academic success with regular awards ceremony as students reach endorsement levels.
Greater use of data to inform students and staff of their progress and areas for focus – 'traffic lighting' and ART.	There was a decrease of achievement in NCEA L3 and excellent endorsements at L2. NCEA L1: will increase by approx 3% NCEA L2: will increase by approx 2% NCEA L3: will decrease by approx 10% UE: increased 7% Literacy: decreased 3% Numeracy: decreased 2%	Student data was used heavily to select appropriate courses for students at the appropriate level. Data was also used to track student progress, especially 'traffic lighting'.	Continue to use student data to inform teaching practice, as well as increase the amount of junior student data through the use of e- asTTle. Continued use of 'traffic lighting' for all senior students with a greater emphasis on doing this through our whānau system.
Establish a Year 13 Scholarship group.	Merit: L1: will increase by approx 1% L2: will increase by approx 12%	Students were offered additional learning opportunities to extend themselves to sit Scholarship. This was done outside the current curriculum timetable by staff. Attendance and outcomes at these exams was poor, with	Opportunities will continue to be offered to students to sit Scholarship, but this will be more specifically targeted and rationalised.

	L3: will increase by approx 6% Excellence: L1: will increase by approx 8% L2: will decrease by approx 4% L3: will increase by approx 2% 2 Scholarships were achieved in Music and Media Studies.	students deciding to focus on NCEA.	
Identify targeted University Entrance group.		There was a considerable increase in UE achievement. Targeted tracking and increased awareness of UE requirements made a difference.	Continued targeting and tracking of students capable of achieving UE. Even more student and family communication, beginning earlier in term 1.
Increased communication with students detailing the college's vision, targets and expectations.		Constant messages were conveyed to students about the college's expectations around learning and the college's values and what they mean. Regular messages were given to the community about our targets and how we were tracking towards these.	Strengthened use of 'traffic lighting' system to track student progress in whanau with more time given to staff to do so. Staff mentoring 'amber' students with increased communication with parents. Introduction of the Year 9 Citizenship programme to raise understanding of college values and expectations early in their start at the college.
Embed a PCT Mentor to support teachers new to the profession.		This was very successful with new staff getting very strong PLD on pedagogy.	Continue this programme in 2018.
Embed NCEA opportunities at Year 10		Continued review of programmes at all levels and the manner in which these were communicated to students.	Greater feedback to students and families about their child's success and progress in the Year 10 NCEA programme.

Strategic Area 2: Increasing the Effective Use of E-Learning to Enhance Teaching and Learning

Objective:

We will increase the use of ICT to enhance student engagement and academic achievement.

We chose this strategic objective because we understand the importance of the effective use of ICT to enhance teaching and learning.

Targets:

1. Increase the use of e-learning in teaching and learning programmes.
2. Implement PLD programmes to increase the knowledge and effectiveness of teachers in e-learning.
3. Develop the use of BYOD in 2 classes in 2017 and across the college in 2018.
4. Continue to develop the use of a parent portal on KAMAR.

Strategic Area 2: Increasing the Effective Use of E-Learning to enhance Teaching and Learning				
Actions (What did we do?)	Outcomes (What happened?)	Reasons for the Variance (Why did it happen?)	Evaluation (Where to Next?)	
Ensure all learning environments are conducive to the effective use of ICT	Through N4L, the college is connected to fibre for ultrafast internet access. The college also purchase additional wireless capability and more mobile digital technologies (COWs, tablets). There was also an updating of a variety of computer leases across the college, as well as an increased number of specific technologies (eg. Music, Art, Media Studies, Technology)	Increasing student numbers, the college, being accepted on the N4L programme and diversification of teaching programmes requiring higher specification of IT technologies.	Continue strengthening our network and ICT hardware. Continue embedding a BYOD programme for Year 9 students, which will grow across the school in future years.	
Implement PLD programmes to increase the knowledge and effectiveness of teachers using ICT.	A lead ICT group continued as a part of the PLD programme. Staff PLD was provided in the use of technologies in teaching and learning programmes. A new ICT (New Era) Manager was appointed which provided additional strength to existing structures.		Continuation of an ICT pedagogical leader in the college to support staff with their teaching and learning. Targeted PLD programme for staff based on staff specific needs from survey conducted at start of 2018. Major focus on One Note and 365.	
Implement the use of BYOD across two Year 9 classes.	BYOD was implemented in two Year 9 classes successfully. This became our lead group of teachers.		Following review, a full roll-out across all Year 9 of a BYOD programme in 2018 will occur.	
Develop the use of a parent portal on KAMAR.	Portal was established and communicated to parents and whānau.	To increase communication to whānau and allow for greater access to student achievement data.	Increase the use of the Portal for whānau – assist whānau with access to the portal.	

Strategic Area 3: Positive Behaviour for Learning (PB4L) School-Wide

Objective:

We will focus on strengthening a positive learning culture of excellence to increase student engagement and achievement by utilising the PB4L school-wide framework.

Targets:

1. Embed a school-wide PB4L plan.
2. Embed the understanding of the OTHC Values.
3. Increased emphasis on students taking responsibility for their own learning.
4. Increased emphasis on students' awareness and thoughtfulness about the impact of their behaviour on others.
5. Students to manage self and have the proper equipment for learning

Strategic Area 3: Positive Behaviour for Learning (PB4L) School-Wide				
Actions (What did we do?)	Outcomes (What happened?)	Reasons for the Variance (Why did it happen?)	Evaluation (Where to Next?)	
Embed a school-wide PB4L plan.	PB4L embedded in the college with 'STRIVE' cards to reinforce positive behaviour.	There was targeted school-wide and departmental PLD which focused on the engagement of students and positive relationships. This included restorative practices.	Continued development of PB4L Schoolwide as a structure to improve attitudes to learning. Review the behaviour Management Flowchart to be more in-line with PB4L. Review PB4L team and introduce new members.	
Embed an understanding of the OTHC Values.	A greater emphasis placed on the college values in verbal and visual communication.	Rather than just knowing the values, there was an increased awareness of what they mean in a variety of contexts. They were highly visible throughout the college and in the college's marketing. These were also linked strongly to PB4L.	Implement a Year 9 Citizenship programme in 2018 to support making these key links to new students transitioning into the college. This programme will be taught by senior teachers including the Principal.	
Increased emphasis on students taking responsibility for their own learning.	Attitudes to Learning Rubrics was embedded at the college and applied to all student reports throughout the year. A greater emphasis placed on the college values in verbal and visual communication.		Continue the emphasis on the attitudes to learning in all school correspondence, as well as in student reports. Implement a Year 9 Citizenship programme in 2018 to support making these key links to new students transitioning into the college. This programme will be taught by senior teachers including the Principal.	

Strategic Area 4: Establishing the Maungakiekie Community of Learning (MaCoL)

Objective:

We will focus on establishing the MaCoL and creating strong links across schools to strengthen pedagogy and student achievement.

We chose this strategic objective because we understand the importance of the Maungakiekie Community of Learning and the positive impacts it could have for student achievement within our community.

Targets:

1. Begin implementing the MaCoL achievement plan.
2. Establish an understanding of MaCoL plan across students, staff and community.

Strategic Area 4: Establishing the Maungakiekie Community of Learning (MaCoL)				
Actions (What did we do?)	Outcomes (What happened?)	Reasons for the Variance (Why did it happen?)	Evaluation (Where to Next?)	
Work closely with MaCoL Lead Principal and Across School MaCoL leaders.	Regular meetings were held with MaCoL Principals and other members of senior leadership. This allowed for regular communication of progress and planning.	Lead Principal resigned during the year and new Lead Principal was appointed. This allowed for a review of the direction of the MaCoL and a simplified plan moving forward.	MaCoL leadership developing a new plan with new targets. These targets will be more appropriate to each school and new plans to achieve them will be developed. A major emphasis will be placed on student transitions. A new initiative will be trying to fund a 'Centre of Innovation' for the MaCoL.	
Effective and regular communication with students, staff and families about MaCoL progress and achievements.	Regular newsletters were sent to schools, staff, students and the community about the progress of the MaCoL.	These stopped in term 4 due to personnel changes.	Newsletters to begin in 2018, along with further layers of community engagement and communication.	
Regular meetings of MaCoL full school staff.	There were termly meetings of all MaCoL staff in the One Tree Hill College Auditorium. These were well attended and focussed on our achievement plan, as well as sharing ideas and spirals of inquiry. There were also regular meetings of MaCoL Board of Trustees.	One of the major findings from these combined meetings were the differences between our education sectors – primary, intermediate and secondary. A greater understanding and appreciation for each sector was gained.	These meetings are planned to continue in 2018.	
Implement the understanding and use of PATs in Mathematics.	In 2017, PAT testing was conducted for the first time across all MaCoL schools, including One Tree Hill College. This presented various challenges around logistics, cost and PLD for staff.	PATs were used by all schools as a means to gain consistency in data.	With the removal of national standards, the MaCoL is still discussing where to next. It may be that e-asTTle reverts back to being the most common assessment tool.	