

TOI-OHOMAI
Institute of Technology Limited

 **Te Pūkenga**

Annual Report
2021

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01

Progress
Reports

2021 Statement of Progress against Strategic Intent

Toi Ohomai Strategic Intent

Toi Ohomai will be future focussed, but grounded in the present reality and will:

Have meaningful and effective partnerships.

- Be a strategic education partner to iwi, industry and the communities in the region.
- Recognise iwi of the region as rights holders.
- Work collaboratively with other education providers.
- Work closely with government agencies.

Deliver tertiary education, research and technology transfer to meet the needs of the region.

- Ensure that we understand and meet our region's tertiary education needs.
- Provide accessible and adaptable pathways for learners.
- Develop our discipline and research strengths to align with those of the region.
- Be active in technology transfer and applied research for industry.

Be innovative and support innovation.

- Create an organisational culture that encourages and supports innovative practice.
- Develop activities that support new innovators and entrepreneurs in our region.
- Embrace and share new technologies and practices in education and industry.
- Build our capability and delivery of STEM subjects and courses.

Be learner-centred.

- Offer a range of services to support student success prior to enrolment, during their study and beyond graduation.
- Tailor our educational delivery to suit the needs of the learners and to enhance their employability.
- Ensure our campuses, programmes, delivery and support mechanisms engage and support Māori and Pasifika ākonga to achieve success.
- Create a culturally-safe environment for all learners.

Be a sustainable organisation.

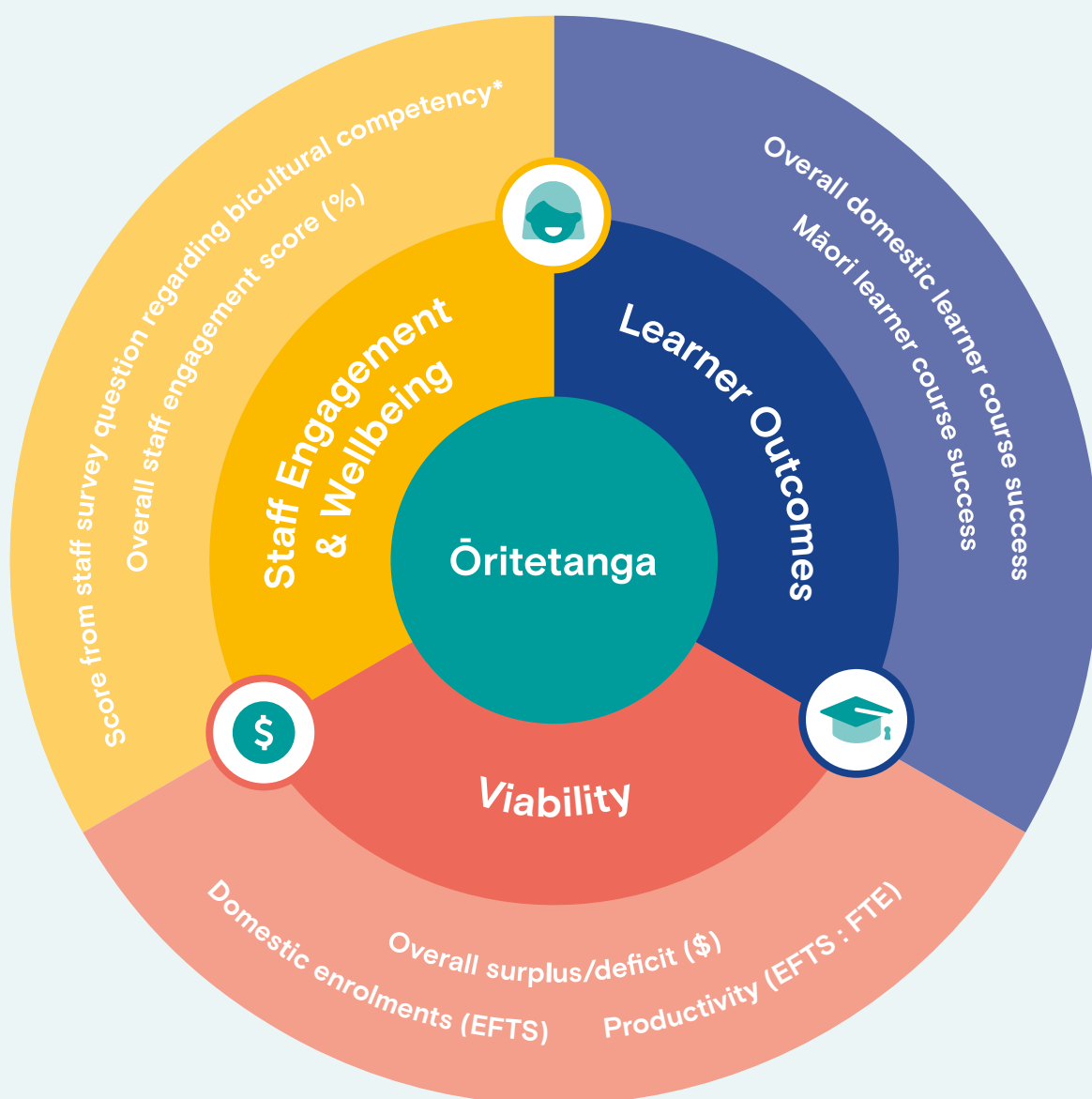
- Ensure that we are financially responsible and sustainable.
- Develop revenue streams appropriate to our core purpose.
- Maintain the highest standards of health and safety for our kaimahi and ākonga.
- Develop the capability of our kaimahi to meet the future needs of the organisation.
- Minimise our negative environmental impact.
- Contribute to the social cohesion of our communities.

2021 Key Performance Indicators

Toi Ohomai annually sets Key Performance Indicators (KPIs) and an associated programme of work specifically aligned to our strategic intent. In 2021, several elements of our strategic framework were influenced by external changes. These include changes to the Education and Training Act 2020, the establishment of a new national entity, Te Pūkenga, and the development of a new Tertiary Education Strategy. In alignment with this new direction, the three main priorities established in 2020, kaimahi engagement and wellbeing, learner outcomes and financial viability, were relevant and critical to continue working towards in 2021.

At the core of our priorities is the concept of Ōritetanga that encompasses 'equity' framed within a mana ōrite context.

Ōritetanga involves the interrogation and disruption of structures, systems, processes and practices that marginalise Māori and contribute to inequitable outcomes. Ōritetanga resists deficit thinking, premised on the inevitability of Māori success through self-determined aspirations and equitable allocation of resources. The use of te reo Māori in naming equity at Toi Ohomai grounds our thinking and approach within a Tiriti o Waitangi framework and makes explicit our commitment to delivering equitable outcomes for Māori. Ōritetanga will provide a lens for our decision-making and prioritising work towards achieving the 2021 KPIs.



*I feel supported in developing (or demonstrating) my capability with Māori language and cultural knowledge/proficiency

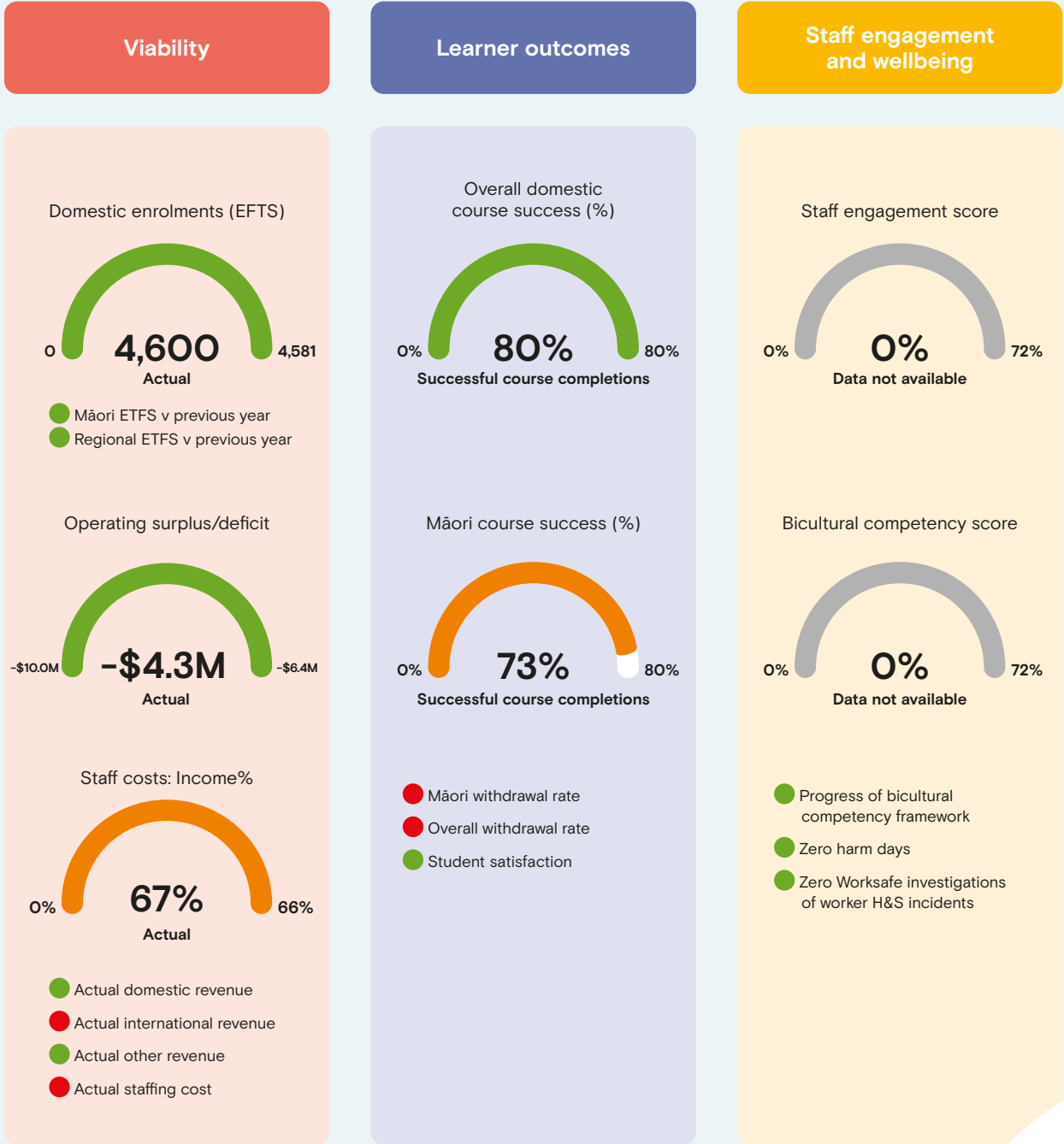
The alignment of our 2021 KPIs to our strategic intent is illustrated in the following graphic:

2021 KPIs	Strategic Intent				
	Meaningful partnerships	Meeting regional needs	Innovation	Learner-centred	Sustainability
Staff engagement score	✔		✔		✔
Staff bicultural competency	✔	✔	✔	✔	
Course success (Māori and overall)	✔	✔	✔	✔	✔
Domestic enrolments	✔	✔		✔	✔
Surplus/Deficit			✔		✔
Productivity			✔		✔

✔ Primary objective ✔ Secondary objective



Toi Ohomai monitored these KPIs throughout the year via an internal dashboard. Below is the final dashboard showing year-end outcomes for all but one of the KPIs. RoVE leadership is assessed qualitatively in the written report below.



● Achieved / on track
 ● Partial achieved / at risk
 ● Not achieved
 ● Not available

2021 Institutional KPI performance

Achieve budgeted operating margin of **-\$6.4M**

- We achieved an overall operating deficit of \$5.2m, which was better than the budgeted operating margin of \$6.4m.
- Income was slightly down on budget due to a significant reduction in international income as a result of border closures (in respect of the COVID-19 pandemic) preventing international student recruitment, however this was offset by higher domestic delivery income from higher EFTS and TTAF programmes together with higher trading & other income.
- Expenditure was significantly below budget, primarily as a result of lower costs with reduced international student recruitment and activity.

Achieve planned outcomes from regional delivery

- We achieved enrolment targets for regional learners.

Improve staff engagement score for each team measured

- Our 2020 Engagement Survey reflected an excellent increase in engagement levels, from 57.1% to 71.7%.
- A Toi Ohomai kaimahi engagement survey was not completed or offered due to our parent company, Te Pūkenga, distributing several staff engagement surveys during 2021. We were conscious of our staff's survey fatigue, which was evident by the number of responses from other surveys run during the year.
- The bicultural competency score is not available for 2021 as the score was tied to a specific question that would have been in the Staff Engagement survey.

Notifiable H&S incidents

- There was one notifiable incident in 2021 (compared to 0 in 2020).

Qualitative assessment of RoVE engagement and impact

- Te Pūkenga Leadership: we actively contributed to multiple key initiatives and sector or cross-agency working groups – such as Te Pūkenga CE Group, Te Pūkenga CFO Forum, and Academic Board representation. Our kaimahi also played a leading role in the International Working Group, Māori Leadership Group and Sector Research Leaders groups. Additionally, we continue to be engaged in leadership job-share relationships across the network.
- Te Pūkenga Work Streams: we had active participation and leading roles in all Te Pūkenga workstreams throughout 2021.
- Toi Ohomai kaimahi continue to be involved in working groups across a diverse range of tertiary providers including collaborating within projects, steering groups and committees to support the direction of Te Pūkenga strategies, action plans and initiatives.

Improve Māori course completion to no less than 80%

- The final result for this KPI was 73%. The outcome was adversely impacted by the nationwide August lockdown on learner engagement and motivation, higher than expected withdrawals and not progressing with new interventions.
- Other key metrics for monitoring this outcome were attendance rate (not achieved) and withdrawal rate (not achieved).
- Although the resulting has not been completed for the year, there has been an improvement from the result achieved in 2020. It is unlikely we will achieve 2021's target; this target will continue to be a key focus of activity for 2022.





Statement of Service Performance Commitments

The Statement of Service Performance (SSP) reports on the results on the 2021 year and aligns with our strategic directions and commitments outlined in our 2019-2020 Investment Plan.

The 2021 actuals of Toi Ohomai Institute of Technology Limited have been compared to the 2020 actuals of its predecessor institute, Toi Ohomai Institute of Technology.

Reduce NEETs (Youth Not in Employment, Education or Training) within the Bay of Plenty region

How measured: NEET rate
2021 Target: 12%
2021 Actuals : 13.2%
Result: Not Achieved
2020 Actuals : 13.7%

From the Statistics New Zealand Household Labour Force Survey Annual Results for the year ending in September, NEET rates dropped from 15.2% in 2020 to 13.2% in 2021. This is the lowest rate since 2018 (for the year ending September).

The previously reported 2020 NEET rate (13.7%) is for the year ending June 2020. This data is no longer available.

Between 2020 and 2021 the proportion of first year students coming from secondary schools decreased at Toi Ohomai, however the overall number of these students increased by 11%. Increases in Trades Academy student numbers in 2021 at Toi Ohomai have also given secondary students further pathway options into tertiary study.

Increase percentage of graduates in employment

How measured: Surveyed Graduates
2021 Target: 87%
2021 Actuals : 76%
Result: Not Achieved
2020 Actuals : 67%

Of the 2020 graduates, 4,575 were invited to participate in the graduate survey through June and July 2021. Of these invitees, 890 participated and 886 answered the question "Are you currently employed?". 76% responded that they were in employment, 9% more than 2020.

As explained previously, the target in the investment plan of 87% erroneously reflects to those in either employment or further study. We have been unable to have this corrected, hence the mismatch in reported values vs the target. In 2021, 86.5% of graduates were in work or further study.

Satisfaction of employers with work readiness of students and graduates

How measured: Surveyed Employers
2021 Target: 90%
2021 Actuals : 97%
Result: Achieved
2020 Actuals : 95%

The Employer Satisfaction survey, conducted in November 2021, had a broad focus on all subject areas: 97% (36 of 37 employers who responded to the survey question) stated that they were satisfied or very satisfied with graduate work readiness.

Satisfaction of stakeholders/partners in their interactions with Toi Ohomai

Employers

How measured: Surveyed Employers
2021 Target: 90%
2021 Actuals : 87%
Result: Not Achieved
2020 Actuals : 93%

From the 2021 Employer Satisfaction survey, 87% (33 of 38 employers who responded to the question) stated that they would recommend or use Toi Ohomai for further training.

Students

How measured: Surveyed Students
2021 Target: 90%
2021 Actuals : 91.6%
Result: Achieved
2020 Actuals : 91.5%

Student satisfaction at Toi Ohomai remains high, with 91.6% (625 of 682 who responded to the survey question) stating they agree or strongly agreed to being satisfied with their experience at Toi Ohomai.

Iwi

How measured: The kaupapa Māori approach that was agreed on in 2019 was kanohi kitea wananga approach based on collective consensus not an individualistic survey approach.

2021 Target: Achieved

2021 Actuals : Achieved

Result: Achieved

2020 Actuals : Achieved

Like previous years, the preferred kanohi kitea, consensus-based collective analysis approach was undertaken. The consensus was satisfied. This year the relationship with the Board of Directors progressed. All kanohi-kitea commitments were honoured.

Industry

How measured: Stakeholder Survey

2021 Target: 55%

2021 Actuals : 64%

Result: Achieved

2020 Actuals : 70%

Unfortunately, this year due to the COVID-19 lockdown and subsequent alert level restrictions the Stakeholder and Partner Survey was unable to be carried out in its usual manner. Annually we ask our stakeholders and partners to review the institute in line with the Toi Ohomai KPI of: *At least 55% of stakeholders indicate they would be 'highly likely' to recommend Toi Ohomai to business colleague.*

Despite these challenging times, the Rotorua BA5 was able to proceed. Results gathered from our Rotorua stakeholders showed 64.3% of participants said that they were highly likely to recommend Toi Ohomai to a business colleague, and overall more than 86% are highly likely or likely to do the same.

Staff

How measured: Staff Survey

2021 Target: Increase

2021 Actuals : -

Result: -

2020 Actuals : 72%

Our 2020 Engagement Survey reflected an excellent increase in engagement levels, from 57% to 72%.

A Toi Ohomai staff survey was not completed or offered due to our parent company, Te Pūkenga, distributing a number of staff engagement surveys during 2021. Survey fatigue by our staff has also been evident by participation from other surveys implemented during the year.

Achievement of Mana Ōrite Tiriti Relationship Plan with Te Kāhui Mātauranga

How measured: Report on plan outcomes

2021 Target: Achieved

2021 Actuals : Achieved

Result: Achieved

2020 Actuals : Achieved

The 2021 plan comprised of four priority areas with the impending transition to Te Pūkenga dominating the focus of discussions and workshops. Implementation of the success measures for the new KPI framework began. An initial exemplar report was able to be produced. Both parties acknowledge and agreed from the outset of implementation that it will take some years to integrate the full framework. Though the continued constraints and delays caused by COVID-19 alongside the transition to Te Pūkenga has slowed progress of projects, by the end of the year the Kāhui were Satisfied with 2021 activities and achievements against the Plan.

Enrolments

In 2021, Toi Ohomai saw an increase of 80 ākonga, but a drop of 333 EFTS overall.

Domestic enrolments increased by 502 EFTS compared to 2020. In particular, increases were seen in SAC L1&2 (99 EFTS, predominantly in te reo Māori) and SAC L3+ (401 EFTS). Level 3+ programmes with the highest increases between 2020 and 2021 were primarily programmes supported by the Targeted Training and Apprenticeship Fund (TTAF).

The decrease in international enrolments due to border closures is the primary reason for the net decline in enrolments compared to 2020.

Costs related to teaching and learning can be found in Note 4 of our Financial Statements.

Funding Type	2021	2020
Domestic Funded		
SAC L3+	4,086	3,685
SAC L1&2 Non-Comp	278	179
Youth Guarantee	103	111
ACE	133	123
Domestic Funded Total	4,600	4,098
International Funded	561	1,424
Other Funded		
Trades Academy	140	127
STAR	-	1
FCR	21	19
ITO	110	96
Other Funded Total	271	243
EFTS Total	5,432	5,765
Student Numbers	10,921	10,841

Education Performance Indicators (EPIs) Commitments

Our performance commitments in regard to the TEC Education Performance Indicators (EPIS) are shown below. It is important to note that data on course success and qualifications gained are not final and may change when 2021 data is finalised in the April Single Data Return (SDR).

TEC will be using the April figures to measure our EPI commitments.

Note: As the 2020 annual report was published before final SDR results were released 2020 actuals differ from last year's annual report.

Student Achievement Component (SAC) EPIS

Overall, COVID-19 disruption continues to have an impact on educational performance indicators. Teaching continued online at time during 2021 and some course end dates extended so that learning could be caught up. This disruption, combined with low unemployment, did result in higher withdrawal rates and lower course completions.

Cohort group	Ethnicity	2021 Target	2021 Actuals	Result	2020 Actuals
Course completion					
All	Māori	80%	80%	Not Achieved	71%
	Non-Māori and non-Pasifika	87%	84%	Not Achieved	86%
	Pasifika	82%	71%	Not Achieved	74%

Course results are still being finalised but the achieved results are unlikely to change.

Higher withdrawals contributed to these results, with attrition rates of 10% or higher across most campuses.

First year retention					
Level 4 to 7 (non-degree)	Māori	50%	66%	Achieved	60%
	Non-Māori and non-Pasifika	55%	66%	Achieved	66%
	Pasifika	45%	80%	Achieved	55%
Level 7 degree	Māori	76%	59%	Not Achieved	67%
	Non-Māori and non-Pasifika	76%	80%	Achieved	73%
	Pasifika	76%	53%	Not Achieved	61%

The retention metrics applies to a small number of Toi Ohomai programmes. Toi Ohomai had an increase in level 4 to 7 first year retention. Level 7 degree retention was below target for both Māori and Pasifika learners.

Participation					
Level 1 to 3	Māori	56%	46%	Not Achieved	53%
	Non-Māori and non-Pasifika	42%	50%	Achieved	43%
	Pasifika	6%	7%	Achieved	6%
Level 4 to 7 (non-degree)	Māori	43%	38%	Not Achieved	37%
	Non-Māori and non-Pasifika	52%	58%	Achieved	58%
	Pasifika	6%	6%	Achieved	7%
Level 7 degree	Māori	40%	28%	Not Achieved	29%
	Non-Māori and non-Pasifika	55%	68%	Achieved	67%
	Pasifika	6%	6%	Achieved	5%
Level 8 to 10	Māori	32%	21%	Not Achieved	19%
	Non-Māori and non-Pasifika	62%	76%	Achieved	80%
	Pasifika	7%	5%	Not Achieved	4%

Enrolments increased compared to 2020, particularly in TTAF funded programmes such as health, trades and support services, and in a number of online programmes. Our portfolio continues to be analysed and refreshed with key focus on delivering to the region and increasing Māori participation.

Cohort group	Ethnicity	2021 Target	2021 Actuals	Result	2020 Actuals
Student progression					
Level 1 to 3	Māori	38%	40%	Achieved	35%
	Non-Māori and non-Pasifika	40%	37%	Not Achieved	30%
	Pasifika	38%	38%	Achieved	37%
Toi Ohomai is continuing to strengthening pathways options for students from lower levels.					
Expected graduates					
Level 1 to 3	Māori	1125	613	Not Achieved	554
	Non-Māori and non-Pasifika	1300	933	Not Achieved	664
	Pasifika	115	78	Not Achieved	64
The number of graduates for 2021 are still to be finalised. Results will be finalised for April for SDR reporting to TEC.					
Research					
The amount of external research income earned (\$ 000s)		\$300	\$173	Achieved	\$178
The number of research degrees completed		1	0	Not Achieved	21
<p>External Research Income in 2021 came from two National Science Challenge projects which are part of the Affordable Housing research programme. Funding was also received from Agmardt for a project researching the use of drones to deliver pest control measures in a targeted way. Although 2021 was another quiet year for research due to COVID-19 restraints, Toi Ohomai has been actively seeking further external funding for research. Two major funding bids in 2021 were unsuccessful in gaining funding. Further applications have been submitted for potential 2022 funding.</p> <p>The number of students enrolled in research degrees was lower in 2021 than in previous years, since the Master of Management relies mostly on international students. The number of international students enrolled at Toi Ohomai was much lower in 2021.</p>					
International					
Total number of international student EFTS		810	561	Not Achieved	1424
As with the rest of the ITP sector, Toi Ohomai was impacted by the continuing closure of borders during 2021, resulting in a further decline in international student numbers.					



Youth Guarantee (YG) EPIS:

Cohort group	Ethnicity	2021 Target	2021 Actuals	Result	2020 Actuals
Expected Graduates					
Level 1 to 3	Māori	100	67	Not Achieved	57
	Non-Māori and non-Pasifika	100	48	Not Achieved	44
	Pasifika	5	12	Achieved	10

The number of graduates for 2021 are still to be finalised and are expected to be above 2020 results but not 2021 targets.

COVID-19 disruption, secondary school learners staying in school for longer, demand for apprenticeship training and other incentivised funding for trades related programmes (TTAF) across the wider Bay of Plenty have contributed to a reduction in the achievement of Youth Guarantee targets. Nationally there has been a general decline in the overall consumption of YG EFTS, particularly in the L2 space. Toi Ohomai is currently working with local Ministry of Education branches to understand the 2022 NEETS forecast and projections for the Bay of Plenty in order to align relevant programme delivery as needed.

Course completion					
Level 1 to 3	All	75%	77%	Achieved	66%

Youth Guarantee students continued to experience significant disruption due to COVID-19 including 4 to 6 weeks of online learning. Withdrawals (particularly in the L2 space) continued to increase, in line with 2020. Despite these challenges all efforts were made to provide extensive learner support including access to devices, hardship funding and online support. This support will be extended into 2022 with a strong emphasis on retention of learners particularly in an online environment.

Expected graduates					
Level 1 to 3	Māori	1125	613	Not Achieved	554
	Non-Māori and non-Pasifika	1300	933	Not Achieved	664
	Pasifika	115	78	Not Achieved	64

The number of graduates for 2021 are still to be finalised. Results will be finalised for April for SDR reporting to TEC.

Student progression					
Level 1 to 3	Māori	50%	35%	Not Achieved	48%
	Non-Māori and non-Pasifika	50%	41%	Not Achieved	36%
	Pasifika	50%	67%	Achieved	38%

Toi Ohomai has a continued commitment to ensure learners have strong pathways and progression into high level vocational education. High levels of employment in the wider Bay of Plenty coupled with on job training and the demand for trades related career pathways will continue to take precedence into 2022.



Academic Programme Development

In 2021, Te Pūkenga commenced its work of programme unification with many collaboration projects established, often with Toi Ohomai representation. Programme development continued to focus on reviewing and updating the existing approved suite of programmes, rather than new programme development due to the workstreams emerging out of Te Pūkenga. For example, Toi Ohomai redeveloped the Bachelor and Master of Teaching Early Childhood Education (ECE) to meet new Teaching Council of Aotearoa New Zealand requirements for all teaching programmes of study. With an emphasis on authentic partnerships, we actively consulted with sector representatives, including the Local Advisory Council (LAC), the Kāhui Mātauranga and associations of Associate Teachers (Kaiako Hāpai) from early childhood centres. Partnership relations have been created and strengthened with Ngāti Whakaue, Ngāi Te Rangi and Ngāti Ranginui, and Pasifika organisations and teachers. The development team has considered how to deliver to ākonga in the local area, offering authentic learning that will lead to work reflective of their environment and so they remain in the rohe to benefit their communities. In addition, the developments show a clear commitment to the elimination of inequitable outcomes, for example, ensuring maintaining health, safety and learning requirements at all times for ākonga and kaimahi with disabilities.

Programme type changes in 2021 have reflected this focused approach to review. In response to a need expressed to the Social Work team by an NGO in Whakatāne, the New Zealand Diploma in Whānau Ora adapted delivery to enable kaimahi to remain employed while completing their studies. The New Zealand Certificate in Youth Work changed assessment to allow easier recognition of learning outcomes for ākonga within their work experience placements.

A new training scheme, Introduction to Infrastructure (Level 3), was developed in response to an identified gap in the road transport and infrastructure industry. Feedback from 95 participants in the local sector highlighted a shortage of drivers with appropriate training and licenses for demolition machinery. The scheme will provide local ākonga, from school leavers to those already in the industry, to train where a local skills shortage exists and address an ageing regional workforce.

A new pathway in the Secondary-Tertiary Exploration Programme (STEP UP) (Level 1) Training Scheme in Game and Realtime Design was developed for the Information Technology department to engage with local Secondary School ākonga and promote local pathways into the various Level 5 and above study options.

Site delivery applications also reflected a drive to meet community needs. For example, Te Puke College was approved to deliver the New Zealand Certificate in Te Reo Māori (Level 2) due to a community group requesting local study options. Additionally, agencies in

Kawerau approached Toi Ohomai to deliver the New Zealand Certificate in Foundation Skills (Level 2), and we gained temporary site approval based on their support. Temporary site approval was also granted to Miro-Tupu Ake Limited, a collective of Māori food producers combining ancient traditions with modern technology and science, to deliver the New Zealand Certificate in Horticulture Production (Level 3) (Fruit Production Strand) from their premises. By offering the program on the MIRO site, the business can continue their kaupapa and provide pastoral care needs while their employees are learning.

The following is a summary of programme development and redevelopment that occurred during 2021:

New Programmes:

- TO0072 Te Tohu Paetahi Whakaako Kōungahunga: Bachelor of Teaching Early Childhood Education (Level 7)
- TO Te Tohu Paerua Whakaako Kōungahunga Master of Teaching Early Childhood Education (ECE) (Level 9)
- NZ2851 Diploma in Early Childhood Education and Care (Level 5)
- NZ3886 New Zealand Certificate in Diving (Level 3)
- NZ2221 New Zealand Diploma in Primary Industry Business Management (Level 5)
- TO0074 Introduction to Infrastructure Training Scheme (Level 3)

Accreditation to Deliver:

- NZ2215 Certificate in Primary Industry Operational Skills (L3) – Eastern Institute of Technology programme
- NZ 2629 Certificate in Digital Media and Design (Level 4) – Ara Institute of Canterbury eCampus delivery only
- NZ 2626 Certificate in Arts and Design (Level 3) – Universal College of Learning Programme for eCampus delivery only (as a pathway option into the Bachelor of Creative Technologies delivered at Mokoia and Windermere campuses)
- NZ 2461 Certificate in Business (Admin and Tech (Level 4) – Otago Polytechnic programme eCampus delivery

Type 1 changes: 45 programmes (includes several programmes but with changes put through at different times).

Type 2 changes: 17 programmes.

Effective 2021, Te Pūkenga now endorses all new developments, Type 2 changes, Offshore delivery and Accreditation applications through the Operational & Financial Parameters (OFP) process before NZQA approval.

People Engagement & Capability

Equal Employment Opportunities

Our commitment to Equal Employment Opportunities at Toi Ohomai is central in our leadership and day-to-day practices with all stakeholders – ākonga, kaimahi, community members, and iwi and industry leaders. Importantly, we aspire to lead out from a values-based principled approach from every aspect of our organisation. This capability is central to the success of our Strategic Intent and requires focus and investment from within all areas.

Professional Development

During the year, our kaimahi were encouraged to examine the professional development opportunities that would support their personal and professional goals in alignment with those of the broader organisation via our Performance Planning and Development (PPD) tool. As a result, many of our kaimahi undertook hundreds of professional development activities that lifted their skills and confidence while contributing to our key performance indicators. Notably, due to COVID restrictions, a large number of conferences, opportunities and courses were postponed or cancelled over the last 12 months.

Through the centrally organised Learning and Development, the opportunities afforded to kaimahi included the Values-Based Leadership program for our aspiring and recently promoted leaders. Other newly offered programs included Te Puawai (te reo, Tikanga and history programme) and Emergency Response training (e.g. formal CIMS training and follow up in-house scenario training). A further highlight of the year was the continued success of our Academic Career Promotion Procedure framework. The two academic promotion rounds recognised the contribution of academic kaimahi and saw seven promotions to Senior Academic Staff Member (SASM) and two promotions to Principal Academic Staff Member (PASM) roles.

To truly embody our values and as part of our commitment to Te Pae Tawhiti, we launched Te Pae Tata Cultural Consciousness programme. Te Pae Tata is a Learning and Development programme, including set of tools and an associated website that reflects our commitment to being a culturally conscious organisation. Kaimahi can explore what cultural consciousness means and how you can incorporate it into your work every day, with resources, training opportunities and a framework to understand the journey.

Staff Engagement

At Toi Ohomai, we have recognised that kaimahi engagement levels are a way to successfully monitor our progress to provide cultural, social, and professional opportunities. Therefore, between 2017 and 2020, we completed an annual Staff Engagement Survey to help benchmark this activity. As a result, we have seen a steady increase in kaimahi engagement from 44% to 72% over the last three years. In addition, given the nature of our environment the pandemic created, it was pleasing to see an increase in health and safety sentiments from our kaimahi. This result was evidenced by an increase from 61% in 2019 to 74% in 2020, in response to the survey statement “Workplace safety and security are considered important here”.

Due to sector reform and the formation of Te Pūkenga, all kaimahi will now be surveyed directly by Te Pūkenga with a particular focus on wellbeing through the ongoing change process. Therefore, to ensure engagement with this survey and in consideration of survey fatigue, we did not implement a specific Toi Ohomai engagement survey this year. However, kaimahi engagement and wellbeing remain a priority, with a particular emphasis on supporting the formal Te Pūkenga change management programme implemented across the network.

The uncertainty that the pandemic brought to 2021 resulted in an undoubtedly challenging year for all those in the sector; however, our kaimahi morale continues to be high and teams are committed to delivering their tasks. We held several online all-staff hui due to uncertainty around COVID-19 alert levels and many staff still working from home. The meetings were a great success with an average of 400 staff attending from across the rohe. The model provided good engagement with staff, and feedback received was unanimously supportive of the format, as they felt comfortable asking questions and providing comments. Based on this positive feedback, we will replicate the online format of these hui in 2022.

Health & Safety

With the management of the pandemic still ongoing into 2021, this continued to create a challenging environment for Health, Safety and Wellbeing at Toi Ohomai. Therefore, a significant focus was to ensure that we embed our Health and Safety culture, improving our processes, particularly during a turbulent time for all our kamahi and ākongā.

Some key highlights:

- Whilst there was one notifiable injury reported this year, we supported the affected contractor to return quickly to regular duties. As a result, the incident was closed out by WorkSafe following immediate corrective action undertaken by Toi Ohomai.
- There were changes in the health and safety team resulting in FTE increase from 2.0 to 3.2. This staffing development has enabled increased support of Toi Ohomai operations.
- In 2021, part of the aforementioned team included the appointment of a 0.6 FTE Occupational Health Nurse to undertake kaimahi health monitoring, including tracking hearing and lung function for at risk kaimahi. A detailed program of work continues to be implemented, with 86% of at-risk staff having completed health monitoring testing.

- The impact of COVID-19 on operating requirements resulted in the introduction of a vaccine mandate policy to keep kaimahi, ākongā and others safe in the face of likely community outbreaks. Throughout a rigorous consultation process, a comprehensive risk assessment proposal was shared with all kaimahi and ākongā.
- Comprehensive audit actions were completed to lift an improvement notice at Waipa campus.
- Various kaimahi were trained in health and safety-related matters, including H&S Rep training, first aid, CIMS, manual handling, working at heights and specialist gas suppression fire training.

In summary, Health and Safety incident reporting for the year was comparable to 2020, continuing the positive trend of increased near miss and incident reporting. These results allow us to respond and initiate controls to prevent more serious harm.

	2018	2019	2020	2021
Medically treated injury	37	64	57	54
Non-medically treated injury	159	99	98	107
Notifiable incidents	3	2	0	1
Total incidents	199	165	155	162
Near miss	42	127	118	115

Student Support and Pastoral Update

The Student Support team (Te Ranga Eke Panuku) delivers services that support ākonga in their successful learning journey. Services are equitable, accessible and developmental. At the centre of how the Student Support team operates is ākonga engagement and minimising barriers to success. This kaupapa is focused on providing ākonga with opportunities to access learning and personal support in culturally and individually appropriate ways. Using data analytics, ākonga feedback and proactive planning with kaiako, assists in the early identification of ākonga who would benefit from academic or pastoral care support.

The experienced facilitator team consists of kaimahi from diverse backgrounds, gender and cultures, and this enhances the approachability of the services they provide. All team members are trained in culturally safe practices and cultural awareness. Formal and informal professional development opportunities see kaimahi grow their own and the whole team's professional skills and cultural competency.

Learning and pastoral support are available face-to-face or online, adjusting to the diverse locations ākonga study. Provision includes individual or small group bookings, in-class workshops, pre-semester workshop series, and 24hr online support and resources via Student Support Online and Studiosity.

Engagement and Regional Engagement Facilitators manage the TEC Hardship Fund for Learners (HAFL) and provide wrap-around wellbeing guidance, connections to other campus support, and individual referrals to community and government agencies. As a result, HAFL supported 1,269 ākonga in 2021, reducing the financial and technological barriers many faced due to COVID-19 impacts on their study.

Māori ākonga support is a crucial driver for Māori achievement, and in 2021 we doubled the Kaitātaiako Facilitator provision across the institute. Their role is to provide campus-based engagement activities across Toi Ohomai, i.e. focussing on bringing ākonga Māori together – a space and place to be Māori. Activities include pre-semester hononga and a Māori support group – Nga Tētēkura.

We have made updates to a few small but significant processes in the enrolment journey. This mahi included updating the Application and Enrolment form to predominately feature te reo Māori, and sees all main headings in te reo Māori, before the English translation. This change signifies recognition and connection to our Māori community and learners and Te Pae Tawhiti. We have also updated our Adult Community and Education form with te reo. Furthermore, on the enrolment form in ethnicity choices, Māori now comes first, ahead of all other options. The form also now includes 'diverse' as an option for gender due to strong feedback from our LGBTIQ+ community. Finally, we have updated student ID cards and class

lists to reflect a preferred first name, supporting gender diverse individuals. A name can be a strong identifier for people, and this is a small part we can play in making their journey here welcoming. These small but significant changes support our commitment to ensure that our learners are reflected in all touchpoints with Toi Ohomai and help reduce enrolment barriers.

As a result of the KPMG Business Optimisation Report recommendations, we implemented a new Withdrawal and Transfer Tool for domestic ākonga in October 2021. Previously, our systems did not allow for visibility of those undertaking the withdrawal and the transfer process. Our new Enrolment Change Request Tool is fully auditable and reportable through integration with our enrolment systems that allows ākonga, tutors and administrators to initiate change to enrolment and track the progress of each request. In addition, a retention element has been built into the new tool to endeavour to retain ākonga where possible.

Throughout the year the Careers Team, in collaboration with other ITPs, facilitated several nationwide Virtual Careers Expo webinars involving local and national employers. For example, the Māori and Pasifika learner Fair involved several employers from our rohe, namely Enviro Waste, KPMG, Zespri, Datacom, and Kia ora Hauora. As a result, ākonga who engaged were able to create networks and ask questions to improve their pathways into employment.

The Careers Team also completed the development of the Careers and Employability website. This site is a simplified, accessible resource for ākonga to grow their employment skills, find employment or scholarships, and connect with local employers. Kaimahi can access the range of resources and inform ākonga of its' purpose. Employers can post a job and connect with our Career team to provide networking opportunities and share graduate success stories.

In 2019, TEC included Autism Spectrum Disorder (ASD) as an official impairment type due to the high number of ākonga presenting with the condition. In 2021, 39 ākonga were supported to choose a programme of study and requested support at specific stages of their learning journey. Of these ākonga, 15 indicated that they had ASD, ten identified as having mental health-related conditions, five with ADHD. As a result, the Accessibility/Disability team scoped developing the Navigator's Mentoring programme to support ASD presented learners with their transition and socialisation into Toi Ohomai, and will be implemented in semester 1, 2022.

Te Whare Hauora – Health Centre recognised early in the year a high demand for counselling services and proactively engaged with current contractors to provide additional counselling support. Toi Ohomai recently received funding from Te Pūkenga to provide learners with a Primary Mental Health and Addiction service. This funding will allow our Te Whare Hauora team to deliver a series of innovative mental health workshops with a Te Ao Māori lens, provide an online/ phone counselling service, and employ more kaimahi to improve access to mental health services. Additionally, Te Whare Hauora released kaimahi to community providers during the year who actively contributed their skills to the national roll-out of the COVID-19 Pfizer vaccine, which was of particular importance during the lockdown period. Our nurses also delivered onsite COVID-19 vaccinations to kaimahi and ākonga creating an easy and convenient way for kaimahi and ākonga to get their vaccine. Finally, the team expanded service provision to provide Jadelle insertion (a long-acting reversible contraception implant) for ākonga to reduce unplanned pregnancies and offer an onsite hearing clinic by Life Unlimited once a month.

The library kaimahi continued to support learners in various ways, including introducing fortnightly pop-up library services for Taupō, Whakatāne and Tokoroa campuses. Although alert level restrictions affected continuity, the service was well received by ākonga, resulting in increased awareness of services and stronger connections with support kaimahi. Library services adapted seamlessly during the 2021 alert level restrictions to ensure continued support, access to resources and a safe learning environment for ākonga. A new library facebook group provided a helpful communication and support channel, growing steadily in membership and engagement throughout the year. Library kaimahi reviewed and improved access to Māori resources, re-classifying books to be better discovered and purchasing many new resources. The team also created a permanent, continuously refreshed display of current research titles by Māori scholars, promoted by a Tiriti o Waitangi web page. This page enhanced ākonga and kaimahi learning about matāuranga Māori, Te Tiriti, Te Reo Māori, tikanga, and colonisation. The timely introduction of the online e-book platform 'ClinicalKey Student – Nursing' was timely given the restricted access to physical library resources during the COVID-19 lockdown periods. This resource provides 24/7 online access both on and off-campus to required textbooks and has significantly reduced textbooks costs for ākonga in the health programmes.



A person wearing a dark jacket is shown from the side, holding a bunch of yellow flowers. The background is a blurred outdoor setting with green plants and a house in the distance. A large white circle is partially visible on the right side of the image.

02

**Financial
Statements**

Financial Overview

Reporting Period

This annual report and financial statements cover the 12 months from 1 January 2021 to 31 December 2021. As the first reporting period for Toi Ohomai Institute of Technology Limited (Toi Ohomai) was nine months from 1 April 2020, the comparative information in the financial statements (2020) is for the nine months (to 31 December 2020).

General Overview

The two most significant factors that have impacted Toi Ohomai and other Te Pūkenga subsidiaries in 2021 are the same ones that had the most significant impact in 2020 – Reform of Vocational Education and COVID-19. These have impacted financial performance, particularly enrolments and our operational focus.

Reform of Vocational Education

On 1 August 2019, the Minister of Education announced the Government's decisions on the Reform of Vocational Education proposals and then enacted the Education (Vocational Education and Training and Reform) Amendment Act 2020 (the Act) on 24 February 2020 to give effect to those reforms.

In essence, the Act reforms the delivery of vocational education in New Zealand and created a new Crown entity, initially called the New Zealand Institute of Skills and Technology (NZIST), which then changed its name Te Pūkenga – New Zealand Institute of Skills and Technology (Te Pūkenga). The Act also converted all existing institutes of technology and polytechnics (ITPs) into crown entity companies, which each took over the operational activities of those existing ITPs on 1 April 2020.

The Act, therefore, disestablished Toi Ohomai Institute of Technology and transferred its assets and liabilities to a new company, Toi Ohomai Institute of Technology Limited, on 1 April 2020. Accordingly, Toi Ohomai Institute of Technology produced its final report for the three months to 31 March 2020. The first report for Toi Ohomai Institute of Technology Limited was for the nine months from 1 April 2020 to 31 December 2020. This statement is Toi Ohomai's second report for the entire 12 month period from 1 January 2021 to 31 December 2021.

Currently, under the Act, as a subsidiary of Te Pūkenga, Toi Ohomai will continue in existence until 31 December 2022. It will then be dissolved into Te Pūkenga.

Toi Ohomai continues to be an active supporter and contributor towards the Reforms of Vocational Education and to those specifically from Te Pūkenga. As a result, four of our Executive Team have been appointed to roles in Te Pūkenga together with other Senior Management, teaching management, and support kaimahi taking up full-time positions or secondments. These appointments are in addition to the contribution our kaimahi make to the various workstreams and information requests to map out the future of vocational education.

Significant Accounting Impact of Public Benefit Entity Accounting

Public Benefit Entity Accounting – PBE IPSAS 23 Revenue from non-exchange transactions (PBE) had a significant accounting impact on the financial results for the comparative period 2020. PBE requires an entity to account for the income in the period that it is “legally” entitled to retain irrespective of whether the actual delivery that the income relates to has been completed. Prior to 31 March 2020, the Minister of Education confirmed that there would not be any recovery of Investment Plan funding because of either poor Education Performance Indicators (EPIs) or under-delivery during the 2020 year. This decision meant that the Government would be guaranteeing the full year 2020 investment plan funding irrespective of delivery. Under PBE accounting, as there were no further delivery requirements to earn the funding, the accounts for Toi Ohomai Institute of Technology for the three months to 31 March 2020 recorded all of the 12-month 2020 investment plan funding. This contributed to the PBE adjustment increasing income for the period by \$43 million without requiring the costs to be recognised that were incurred for that delivery. This led to the significant surplus of over \$40 million being recognised as the surplus for the three months to 31 March 2020. Without this income, there would have been a deficit recorded of around \$3 million reflecting costs incurred for the 3 months together with income for that period – with the significant element of our income only being earned from the 1½ months from the start of the academic year (mid-February 2020) to the 31 March 2020.

Moreover, the accounts for the nine months to 31 December 2020 included all of the delivery and operating costs for that period but without the associated delivery income that was already recognised in the previous accounts. This contributed to the significant deficit recorded in the nine months accounts to 31 December 2020 for Toi Ohomai Institute of Technology Limited.

Both the accounts for 3 months to 31 March 2020 for Toi Ohomai Institute of Technology and the 9 months to 31 December 2020 for Toi Ohomai Institute of Technology Limited were technically correct – however separately, when looked in isolation, they could be construed as misleading. Whilst PBE has been accounted for in the 2021 12-month accounts, the impact has not been as significant as this was for a full 12 months, and there was no guaranteed income attributed to this period.

These financial statements show the 12-month period for 2021 with the nine-month period for 2020 as comparatives, with the significant PBE impact on those 2020 comparatives. We have therefore, in the table below, combined the nine month and three-month periods for 2020, to derive a 12-month operating period for 2020, in order to enable a meaningful comparison of the financial operational performance for Toi Ohomai for these 12 months to 31 December 2021.

	2021 \$'000	2020 \$'000
Revenue		
Government Funding	48,243	48,158
Student Tuition Fees	28,497	41,236
Other Revenue	8,864	6,849
Total Revenue	85,604	96,243
Expenses		
Personnel and employee benefit costs	58,249	57,403
Administration and other Expenses	23,894	26,390
Depreciation and amortisation Expenses	8,575	8,425
Total Expenses	90,718	92,218
Net (Deficit)/Surplus	(5,114)	4,025



Statement of Responsibility

For the 12-month period ended 31 December 2021

In terms of Section 45 of the Public Finance Act 1989,
we hereby certify that:

- We have been responsible for the preparation of these financial statements and the judgements therein;
- We have been responsible for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of financial reporting; and
- We are of the opinion that these financial statements fairly reflect the financial position and operations of this Institution for the period ended 31 December 2021.



Cathy Cooney
Board Chair



Dr Leon Fourie
Chief Executive

Independent Auditor's Report

To the readers of Toi Ohomai Institute of Technology Limited's financial statements for the period ended 31 December 2021

The Auditor-General is the auditor of Toi Ohomai Institute of Technology Limited (the company). The Auditor-General has appointed me, Clarence Susan, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements of the company on his behalf.

Opinion

We have audited:

- the financial statements of the company and group on pages 30 to 67, that comprise the statement of financial position as at 31 December 2021, the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the period 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 company on pages 30 to 67, which have been prepared on a disestablishment basis:
 - » present fairly, in all material respects:
 - the financial position as at 31 December 2021; and
 - the financial performance and cash flows for the period then ended; and
 - » comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards

Our audit was completed on 21 April 2022. This is the date at which our opinion is expressed.

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

Emphasis of matter – The financial statements have been prepared on a disestablishment basis

Without modifying our opinion, we draw attention to the Basis of preparation Note 2 on page 35 and Note 24 on page 65, which outlines the decision that the company will be dissolved on 31 May 2022. The company therefore prepared its financial statements on a disestablishment basis. There have been no

changes to the values of assets and liabilities as the operations of the company will be transferred to Te Pūkenga at their carrying value.

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 Directors for the financial statements

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

The Board of Directors 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 Directors is responsible on behalf of the company and group for assessing the company and group's ability to continue as a going concern. If the Board of Directors concludes that a going concern basis of accounting is inappropriate, the Board of Directors is responsible for preparing financial statements on a disestablishment basis and making appropriate disclosures.

The Board of Directors' responsibilities arise from the Education and Training Act 2020 and the Crown Entities Act 2004.

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 company's statement of strategic intent.

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 company'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 Directors.
- We conclude on the appropriateness of the use of disestablishment basis by the Board of Directors.
- 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 communicate with the Board of Directors 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 Directors is responsible for the other information. The other information comprises the information included on pages 1 to 26, but does not include the financial statements, and our auditor's report thereon.

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

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

Independence

We are independent of the company and 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 company.



Clarence Susan
Audit New Zealand

On behalf of the Auditor-General
Tauranga, New Zealand

Statement of Comprehensive Revenue & Expense

For the year ended 31 December 2021

	Notes	Actual 2021 January - December \$'000	Budget 2021 January - December \$'000	Actual 2020 April- December \$'000
Revenue				
Government Funding	3a	48,243	46,658	5,093
Student Tuition Fees	3b	28,497	31,657	22,106
Other Revenue	3c	8,864	7,643	4,553
Total Revenue		85,604	85,958	31,752
Expenses				
Employee Benefit Expenses	4a	58,249	56,615	43,961
Other Expenses	4b	23,893	27,325	17,677
Finance Expenses	4c	1	-	-
Depreciation Expense	9	7,981	8,007	5,981
Amortisation	11	594	393	372
Total Expenses		90,718	92,340	67,991
Net (Deficit)/Surplus		(5,114)	(6,382)	(36,239)
Other Comprehensive Revenue and Expenses				
Property Revaluations/Impairment	9	63,960	-	-
Total Other Comprehensive Revenue and Expenses		63,960	-	-
Total Comprehensive Revenue and Expenses		58,846	(6,382)	(36,239)

The accompanying notes form part of these financial statements.

*Refer to Note 2 (Basis of Preparation) for an explanation of the nature of the amounts presented and how they have been combined.

Explanations of major variances against budget are provided in Note 22.

Statement of Financial Position

As at 31 December 2021

	Notes	Actual 2021 \$'000	Budget 2021 \$'000	Actual 2020 \$'000
Assets				
Current Assets				
Cash and Cash Equivalents	5	5,845	4,971	2,043
Trade and Other Receivables	6	16,257	11,008	17,706
Prepayments	7	1,767	1,824	1,997
Other Financial Assets	8	15,000	13,000	25,492
Total Current Assets		29,869	30,803	47,238
Non-Current Assets				
Other Financial Assets	8	668	177	186
Property	9	259,197	193,211	198,914
Plant and Equipment	9	8,896	13,365	10,457
Work in Progress	9	1,495	3,340	809
Investment Properties	10	130	130	130
Intangible Assets	11	1,319	2,128	1,713
Total Non-Current Assets		271,705	212,351	212,209
Total Assets		310,574	243,154	259,447
Liabilities				
Current Liabilities				
Trade and Other Payables	12	4,490	5,852	7,142
Provisions	13	2,353	1,991	2,187
Revenue In Advance	14	16,757	18,956	22,267
Total Current Liabilities		23,600	26,799	31,596
Non-Current Liabilities				
Provisions	13	760	282	483
Total Non-Current Liabilities		760	282	483
Total Liabilities		24,360	27,081	32,079
Net Assets		286,214	216,073	227,368
Equity				
General Equity		105,260	99,079	110,374
Revaluation Reserve		180,954	116,994	116,994
Total Equity		286,214	216,073	227,368

The accompanying notes form part of these financial statements.
*Refer to Note 2 (Basis of Preparation) for an explanation of the nature of the amounts presented and how they have been combined.
Explanations of major variances against budget are provided in Note 22.


Catherine Cooney
Toi Ohomai Director
21 April 2022


Niwa Nuri
Toi Ohomai Director
21 April 2022

Statement of Changes in Equity

For the year ended 31 December 2021

	General Equity* \$'000	Asset Revaluation Reserve* \$'000	Total* \$'000	Budget* \$'000
January - December 2021				
Balance at 1 January 2021	110,374	116,994	227,368	222,455
Total Comprehensive Revenue and Expense	(5,114)	63,960	58,846	(6,382)
Balance at 31 December 2021	105,260	180,954	286,214	216,073

	General Equity* \$'000	Asset Revaluation Reserve* \$'000	Total* \$'000	Budget* \$'000
April - December 2020				
Balance at 1 April 2020	146,613	116,994	263,607	229,567
Total Comprehensive Revenue and Expense	(36,239)	-	(36,239)	(29,032)
Balance at 31 December 2020	110,374	116,994	227,368	200,535

There were no dividends proposed or declared to the Shareholders.

*Refer to Note 2 (Basis of Preparation) for an explanation of the nature of the amounts presented and how they have been combined. The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the year ended 31 December 2021

Notes	Actual 2021 January - December \$'000	Budget 2021 January - December \$'000	Actual 2020 April - December \$'000
Cash Flows From Operating Activities			
<i>Cash was provided from:</i>			
Government Funding	49,121	46,658	31,963
Tuition Fees	24,206	31,657	10,608
Interest Received	365	300	517
Dividends Received	35	-	41
Other Services Provided	7,123	7,343	4,911
Total	80,850	85,957	48,040
<i>Cash was disbursed to:</i>			
Payments to Employees	57,605	56,615	43,886
Payments to Suppliers	25,929	27,325	16,620
Total	83,534	83,940	60,506
Net Cash Flows From Operating Activities	(2,684)	2,018	(12,466)
Cash Flows From Investing Activities			
<i>Cash was provided from:</i>			
Sales of Assets	50	-	36
Sale of Investments	117,932	-	34,160
Total	117,982	-	34,196
<i>Cash was applied to:</i>			
Purchase of Assets/Intangible Assets	3,563	7,655	3,634
Acquisition of investments	99,931	-	25,492
Total	103,494	7,655	29,126
Net Cash Flows From Investing	6,486	(7,655)	5,070
Cash Flows From Financing Activities			
Net Cash Flows From Financing	-	-	-

Net GST amounts paid are included in payments to suppliers

Notes	Actual 2021 January - December \$'000	Budget 2021 January - December \$'000	Actual 2020 April - December \$'000
Net Increase/(Decrease) in Cash and Cash Equivalents	3,802	(5,637)	(7,396)
Cash and Cash Equivalents at Beginning of Period	2,043	27,236	9,439
Cash and Cash Equivalents at End of Period	5,845	21,598	2,043

**Represented By:
Cash and cash equivalents**

Cash	9	29	9
Westpac	5,623	6,523	1,596
ANZ	-	-	-
ASB	-	-	-
BNZ	213	2,381	438
Term deposits three months or less	-	12,665	-
5	5,845	21,598	2,043

Reconciliation from the Net (Deficit)/Surplus to the Net Cash Flows from Operations

Net (Deficit)/Surplus for the Period	(5,114)	(6,382)	(36,239)
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Adjustments For:

Depreciation	7,981	8,007	5,981
Amortisation	594	393	372
Asset Reclassification	(80)	-	-
Net (gain)/loss on Disposal of Property, Plant and Equipment	(129)	-	491
Fair Value (gain)/loss on Investment	17	-	22
Bad debts and Doubtful Debts	88	-	73

Changes in Assets and Liabilities

(Increase) / Decrease in Trade and Other Receivables	1,449	-	20,995
(Increase) / Decrease in Prepayments	225	-	(757)
(Increase) / Decrease in Trade and Other Payables	(1,883)	-	(2,287)
Increase / (Decrease) in Provisions	447	-	648
Increase / (Decrease) in Revenue Received in Advance	(6,279)	-	(1,764)
Net Cash from Operating Activities	(2,684)	2,018	(12,466)

*Refer to Note 2 (Basis of Preparation) for an explanation of the nature of the amounts presented and how they have been combined.

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the twelve months ended 31 December 2021

Note 1. Reporting Entity

Toi Ohomai Institute of Technology Limited (the Institute) is a Crown entity subsidiary that is domiciled and operates in New Zealand. The Institute was established on 1 April 2020 and its immediate controlling entity is Te Pūkenga – New Zealand Institute of Skills and Technology, and the ultimate controlling entity is the New Zealand Crown. The relevant legislation governing the Institute's operations include the Education and Training Act 2020, the Crown Entities Act 2004, and the Companies Act 1993.

The financial statements were authorised for issue in accordance with a resolution of the Board on 1 April 2022.

Note 2. Summary of Significant Accounting Policies

The following particular accounting policies that materially affect the measurement of financial performance and financial position have been applied:

Basis of Preparation

The Minister of Education announced the Government's decisions on the Reform of Vocational Education proposals on 1 August 2019, and has since enacted the Education (Vocational Education and Training and Reform) Amendment Act 2020 (the Act) on 24 February 2020 to give effect to those reforms.

In essence, the Act reforms the delivery of vocational education in New Zealand by creating a new Crown entity, the New Zealand Institute of Skills and Technology (NZIST) and converting all existing institutes of technology and polytechnics (ITPs) into crown entity companies, which will take over the operational activities of existing ITPs.

The financial statements have been prepared on a disestablishment basis, as the Education and Training Act 2020 (the Act) states that each Te Pūkenga subsidiary continues in existence until the close of 31 December 2022, at which point all the rights, assets and liabilities of the Te Pūkenga subsidiary will be transferred to Te Pūkenga. Under the Act, Te Pūkenga may dissolve the Institute at or before this date and transfer some or all the rights, assets, and liabilities to Te Pūkenga or another Te Pūkenga subsidiary.

Subsequent to year end, decisions were made to bring forward the disestablishment date of Toi Ohomai Institute of Technology Limited. Further information is provided in Note 24.

Because the vocational education will continue to be provided after the transfer, no changes were made to the carrying value of assets and liabilities as a result of the disestablishment basis of accounting.

Individual significant assumptions and judgements applied to specific periods have been documented separately below.

The financial statements ended 31 December 2020, were for a nine-month period only as the company was formed on 1 April 2020. Those financial statements included a significant adjustment relating to income arising from PBE IPSAS 23 Revenue from non-exchange transactions (PBE), which may distort the readability and usefulness of the accounts in representing the financial performance of our activity in those nine months.

PBE requires an entity to account for the income in the period that it is "legally" entitled to retain irrespective of whether the actual delivery that the income relates to has been completed. Prior to 31 March 2020, the Minister of Education confirmed that there would not be any recovery of Investment Plan funding because of either, poor Education Performance Indicators (EPIs), or under-delivery during the 2020 year.

This meant that the government would be guaranteeing 2020 investment plan funding irrespective of delivery. Under PBE accounting, as there were no further delivery requirements to earn the funding, the accounts recorded the full twelve month 2020 investment plan funding in the previous entity's three month financial statements to 31 March 2020. This has contributed to the PBE adjustment increasing income for the period by \$43 million without requiring the costs to be recognised that will be incurred for that delivery. This has led to the significant surplus of over \$40 million being recognised as the surplus for the 3 months to 31 March 2020 and a corresponding significant deficit being recorded for the nine months ended 31 December 2020.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars, being the functional currency of the Institute. All values are rounded to the nearest thousand dollars (\$'000).

Statement of Compliance

The financial statements have been prepared in accordance with the requirements of the Companies Act 1993, Crown Entities Act 2004 and the Education and Training Act 2020 sections 298 and 306, which include the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP). The financial statements have been prepared in accordance with, and comply with Tier 1 PBE accounting standards.

Standards issued and early adopted

PBE IPSAS 40 PBE Combinations was issued in July 2019 and is effective for annual financial statements covering periods beginning on or after 1 January 2021. The Institute has early adopted PBE IPSAS 40 and applied the standard for the vesting of the Toi Ohomai's assets and liabilities to the Institute on 1 April 2020.

- PBE IPSAS 41 Financial Instruments: PBE IPSAS 41 introduces changes introduced by NZ IFRS in the for-profit sector. The standard replaces most of the requirements of PBE IPSAS 29. These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of PBE IPSAS 29. The Standard introduces a number of changes to the accounting for financial assets, the most significant of which includes:
 - » two categories for financial assets being amortised cost or fair value;
 - » removal of the requirement to separate embedded derivatives in financial assets;
 - » strict requirements to determine which financial assets can be classified as amortised cost or fair value. Financial assets can only be classified as amortised cost if (a) the contractual cash flows from the instrument represent principal and interest and (b) the entity's purpose for holding the instrument is to collect the contractual cash flows;
 - » an option for investments in equity instruments which are not held for trading to recognise fair value changes through other comprehensive income with no impairment testing and no recycling through profit or loss on derecognition;
 - » reclassifications between amortised cost and fair value no longer permitted unless the entity's business model for holding the asset changes; and
 - » changes to the accounting and additional disclosures for equity instruments classified as fair value through other comprehensive income.

For financial liabilities designated as fair value through profit or loss using the fair value option, the amount of change in fair value is accounted for as follows:

- » The change attributable to changes in credit risk are presented in other comprehensive income (OCI)
- » The remaining change is presented in profit or loss. If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss.

The impairments requirements are based on expected credit loss (ECL) model that replaces the IAS 39 incurred cost model. This model applies to debt instruments accounted for at amortised cost or at fair

value through other comprehensive income.

Entities are generally required to recognise either 12 months or lifetime ECL, depending on whether there has been significant increase in credit risk since initial recognition. For some trade receivables, the simplified approach may be applied whereby the lifetime expected credit losses are always recognised.

The standard applies for annual periods beginning on or after 1 January 2022. The Institute has early adopted the standard as at the effective date.

Standards issued and effective and adopted

An amendment to PBE IPSAS 2 Cash Flow Statements requires entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. This standard has had no effect on the financial statements of the Institute.

Standards issued and not yet effective and not early adopted

The External Reporting Board issued a new suite of PBE accounting standards that are applicable to Public Benefit Entities. These standards are:

- PBE FRS 48 Service Performance Reporting: PBE FRS 48 replaces the service performance reporting requirements of PBE IPSAS 1 Presentation of Financial Statements and is effective for annual reporting periods beginning on or after 1 January 2022. The Institute has not yet determined how application of PBE FRS 48 will affect its statement of service performance. It has not adopted the standard early.

Significant Accounting Policies

Revenue

Revenue is measured at fair value. The specific accounting policies for significant revenue items are explained below:

Student Achievement Component funding

Student Achievement Component (SAC) funding is the Institute's main source of operational funding from Te Pūkenga. The Institute considers SAC funding to be non-exchange revenue and would normally recognise SAC funding as revenue when the course withdrawal date has passed, based on the number of eligible students enrolled in the course at that date and the value of the course. This is adjusted for any expected adjustments as part of the final wash-up process with Te Pūkenga. However, for the 2020 year, the Institute recognised all the funding in the previous entity's financial statements for the period ended 31 March 2020. This was because, in the 31 December 2020 comparative year, SAC funding was provided directly by TEC. In March 2020 in response to Covid-19 TEC confirmed that it would not seek repayment of 2020 SAC and fees-free funding if there was any underdelivery.

Therefore, the predecessor entity recognised the

2020 funding in full as revenue in the period ended 31 March 2020. There is no such arrangement in place for 2021 funding.

Tuition fees

Domestic student tuition fees are subsidised by government funding and are considered non-exchange. Revenue is recognised when the course withdrawal date has passed, which is when a student is no longer entitled to a refund for withdrawing from the course.

International student tuition fees are accounted for as exchange transactions and recognised as revenue on a course percentage of completion basis. The percentage of completion is measured by reference to the days of the course completed as a proportion of the total course days.

Fees-free revenue

The Institute considers fees-free revenue is non-exchange revenue and recognises revenue when the course withdrawal date for an eligible student has passed. The Institute presents funding received for fees-free as part of tuition fees. This is on the basis that receipts from Te Pūkenga are for payment on behalf of the student as specified in the relevant funding mechanism. However, for the 2020 year, the Institute recognised all the 2020 fees-free funding in the previous entity's accounts because, in response to the COVID-19 pandemic, the TEC confirmed that it will not seek repayment of 2020 fees-free funding. As a consequence, the Institute did not recognise any fees-free funding during the nine-month period 31 December 2020.

Performance-Based Research Fund

The Institute considers funding received from Performance-Based Research Fund (PBRF) to be non-exchange in nature. PBRF revenue is measured based on the funding entitlement allocated by Te Pūkenga adjusted for any expected adjustments as part of the final wash-up process. Indicative funding for future periods is not recognised until confirmed for that future period.

Research revenue

For an exchange research contract, revenue is recognised on a percentage completion basis. The percentage of completion is measured by reference to the actual research expenditure incurred as a proportion to total expenditure expected to be incurred.

For a non-exchange research contract, the total funding receivable under the contract is recognised as revenue immediately, unless there are substantive conditions in the contract. If there are substantive conditions, revenue is recognised when the conditions are satisfied. A condition could include the requirement to complete research to the satisfaction of the funder to retain funding or return unspent funds. Revenue for future periods is not recognised where the contract contains substantive termination

provisions for failure to comply with the requirements of the contract. Conditions and termination provisions need to be substantive, which is assessed by considering factors such as contract monitoring mechanisms of the funder and the past practice of the funder.

Other grants received

Other grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and then recognised as revenue when the conditions of the grant are satisfied.

Donations, trust funds, endowments, bequests, and pledges

Donations, trust funds, endowments, and bequests for the benefit of the Institute are recognised as an asset and revenue when the right to receive the funding or asset has been established, unless there is an obligation in substance to return the funds if conditions are not met. If there is such an obligation, they are initially recorded as revenue in advance and then recognised as revenue when the conditions are satisfied. Pledges are not recognised as assets or revenue until the pledged item is received.

Sales of goods

Revenue from the sale of goods is recognised when the product is sold to the customer.

Accommodation services

Revenue from the provision of accommodation services is recognised on a percentage completion basis. This is determined by reference to the number of accommodation days used up till balance date as a proportion of the total accommodation days contracted for with the individual.

Interest and dividends

Interest revenue is recognised by accruing on a time proportion basis the interest due for the investment.

Dividends are recognised when the right to receive payment has been established.

Compulsory Student Services fee

The Institute receives a fixed amount per student in the form of a levy and is used to fund key student services. The levy is considered to be exchange and non-exchange revenue and is recognised once the student has been enrolled and the course withdrawal date has been passed.

Scholarships

Scholarships awarded by the Institute that reduce the amount of tuition fees payable by the student are accounted for as an expense and not offset against student tuition fees revenue.

Leases

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

Where Toi Ohomai is lessor

Operating leases, where the Institute effectively retains substantially all the risks and benefits of ownership of the leased items, are recognised as assets in the Statement of Financial Position according to the nature of the asset.

Lease revenues from operating leases are recognised as revenue in equal instalments over the term of the lease. Operating lease assets are depreciated over the shorter of lease period and economic life.

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 item 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 as to whether the Institute and group 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.

Foreign Currency Transactions

Foreign currency transactions (including those subject to forward foreign exchange contracts) are translated into NZ\$ (the functional currency) using the spot exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

Derivative Instruments

Derivative financial instruments are used to manage exposure to foreign exchange and interest rate risks arising from the Institute's financing activities.

In accordance with its treasury policy, the Institute does not hold or issue derivative financial instruments for trading purposes. The Institute and group have elected not to apply hedge accounting.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value at each balance date with the resulting gain or loss recognised in the surplus or deficit.

A forward foreign exchange derivative is classified as current if the contract is due for settlement within 12 months of balance date. Otherwise, the full fair value of forward foreign exchange derivatives is classified as non-current. The portion of the fair value of an interest rate derivative that is expected to be realised or settled within 12 months of the balance date is classified as current, with the remaining portion of the derivative classified as non-current.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the Statement of Financial Position.

Student Fees and Other Receivables

Short-term receivables are recorded at the amount due, less an allowance for credit losses. The Institute applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivable.

In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due. Short-term receivables are written off when there is no reasonable expectation of recovery.

Other Financial Assets and Liabilities

Financial assets are initially recognised at fair value plus transaction costs unless they are carried at fair value through surplus or deficit, in which case the transaction costs are recognised in the surplus or deficit.

Term deposits and loans to subsidiaries

Term deposits and loans to subsidiaries are initially measured at the amount invested. Where applicable, interest is subsequently accrued and added to the investment balance.

At year end, term deposits and loans to subsidiaries are assessed for indicators of impairment. If they are impaired, the amount not expected to be collected is recognised in the surplus or deficit.

New Zealand Government bonds

New Zealand Government bonds are designated at fair value through other comprehensive revenue and expense. After initial recognition, the bonds are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense.

Managed fund

The managed fund is a portfolio of financial assets that are actively traded with the intention of making profits. Therefore, the managed fund is classified as held for trading.

After initial recognition, the managed fund is measured at fair value, with gains and losses recognised in the surplus or deficit.

Unlisted shares

Equity investments are designated at fair value through other comprehensive revenue and expense.

After initial recognition, the shares are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense, except for impairment losses, which are recognised in the surplus or deficit. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred within equity to general funds.

Fair value

For those instruments recognised at fair value in the Statement of Financial Position, fair values are determined according to the following hierarchy:

- Quoted market price (level 1) – Financial instruments with quoted prices for identical instruments in active markets.
- Valuation techniques using observable inputs (level 2) – Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.
- Valuation techniques with significant non-observable inputs (level 3) – Financial instruments valued using models where one or more significant inputs are not observable.

Property, Plant and Equipment

Property, plant, and equipment consists of nine asset classes: land, buildings, infrastructure, leasehold improvements, computer hardware, furniture and equipment, motor vehicles, library collection, and heritage collections.

Land is measured at fair value, and buildings and infrastructure are measured at fair value less accumulated depreciation. All other asset classes are measured at cost, less accumulated depreciation and impairment losses.

Revaluation

Land, buildings, and infrastructure are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years. Revaluation movements are accounted for on a class-of-asset basis.

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense.

Additions

The cost of an item of property, plant, and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the Institute and group and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated. In most instances, an item of property, plant, and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Institute and group and the cost of the item can be measured reliably. The costs of day-to-day servicing of property, plant, and equipment are recognised in the surplus or deficit as they are incurred.

Additions over \$2,000 in value are capitalised. Amounts under this are expensed.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When revalued assets are sold, the amounts included in revaluation reserves in respect of those assets are transferred to general funds within equity.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant, and equipment other than land and heritage collections, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. Heritage collections are not depreciated because they are maintained such that they have indefinite or sufficiently long useful lives that any depreciation is considered to be negligible.

The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Class of Asset	Rate	
Buildings (including components)	25 - 100 years	1% - 4%
Infrastructure	10 - 50 years	2% - 10%
Leasehold improvements	3 - 10 years	10% - 33.3%
Computer hardware	5 years	20%
Furniture and equipment	2 - 13 years	7.7% - 50%
Motor vehicles	4 years	25%
Library collection	10 years	10%

Leasehold improvements are depreciated over the shorter of the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is the shorter.

Impairment of property, plant, and equipment

Property, plant, and equipment are reviewed for impairment at each balance date and whenever events or changes in circumstances indicate that the carrying amount might not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

If an assets carrying amount exceeds its recoverable amount, the asset is considered to be impaired and the carrying amount is written-down to the recoverable amount. For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss on a revalued asset is credited to other comprehensive revenue and expense and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit, a reversal of an impairment loss is also recognised in the surplus or deficit.

For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in the surplus or deficit.

Value in use for non-cash-generating assets

Non-cash-generating assets are those assets that are not held with the primary objective of generating a commercial return.

For non-cash-generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, a 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.

Value in use for cash-generating assets

Cash-generating assets are those assets that are held with the primary objective of generating a commercial return. The value in use for cash-generating assets and cash-generating units is the present value of expected future cash flows.

Intangible Assets

Software acquisition and development

Computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs that are directly associated with the development of software for internal use are recognised as an intangible asset.

Direct costs include software development, employee costs and relevant professional fees.

Staff training costs are recognised as an expense when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Course development costs

Capitalised course development costs are amortised from the point at which the course or programme is ready for use and are amortised over a period not exceeding 5 years. They are carried at cost less accumulated depreciated and impairment losses. They are tested for impairment whenever there is an indication that the asset may be impaired.

Costs associated with maintaining courses and programmes are recognised as an expense as incurred.

Intellectual property development

Research costs are expensed as incurred in the surplus or deficit.

Development costs that are directly attributable to the design, construction, and testing of pre-production or pre-use prototypes and models associated with intellectual property development are recognised as an intangible asset if all the following can be demonstrated:

- It is technically feasible to complete the product so that it will be available for use or sale.
- Management intends to complete the product and use or sell it.
- There is an ability to use or sell the product.
- It can be demonstrated how the product will generate probable future economic benefits.

- Adequate technical, financial, and other resources to complete the development and to use or sell the product are available.
- The expenditure attributable to the product during its development can be reliably measured.

Other development expenses that do not meet these criteria are recognised as an expense as incurred in the surplus or deficit. Development costs previously recognised as an expense cannot be subsequently recognised as an asset.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each financial year is expensed in the surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Class of Asset	Rate	
Computer software	3 – 6 years	16.7% – 33.3%

Capitalised intellectual property development costs are still work in progress. The useful life of completed projects will be established at project completion.

Impairment of intangible assets

Intangible assets subsequently measured at cost that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested annually for impairment.

Goodwill

The Institute will recognise goodwill where there is an excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed. This difference reflects the goodwill to be recognised by the Institute. If the consideration transferred is lower than the net fair value of the Institute's interest in the identifiable assets acquired and liabilities assumed, the difference will be recognised immediately in the surplus or deficit.

Investment Properties

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation. Property held to meet service delivery objectives is classified as property, plant, and equipment.

Investment property is measured initially at its cost, including transaction costs. After initial recognition, investment property is measured at fair value as determined by an independent valuer on an annual basis. Gains or losses arising from a change in the fair value of investment property are recognized in the surplus or deficit.

Accounts Payables

Short-term payables are recorded at the amount payable. Payables are non-interest bearing and are normally settled on 30-day terms. Therefore, the carrying value of payables approximates their fair value.

Employee Benefits

Employee benefits that are due to be settled within 12 months after the end of the year in which the employee provides 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, and sick leave.

A liability and an expense are recognised for bonuses where there is a contractual obligation or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the year in which the employee provides 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 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.

Presentation of employee entitlements

Annual leave and vested long-service leave are classified as a current liability. Non-vested long-service leave and retirement gratuities expected to be settled within 12 months of balance date are classified as a current liability. All other employee entitlements are classified as non-current liability.

Superannuation schemes

Employer contributions to KiwiSaver, the Government Superannuation Fund, and other defined contribution superannuation schemes are accounted for as defined contribution schemes and are recognised as an expense in the surplus or deficit when incurred.

Provisions

A provision is recognised for future expenditure of uncertain amount or timing when:

- there is a present obligation (either legal or constructive) as a result of a past event;
- it is probable that an outflow of future economic benefits or service potential will be required to settle the obligation;
- a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using market yields on Government bonds at balance date with terms to maturity that match, as closely as possible, the estimated future cash outflows. The increase in the provision due to the passage of time is recognised as an interest expense and is included in finance costs.

Restructuring

A provision for restructuring is recognised when either an approved detailed formal plan for the restructuring has been announced publicly to those affected, or implementation of it has already started.

Equity

Equity is measured as a difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

- general funds;
- property revaluation reserves;
- fair value through other comprehensive revenue and expense reserve; and
- trusts and bequests reserve.

Share capital

On 1 April 2020, the Institute issued 100 shares to Te Pūkenga in accordance with clause 20(1)(C) of Schedule 1 to the Education and Training Act 2020. Each share carries one vote and an equal share in dividends and distribution of the Institute's surplus assets.

Property revaluation reserves

These reserves relate to the revaluation of land, buildings, and infrastructure assets to fair value.

Fair value through other comprehensive revenue and expense reserve

This reserve comprises the cumulative net change of financial assets classified as fair value through other comprehensive revenue and expense.

Trusts and bequests reserve

The trusts and bequests reserve are a component of equity which has been created by the Institute.

Transfers from the reserve may be made only for certain specified purposes or when certain specified conditions are met. The restrictions on use may be established by the Institute or legally through the terms and conditions of specific trusts and bequests.

Income Tax

The Institute and group are exempt from Income Tax. Accordingly, no provision has been made for Income Tax.

GST

Items in the financial statements are stated exclusive of GST, except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the IRD is included as part of receivables or payables in the Statement of Financial Position. The net 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.

Related Party Transactions

Related party disclosures have not been made for transactions with related parties that are:

- within a normal supplier or client/recipient relationship; and
- on terms and conditions no more or less favourable than those that are reasonable to expect that the Institute would have adopted in dealing with the party at arm's length in the same circumstances.

Further, transactions with 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 with TEIs and undertaken on the normal terms and conditions for such transactions.

Budget Figures

The budget figures for the Institute have been derived from the budget approved by the Toi Ohomai's Board at the start of the 2021 financial year. Those budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

Accounting Estimates

Accounting estimates for deferred recognition of student fee revenue and the provision for doubtful debts have been made in the current period.

In preparing these financial statements, the Institute has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year are:

- Estimating the fair value of land, building and infrastructure – refer to Note 9.

Changes in Accounting Policies

There have been no changes in accounting policies for the period ended 31 December 2021.

Critical Judgements in Applying Accounting Policies

Management has exercised the following critical judgements in applying accounting policies for the period ended 31 December 2021:

Crown owned land and buildings

Property in the legal name of the Crown that is occupied by the Institute is recognised as an asset in the Statement of Financial Position. The Institute considers it has assumed all the normal risks and rewards of ownership of this property despite the legal ownership not being transferred and accordingly it would be misleading to exclude these assets from the financial statements.

Research leave

Teaching staff are entitled to research leave in certain circumstances. The substance of this leave is that it is leave from teaching duties to undertake research activity with staff continuing to earn their salary and other employee entitlements. The Institute is of the view that research leave is not the type of leave contemplated in PBE IPSAS 25 Employee Benefits. Accordingly, a liability has not been recognised for such leave.

Note 3a. Government Funding

	Actual 2021 January-December \$'000	Actual 2020 April-December \$'000
EFTS	42,055	1,793
ITOs (Industry Training Organisations)	1,206	924
	43,261	2,717
Other Government Funding		
Childcare Operational Grant	694	539
Maori and Pacific Island Grant	509	(141)
Supplementary and Special Needs Grants, Other Funding	1,993	732
Trades Academy	1,786	1,246
	48,243	5,093
Revenue Classification		
Exchange Revenue	3,501	2,029
Non Exchange Revenue	44,742	3,064
	48,243	5,093

Note 3b. Student Tuition Fees

	Actual 2021 January-December \$'000	Actual 2020 April-December \$'000
Domestic	17,539	3,893
Fees-free	2,546	681
International	8,412	17,532
	28,497	22,106
Revenue Classifications		
Exchange Revenue	8,622	17,688
Non Exchange Revenue	19,875	4,418
	28,497	22,106

Note 3c. Other Revenue

Other revenue is generated by Toi Ohomai Institute of Technology Limited as an outcome of its operating activities, which do not form part of its core operations. Other revenue is made up of the following significant items:

	Actual 2021 January-December \$'000	Actual 2020 April-December \$'000
Trading Revenue		
Gyms and Aquatic Centre	512	253
Automotive Workshops	243	175
Childcare Centre Fees and Subsidy	219	152
Catering Income	370	277
External Research Revenue	763	172
House Sales	1,617	115
Holiday Park	1,509	891
Sale of Teaching Materials and Courses	679	384
Student Accommodation	381	303
Timber Sales	1,031	485
Others	287	284
	7,611	3,491
Property Rental	485	379
Dividends	35	41
Interest	228	469
Gain on Disposals	129	19
Other Revenue	376	154
Total Other Revenue	8,864	4,553
Classification		
Exchange Revenue	7,504	3,950
Non Exchange Revenue	1,360	603
Total Other Revenue	8,864	4,553

Note 4a. Employee Benefit Expenses

	Actual 2021 January-December \$'000	Actual 2020 April-December \$'000
Wages and Salaries	55,186	41,784
Employee Welfare Expenses	262	218
Employer Contributions to Defined Contribution Schemes	1,509	1,111
Redundancy, Restructure and Severance Payments	846	200
Increase/(Decrease) in Employee Entitlements	446	648
Total Employee Benefit Expenses	58,249	43,961

Note 4b. Other Expenses

	Actual 2021 January-December \$'000	Actual 2020 April-December \$'000
Administrative Expenses	6,343	4,001
Course Related Costs	6,177	3,666
Occupancy and Maintenance Costs	6,928	5,347
Student Recruitment Expenses	435	972
Professional Fees	1,155	1,012
Advertising and Public Relations	1,512	1,108
Operating Lease Payments	763	526
Staff Training	228	236
Loss on Sale of Fixed Assets	-	491
Bad Debts and Doubtful Debts	88	73
Fees to Audit NZ for annual audit of Financial Statements	180	175
Fees to PwC for Other Audit Services	27	53
Other Employment Related Expenses	57	17
Total Other Expenses	23,893	17,677

Note 4c. Finance Expenses

	Actual 2021 January-December \$'000	Actual 2020 April-December \$'000
Interest Expense	1	-
Total Finance Expenses	1	-

Note 5. Cash and Cash Equivalents

The Institute maintains sufficient funds on hand at call to enable all of its obligations to be met as they fall due.

Cash at Bank As at 31 December funds on hand were as follows:	Interest Rate% Average	Actual 2021 December \$'000	Actual 2020 December \$'000
Cash on hand	-	9	8
Westpac current and call accounts	0.40	5,623	1,597
ANZ current and call accounts	-	-	-
ASB current and call accounts	-	-	-
BNZ current and call accounts	0.40	213	438
Kiwibank current and call accounts	-	-	-
Term deposits three months or less	-	-	-
Total Cash and Cash Equivalents		5,845	2,043

The carrying value of cash at bank, call deposits, and term deposits with maturities less than three months approximates their fair value.

Short-term deposits are made for varying periods of between one day and ninety days depending on the immediate cash requirements of the Institute, and earn interest at the respective short-term deposit rates.

The interest rates on Institute's investments varied from 0.05% to 2.81% per annum during 2021.

Included in cash balances are TEC grants issued, subject to performance, which will need to be repaid, totalling \$1,527,000. These are caused by non achievement of enrolments in:

	\$'000
SAC Level 3+	1,030
SAC Level 2	122
Youth Guarantee	247
Maori Pacific Fees Top Up	54
Maori Pacific Student Support and Consortium	86
Maori Pacific Brokerage	28
Workplace Literacy (over delivered)	(23)
ACE (over delivered)	(17)
	1,527

Note 6. Trade and Other Receivables

Receivables are amounts owing to the Institute arising from normal operating activities less provisions for any debts which the Institute considers may not be collectable as at 31 December.

Accruals represent revenue that has been earned but not invoiced by 31 December.

	Actual 2021 December \$'000	Actual 2020 December \$'000
Student Fee Debts	8,804	12,011
Government Grant Receivables	5,874	5,313
Trade Debts	1,788	285
Less Provision for Doubtful Debts	(237)	(237)
Accrued Revenue	28	334
Total Trade and Other Receivables	16,257	17,706
Classification		
Exchange Revenue	2,388	1,386
Non-Exchange Revenue	13,869	16,320
	16,257	17,706

Student Fees are non-interest bearing and generally should be paid on enrolment and no later than graduation.

Fair value

Student Fees and Other Receivables are non-interest bearing and receipt is normally within 30 days, therefore the carrying value of student fees and other receivables approximates their fair value. Staff Loans are subject to interest over the period of the loan (up to two years).

Impairment

The Institute provides for any impairment on individual student fees receivables on a case-by-case basis. The student's signed learner agreement constitutes a binding contract to pay fees in full. The Institute can claim collection costs and withhold qualification results if accounts are not collected.

The status of receivables as at 31 December are detailed below:

	Gross \$'000	December 2021 Impairment \$'000	Net \$'000
Not past due	15,052	-	15,052
Past due 30-60 days	721	-	721
Past due 60-90 days	7	-	7
Past due > 90 days	714	(237)	477
	16,494	(237)	16,257

The Provision for Doubtful Debts has been calculated based on an analysis of bad debts for previous periods and a review of all debts due at year end.

Movements in the provision for impairment of student fee receivables are as follows:

	December 2021 \$'000
At 1 April	(237)
Additional provisions made during the year	-
Provisions reversed during the year	-
At 31 December	(237)

No security is held, or other credit enhancements, over receivables that are either past due or impaired.

Note 7. Prepayments

Prepayments represent expenditure prepaid during the current financial year which relates to activities for the following financial year.

	Actual December 2021 \$'000	Actual December 2020 \$'000
Prepayments	1,767	1,997
	1,767	1,997

Note 8. Other Financial Assets

Fair value through equity assets consist of investments in ordinary shares, and therefore have no fixed maturity date or coupon rate. These have been valued at the prevailing market rate as at balance date.

	Interest Rate% Average	Actual December 2021 \$'000	Actual December 2020 \$'000
Current portion			
Westpac term deposits	2.81	-	4,000
ANZ term deposits	-	-	8,001
ASB term deposits	-	-	-
Kiwibank term deposits	-	-	13,491
Te Pukenga Investments	0.99	15,000	-
Total Current Portion		15,000	25,492
Non-current portion			
Westpac term deposits	2.81	440	4,000
BNZ term deposits	1.95	51	-
Shares in Zespri Group Ltd		177	186
Total Non-Current Portion		668	186
Total Other Financial Assets		15,668	25,678

For further information on the Institute's interest rate and term deposits refer to Note 5.

Note 9. Property, Plant & Equipment

Movement for each class of Property, Plant and Equipment for the Institute are as follows:

As at: 31 December 2021	Property \$'000	Plant and Equipment \$'000	Motor Vehicle \$'000	Computer Hardware \$'000	Work in Progress \$'000	Total \$'000
Net of accumulated depreciation at 1 January 2021	198,914	5,406	1,189	3,862	809	210,180
Revaluation at 31 December 2021	63,960	-	-	-	-	63,960
Transfer to intangibles from work in progress	-	-	-	-	(60)	(60)
Additions	158	338	121	86	2,774	3,477
Disposals	-	(8,682)	(251)	(574)	-	(9,507)
Depreciation on disposals	-	8,569	245	566	-	9,380
Transfer to assets from work in progress	1,104	296	-	686	(2,028)	58
Asset Reclassification	55	23	3	(1)	-	81
Depreciation charge for the year	(4,994)	(1,303)	(324)	(1,360)	-	(7,981)
Net of accumulated depreciation at 31 December 2021	259,197	4,647	983	3,266	1,495	269,588

At 1 January 2021

Cost or fair value	203,960	29,647	4,522	9,409	809	248,347
Accumulated depreciation and Impairment	(5,046)	(24,241)	(3,333)	(5,547)	-	(38,167)
	198,914	5,406	1,189	3,862	809	210,180

At 31 December 2021

Cost or fair value	259,279	21,622	4,396	9,607	1,495	296,399
Accumulated depreciation and Impairment	(82)	(16,975)	(3,413)	(6,341)	-	(26,811)
	259,197	4,647	983	3,266	1,495	269,588

As at: 31 December 2020	Property \$'000	Plant and Equipment \$'000	Motor Vehicle \$'000	Computer Hardware \$'000	Work in Progress \$'000	Total \$'000
Net of accumulated depreciation at 1 April 2020	201,579	6,171	1,162	2,617	1,707	213,236
Additions	181	171	264	111	2,891	3,618
Disposals	(247)	(1,438)	(60)	(355)	-	(2,100)
Depreciation on disposals	18	1,390	60	276	-	1,744
Transfer to Property, Plant and Equipment from work in progress	1,079	226	-	2,194	(3,499)	-
Transfer to intangibles from work in progress	-	-	-	-	(290)	(290)
Asset Reclassification	-	(47)	-	-	-	(47)
Depreciation charge for the year	(3,696)	(1,067)	(237)	(981)	-	(5,981)
Net of accumulated depreciation at 31 December 2020	198,914	5,406	1,189	3,862	809	210,180
At 1 April 2020						
Cost or fair value	202,948	35,683	4,319	7,459	1,707	252,116
Accumulated depreciation and Impairment	(1,369)	(29,512)	(3,157)	(4,842)	-	(38,880)
	201,579	6,171	1,162	2,617	1,707	213,236
At 31 December 2020						
Cost or fair value	203,960	29,647	4,522	9,409	809	248,347
Accumulated depreciation and Impairment	(5,046)	(24,241)	(3,333)	(5,547)	-	(38,167)
	198,914	5,406	1,189	3,862	809	210,180

Land and buildings with carrying amount of \$104,276,334 included in the property, plant and equipment are owned by the Crown. These were first recognised on 31 December 1996.

These assets are in the process of being transferred from the Crown to Toi Ohomai Institute of Technology. Although legal title has not been transferred, Toi Ohomai Institute of Technology has assumed all normal risks and rewards of ownership.

As part of this process we are engaged in the Crown Asset Disposal process for the land and buildings known as the Bongard Centre (Part Lot 1 Deposited Plan South Auckland 48743).

Note 9. Property, Plant and Equipment

Holiday Park

The Rotorua Thermal Holiday Park was purchased in May 2012. It is sited on 12 hectares of leased land adjacent to the main campus at Mokoia, with the existing lease expiring in 2027 with a further 33 year right-of-renewal at the owner's discretion. The holiday park is run in conjunction with the provision of student accommodation and the increase of green space available to the students.

Valuation

Assets have been valued in accordance with PBE IPSAS 17. An independent valuation was obtained to determine the fair value of land and buildings as at 31 December 2021.

Valuations are performed with sufficient regularity to ensure that the carrying value of an asset does not differ materially from its fair value.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. Increases to the carrying amount of the asset arising on revalued assets are credited to equity.

The significant assumptions applied in the valuation of land and buildings are:

- Highest and best use of land: this has been determined by reference to zoning by the relevant District Plan. Some of the land owned by the Institute is zoned City Centre Business, some is Suburban Residential.
- The Institute has assumed all normal risk and rewards of ownership regarding Land and Buildings in Crown Title, although legal title has not been transferred. There are no restrictions on the use of Crown Land and Buildings.
- Current market expectations: this is based on yield and recent local sales.
- Specialised buildings (e.g. campuses) are valued at fair value using depreciated replacement cost because no reliable market data is available for buildings designed for education delivery purposes.
- The remaining useful life of assets is estimated after considering factors such as the condition of the asset, future maintenance and replacement plans, and experience with similar buildings.
- Non-specialised buildings (residential and commercial) are valued at fair value using market-based evidence. Market rents and capitalisation rates were applied to reflect market value.

Fair value represents the highest and best use, except when it is exceeded by both replacement cost and value and use. Highest and best use is inferred by assuming profit maximising behaviour by the owner.

Market Value, as adopted by the Property Institute of New Zealand (PINZ) has been used, namely: "Market value is the estimated amount which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction, after proper marketing, wherein the parties had each acted knowledgeably, prudently and without compulsion."

Depreciated replacement cost is determined using a number of significant assumptions. Significant assumptions include:

- The replacement asset is based on the reproduction cost of the specific assets with adjustments where appropriate for obsolescence due to over-designed or surplus capacity.
- The replacement cost is derived from recent construction contracts of similar assets and Property Institute of New Zealand cost information.
- The remaining useful life of assets is estimated.
- Straight-line depreciation has been applied in determining the depreciated replacement cost value of the asset.

The method to determine the remaining useful life has been determined by physically sighting the buildings noting the physical state of the buildings at a point in time. The replacement cost has been determined by utilising the Comparable Transactions method whereby a unit of comparison used in the market (from recent previous sales) is used to establish a valuation metric. Additionally, estimating the cost for replacement using the modern equivalent of building materials is built into the overall valuation for each site. The replacement rate used in the valuations is between the range of \$500 (2020: \$410) per square metre and \$5,968 (2020: \$4,070) per square metre.

Where it has been appropriate to utilise the Income Capitalisation method to determine the valuation of a building, the discount rate used has been 5.75% (2020: 6.75%), utilising an average rent per square metre of \$134.94 (2020: \$160.69). The Market approach method has determined a range of between \$1,000 per square metre to \$2,000 (2020: \$1,000 to \$1,500) per square metre.

Land is valued at fair value using market-based evidence on its highest and best use with reference to comparable land values. Adjustments have been made to the "unencumbered" land value for campus land where there is a designation against the land or the use of the land is restricted because of reserve or endowment status. These adjustments are intended to reflect the negative effect on the value of the land where an owner is unable to use the land more intensely. Restrictions on the Institute's ability to sell land would normally not impair the value of the land

because the Institute has operational use of the land for the foreseeable future and will substantially receive the full benefits of outright ownership.

The fair value of the land has been determined with reference to sales of individual parcels of land in the area in which each campus is based. The land value on a per square meterage used to determine the valuation has been between \$80 per square metre to \$3,500 per square metre, depending on the physical location of the site. The range is wide-ranging as a result of the different type of land and what the land can be used for (i.e gully land that is not available for construction versus land that is in a developmental state), along side market rates of that land.

The 2021 revaluation was done by registered independent valuers, Grant Utteridge, Paul Thomas and Paul Higson of the firm Telfer Young Limited, and the valuation is effective as at 31 December 2021. Neither Mr Utteridge, Mr Thomas, Mr Higson nor their families had any financial interest in Toi Ohomai Institute of Technology.

The effective date of the revaluations is as at 31 December 2021.

Work in progress (Property, Plant and Equipment)

Work in progress comprised the following:

	December 2021 \$'000	December 2020 \$'000
Land	-	-
Buildings	843	809
IT Projects	643	-
Plant and Equipment	9	-
Closing Balance as at 31 December (Fair Value)	1,495	809

Restrictions on title

Under the Education Act 1989, the Institute is required to obtain consent from the Ministry of Education to dispose of land and buildings. There are also various restrictions in the form of historic designations, reserve, and endowment encumbrances attached to land. The Institute does not consider it practical to disclose in detail the value of land subject to these restrictions.

For plant and equipment, there is an asset disposal limit formula, which provides a limit up to which a TEI may dispose of plant and equipment without seeking the approval from the Ministry of Education. Detailed information on the asset disposal rules can be found on the Tertiary Education Commission website.

No items of Property, Plant and Equipment are pledged as security for liabilities at 31 December 2021.

Heritage Assets

The Institute holds some assets because of their cultural, environmental, or historical significance are heritage assets. These assets have not been recognised in the financial statements and are largely made up of carvings, artwork and other items significant to Māoridom.

Heritage collections are not depreciated because they are maintained such that they have indefinite or sufficiently long useful lives that any depreciation is considered to be negligible.

Note 10. Investment Property

	December 2021 \$'000	December 2020 \$'000
Opening Balance as at 1 January (Fair Value)	130	130
Net Gain (Loss) from Fair Value Adjustment	-	-
Closing Balance as at 31 December (Fair Value)	130	130

The building held currently for an undetermined future use is classified as an investment property.

The valuation of investment property as at 31 December 2021 was performed by Grant Utteridge independent registered valuer, of the firm Telfer Young (Rotorua) Limited. Mr Utteridge and his family had no financial interest in Toi Ohomai Institute of Technology.

The valuation undertaken was based on an open market value, supported by market evidence in which assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction at the date of valuation.

The valuer considered income capitalisation and cost approaches to replace methods. They considered that the emphasis should be placed on the income approach as the earning potential is the prime consideration of a potential purchaser.

	December 2021 \$'000	December 2020 \$'000
Rental Revenue	42	31
Operating expenses from property generating revenue	19	14
Contractual obligations for operating expenditure	19	14

Note 11. Intangible Assets

	Actual 2021 December \$'000	Actual 2020 December \$'000
Balance at 1 January 2021		
Cost	2,889	3,492
Accumulated Amortisation	(989)	(1,374)
Accumulated Impairment	(187)	(148)
Opening Carrying Amount	1,713	1,970
Additions	6	16
Disposals	-	(909)
Amortisation and Impairment on Disposals	-	769
Amortisation	(594)	(372)
Impairment	134	(51)
Transfer from WIP	60	290
Closing Carrying Amount	1,319	1,713

Balance at 31 December 2021

Cost	2,953	2,889
Accumulated Amortisation	(1,583)	(989)
Accumulated Impairment	(51)	(187)
Closing Carrying Amount	1,319	1,713

Software has been assessed as having finite lives and are amortised between three to five years using the straight-line method except for:

- The Student Management System and Ozone client services software which are amortised over ten years on a straight-line basis.
- Software support licences, service contracts and warranties with five to ten year lives, are also amortised on a straight-line basis.

The amortisation expense relating to intangible assets is included in the operating expenses line item of the statement of comprehensive revenue and expense.

There are no restrictions over the title of the Institute's intangible assets, nor are any intangible assets pledged as security for liabilities.

Note 12. Trade and Other Payables

	Actual 2021 December \$'000	Actual 2020 December \$'000
Payable under Exchange Transactions		
Trade Payables	1,835	3,980
Accrued Expenses	1,271	2,226
Total Payables under Exchange Transactions	3,106	6,206
Payables under Non-Exchange Transactions		
GST Payables	1,384	936
Total Payables	4,490	7,142

Trade payables are non-interest bearing and are normally settled on a 7-day term or on the 20th of the following month. Other payables are non-interest bearing and largely consist of accruals and suspense accounts, which are expected to be cleared within the following financial year. Interest payable is normally settled quarterly throughout the financial year.

The Institute has various financial instruments including cash, short term deposits, trade debtors and trade creditors, which arise directly from its operations. These activities expose the Institute to a variety of financial instrument risks including market risk, credit risk and liquidity risk. A series of policies manages the risks associated with financial instruments. The Institute is risk averse and seeks to minimise exposure from its treasury activities.

Note 13. Provisions

	Actual 2021 December \$'000	Actual 2020 December \$'000
Employee Entitlements		
Current Portion		
Annual Leave	2,353	2,187
Sick Leave	-	-
Total Current Provisions	2,353	2,187
Non-Current Portion		
Long Service Leave	760	483
Total Non-Current Provisions	760	483

These provisions are expected to be settled within 12 months of the balance date and therefore classified as current liabilities. Entitlements related to leave are measured at the current rate of pay.

Entitlements related to long service leave have been calculated at the present value of future cash flows determined on an actuarial basis and are considered as non-current. This provision is affected by a number of assumptions including expected length of service, attrition rate and potential salary increase.

Note 14. Revenue in Advance

Enrolments commenced in July 2021 for 2022 programmes. 2022 fees revenue received prior to 31 December 2021 will be recognised as income in 2022.

Deferred revenue from tuition fees includes both liabilities recognised for domestic student fees received, for which the course withdrawal date has not yet passed, and for international student fees which is based on the percentage of completion of course.

	Actual 2021 December \$'000	Actual 2020 December \$'000
Student fees invoiced relating to future year's revenue	14,485	22,205
Childcare grants & balances	81	48
Prepaid rent and invoices	15	14
Government funding received in advance	1,767	-
Funding received carried forward	409	-
Total Revenue Received in Advance	16,757	22,268
Classification		
Exchange Revenue	3,510	8,798
Non-Exchange Revenue	13,247	13,469
	16,757	22,268

Note 15. Financial Instruments

The Institute has various financial instruments including cash, short term deposits, trade debtors and trade creditors, which arise directly from its operations. These activities expose the Institute to a variety of financial instrument risks including market risk, credit risk and liquidity risk. A series of policies manages the risks associated with financial instruments. The Institute is risk averse and seeks to minimise exposure from its treasury activities.

The accounting policies for financial instruments have been applied to the line items below:

	Carrying Amount December 2021 \$'000	Fair Value December 2021 \$'000	Carrying Amount December 2020 \$'000	Fair Value December 2020 \$'000
Financial Assets – Loans and Receivables				
Cash at bank and in hand	5,845	5,845	2,043	2,043
Term deposits	15,491	15,491	25,492	25,492
Receivables	16,257	16,257	17,372	17,372
Total Loans and Receivables	37,593	37,593	44,907	44,907
Financial Assets – Financial Assets at Cost				
Investments	177	177	186	186
Total Financial Assets at cost	177	177	186	186
Financial Liabilities – Financial Liability at Amortised Cost				
Trade Payables	3,106	3,106	6,206	6,206
Total Financial Liabilities at Amortised Cost	4,490	4,490	6,206	6,206

Fair Value Hierarchy Disclosures

For those instruments recognised at fair value on the Statement of Financial Position, fair value is determined according to the following hierarchy:

Quoted market price: Financial instruments with quoted prices for identical instruments in active markets.

Shares have been valued at market price as it is not relevant to value using observable inputs or significant non-observable inputs.

Valuation technique using observable outputs: Financial instruments with quoted prices for similar instruments in active markets or quoted prices for similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

Valuation technique with significant non-observable inputs: Financial instruments valued using models where one or more significant inputs are not observable.

Shares	December 2021 Actual Market Value \$'000	December 2020 Actual Market Value \$'000
Shares in Zespri	177	186
Total	177	186

Financial Instrument Risks

The Institute's activities expose it to a variety of financial instrument risks, including market risks, credit risks and liquidity risk. The Institute has a series of policies to manage the risks associated with financial instruments and seeks to minimise exposure from financial instruments. These policies do not allow any transactions that are speculative in nature to be entered into.

Credit Risk

Credit risk is the risk that a third party will default on its obligation to the Institute, causing it to incur a loss. Due to the timing of its cash inflows and outflows, surplus cash is invested into term deposits, which give rise to credit risk.

With the exception of Student Fees, the Institute trades only with recognised, creditworthy third parties. Receivable balances are monitored on an ongoing basis with the result that Institute's exposure to bad debts are minimised.

With respect to credit risk arising from the other financial assets of the Institute, which comprise cash and cash equivalents, the Institute's exposure to credit risk arises from default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. By limiting the amount that can be invested in any one institution the Institute reduces the risks of any loss which could arise. There are no significant concentrations of credit risk within the Institute.

The Institute's Policy on investments is designed to minimise the level of exposure to risk from any single investment, while in turn seeking to maximise the return on such investments. Investment of cash is limited to those organisations detailed in the Crown Entities Act 2004 and also listed in Standard and Poors NZ Ratings as A- and above or Moody's rating of A3.

The Institute holds a credit enhancement via the Crown Retail Deposit Guarantee Scheme (CRDGS) for funds held with banks that have opted into the scheme. There is a cap on the size of the deposit that is covered by the guarantee of \$1 million per depositor per guaranteed institution.

Apart from the CRDGS, the Institute holds no collateral or other credit enhancements for financial instruments that give rise to credit risk.

External credit ratings for current investments under Standard and Poor's ratings are as follows:

	December 2021 \$'000	December 2020 \$'000
Cash and Term Deposits		
AA-	21,336	14,045
A	-	13,491
	21,336	27,536

Liquidity Risk

Liquidity risk is the risk that the Institute will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed facilities and the ability to close out market positions. The Institute aims to maintain flexibility in funding by keeping committed credit lines available.

The Institute manages its borrowings in accordance with its treasury policies and does not operate

an overdraft facility. Liquidity risk is managed by continuously monitoring forecast and actual cash flow requirements.

The table analyses financial liabilities into relevant maturity grouping based on the remaining period at balance date to the contractual maturity date. As payables are primarily due within thirty days and there are sufficient cash and short-term investments to clear these, the values stated are as at balance date.

	Carrying Amount \$'000	Less than 6 months \$'000	6-12 months \$'000
December 2021			
Trade Payables	3,980	3,980	-
Accrued Expenses	1,271	1,271	-
Total	4,490	4,490	-
	Carrying Amount \$'000	Less than 6 months \$'000	6-12 months \$'000
December 2020			
Trade Payables	4,147	4,147	-
Accrued Expenses	2,226	2,226	-
Total	6,206	6,206	-

Market Risk

Price risk

Price risk is the risk that the fair value or future cash flows of financial instruments will fluctuate as a result of changes in market price. The Institute's share investments are exposed to price risk. The shares in Zespri are held because of the small acreage of kiwifruit vines that are planted on the Institute's property for the purposes of teaching horticulture students. The shares are not being held for trading purposes and the shareholding is not material.

Fair value interest rate risk

Fair value interest rate risk is the risk that the value of financial instrument will fluctuate due to changes in market interest rates. Investments made at fixed rates of interest create exposure to fair value interest rate risk. The Institute's exposure to fair value interest rate risk is limited to its bank deposits which are held at mixed rates of fixed and floating interest.

The following table sets out the carrying amount, by maturity, of the financial instruments that are exposed to interest rate risk:

As at 31 December 2021	<1 Year \$'000	>1-<2 Years \$'000	>2 Years \$'000	Total '000
Assets				
Fixed rate assets	-	-	-	-
Deposits	15,000	491	-	15,491
Floating rate assets	-	-	-	-
Cash & cash equivalent	5,845	-	-	5,845

As at 31 December 2020	<1 Year \$'000	>1-<2 Years \$'000	>2 Years \$'000	Total '000
Assets				
Fixed rate assets	-	-	-	-
Deposits	25,492	-	-	25,492
Floating rate assets	-	-	-	-
Cash & cash equivalent	2,043	-	-	2,043

Cash flow interest rate risk

Cash flow interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. Investment interest rates expose the Institute to cash flow interest rate risk. This risk is managed by checking market rates with a number of banks prior to investing.

The Institute's investment policy permits investment within the following areas:

- With New Zealand registered banks;
- In public securities; and
- In such other securities as the Minister may from time to time approve.

It is specifically prohibited from investing in any other type of financial security.

Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Institute

has limited exposure to foreign currency risk as most transactions are dealt with in New Zealand dollars. Exposure includes online advertising, purchase of library items and software from overseas and payments made in foreign currency to agents overseas. These are all paid monthly as they fall due, and are not material.

The institute holds \$73,763 in a US dollar bank account. This money will be repaid in US dollars to an overseas organisation so there is no exposure to currency risk.

All fees are denominated in New Zealand dollars to diminish risks associated with revenue streams.

Sensitivity analysis

The table below illustrates the potential surplus or deficit impact for reasonably possible market movements, with all other variables held constant, based on financial instrument exposures at the balance date.

	December 2021				December 2020			
	-50bps \$'000		+150bps \$'000		-50bps \$'000		+150bps \$'000	
	Surplus	Equity	Surplus	Equity	Surplus	Equity	Surplus	Equity
Interest Rate Risk								
Cash and Cash Equivalents	(8)	-	20	-	(10)	-	31	-
Investments								
Listed Shares	-	(1)	-	2	-	(1)	-	2
Total Sensitivity	(8)	(1)	20	2	(10)	(1)	31	2

The interest rate sensitivity is based on reasonable possible movements in interest rates, with all other variables held constant, measured as a basis points (bps) movement. For example, a decrease in 50 bps is equivalent to a decrease in interest rates of 0.50%.

The sensitivity for interest rate swaps has been calculated using a derivative valuation model based on a parallel shift in interest rates of -50bps/+150bps.

The sensitivity for listed shares has been calculated based on a -50bps/+150bps movement in the quoted bid share price at year end for the listed shares.

Note 16. Capital Management

The Institute's capital is its equity, which comprises accumulated funds and revaluation reserves. Equity is represented by net assets.

The Institute is subject to the financial management and accountability provisions of the Education Act 1989, which impose restrictions in relation to borrowings, acquisition of securities, issuing guarantees and indemnities, and the use of derivatives.

The Institute manages its equity as a by-product of prudently managing revenues, expenses, assets, liabilities, investments, and general financial dealings to ensure that the Institute effectively achieves its objectives and purpose, while remaining a going concern.

Note 17. Capital Commitments and Operating Leases

The Institute has estimated capital expenditure of \$863,793 committed at balance date but not provided for.

Capital Commitments as at 31 December	December 2021 \$'000	December 2020 \$'000
Land	-	-
Building & Infrastructure	449	406
Plant and Equipment	115	24
Motor Vehicle	62	-
Computer Hardware	228	104
Computer Software	9	-
Total Capital Commitments	863	534

Contractual Commitments as at 31 December	December 2021 \$'000	December 2020 \$'000
Within one year	4,973	3,608
Within two to five years	1,227	3,372
More than five years	-	-
	6,200	6,980

Operating Leases

Operating leases as lessee

There are lease agreements in place with external parties for provision of land and premises in the normal course of business.

Leases can be renewed at the Institute's option, with rents set by reference to current market rates for items of equivalent age and condition. There are no restrictions placed on the Institute by any of its leasing arrangements.

Lessee Commitments as at 31 December	December 2021 \$'000	December 2020 \$'000
Within one year	436	447
Within two to five years	621	626
More than five years	308	446
Total Lessor Commitments	1,365	1,519

There were no finance lease commitments.

Operating leases as lessor

The Institute has lease agreements in place with external parties for provision of premises and services. The terms of these leases vary from one to five years.

Lessor Commitments as at 31 December	December 2021 \$'000	December 2020 \$'000
Within one year	347	337
Within two to five years	543	560
More than five years	14	50
Total Lessor Commitments	904	947

There were no finance lease commitments.

Note 18. Contingencies

Contingent Assets

There were no contingent assets as at 31 December 2021.

Contingent Liability

There were no contingent liabilities as at 31 December 2021.

Note 19. Related Party Disclosure

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 conditions no more or less favourable than those that are reasonable to expect that the Institute would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with 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 with TElS and undertaken on the normal terms and conditions for such transactions.

Related Party transactions required to be disclosed

There are no related party transactions requiring disclosure under PBE IPSAS 20.

Key management personnel included all members of Board and the Executive Leadership Team members.

Due to the difficulty in determining the full-time equivalent for Board members, the full-time equivalent figure is taken as the number of Board members.

Key Management Personnel Compensation	December 2021 \$'000	April – December 2020 \$'000 (9 months)
Board Members		
Full-time equivalent members (all Board members)	6	6
Remuneration	\$137	\$102
Executive Leadership including the Chief Executive		
Full-time equivalent members	6	6
Remuneration	\$1,672	\$1,245
Total Full-time Equivalent Members	11	12
Total Key Management Personnel Compensation	\$1,809	\$1,347

Board Member Remuneration	Period on Board	Board Meetings Attended	Meeting Fees Paid December 2021 \$'000
Catherine Cooney (Chair)	1 Jan 21 – 31 Dec 21	10	37
Ripeka Evans	1 Jan 21 – 31 Dec 21	10	23
Ngaroma Tahana	1 Jan 21 – 31 Dec 21	9	19
Leith Comer	1 Jan 21 – 31 Dec 21	9	19
Tania Hodges	1 Jan 21 – 31 Dec 21	9	19
Niwa Nuri	1 Jan 21 – 31 Dec 21	9	19
			136

Note 20. Childcare Centre

Revenue and Expenditure For the year ended 31 December 2021	Actual December 2021 \$'000 (12 months)	Actual December 2020 \$'000 (12 months)
Revenue		
Operating Grants – MOE	694	745
Fees – Staff, Students and Public	106	106
Family Assistance (WINZ)	113	96
	913	947
Expenses		
Personnel	969	900
Other	38	23
	1007	923
Net Surplus/Deficit	(94)	24

Statistics	Actual December 2021 (12 months)	Actual December 2020 (12 months)
MOE hours funded for under 2's	17,087	14,884
MOE hours funded for over 2's	13,624	16,868
MOE 20 hours ECE	32,466	37,248
MOE plus 10 hours ECE	6,693	8,210

Comments

The Childcare Centre is run as a separate trading entity within the Institute. Childcare is for up to 100 children primarily for staff and students at the Institute.

The above accounts for the full 12 month reporting period are required to be presented separately for Ministry of Education purposes to support the funding provided. There is no reflection of the portion of occupancy costs or depreciation on buildings and equipment used by the childcare centre, which are included in the main accounts of the Institute.

Note 21. Student Services Fees

The Compulsory Student Services Fee (CSSF) is set at \$250 (GST inclusive) per full-time student at our main campuses and pro-rated for the duration of each course/site delivered at. The fee is used to fund key services that assist student success, retention and overall wellbeing. The fee is required to be paid by all students completing Toi Ohomai Institute of Technology courses. 2019 was the first year that the fee was charged by the Institute.

Advocacy and Advice

The Institute provides students with independent and confidential support, advice and advocacy services. This includes assistance for general information and translation of Institute rules and policies, disciplinary action, harassment, complaints, employment and tenant rights, and grade appeals. All Institute related issues are resolved or the student is guided and supported through any escalation process.

Careers Advice and Guidance

The Institute offers career counselling, employability development, volunteer experience and job search support to current students. Toi Ohomai's career and employability facilitators provide advice and support students to make informed decisions about their career path and study programme, internship opportunities, volunteering and provide opportunities to improve their employability skills.

Counselling and Pastoral Care

The Institute has a range of pastoral care, health and wellness provision and counselling services to facilitate our diverse students' integration into tertiary life and provide on-going personal, spiritual, psychological and emotional support. The Institute offers specialised services to students with an impairment or disability, or who fall into a diverse demographic. The Institute also operates a comprehensive orientation and transition programme, and has an early intervention philosophy to promote the success and retention of our students.

Financial Support and Advice

The Institute offers students information and advice to help manage their money, including assistance with Studylink issues, budgeting advice, and banking. In addition, the Institute provides Justice of the Peace services, and financial assistance for students experiencing financial hardship through our internal Student Hardship Fund.

Health Services

The health centres on Campus offer integrated general practice medical, nursing, and wellbeing services to support students' overall health and wellbeing. Health and wellness services including doctors' appointments and nurse appointments are free for domestic students.

Media

Toi Ohomai supports the production and dissemination of information to students via Mailchimp (email communication), social media, electronic student handbooks, printed posters and flyers.

Sports, Recreation and Cultural Services

Toi Ohomai delivers a range of recreational and competitive sport events and activities. Each main campus has a fitness centre offering quality fitness equipment, group classes and personalised exercise programmes, and access to sport and exercise services. The Institute also offers a wide range of cultural events and diversity-related activities to promote diversity and inclusion on campus, as well as to support student engagement. This also includes orientation events and competitions.

Toi Ohomai Services	CSSF Revenue \$000	Expenses \$000
Student Levy Revenue	793	-
Student Pulse	-	-
Advocacy and advice	-	414
Career advice & guidance, employment information	-	506
Counselling & pastoral care	-	135
Financial support & advice	-	12
Health services	-	332
Media	-	38
Sports, recreation & cultural activities	-	92
Total	793	1529
Expenditure funded by Toi Ohomai		(736)

Income and expenditure associated with the provision of these services are separately accounted for in our accounting system. The compulsory student services fee levy charged per Equivalent Full-Time Student is shown below. The amounts include GST.

- Main Campuses (Mokoia, Windermere) - \$250
- Regional Campuses (Taupō, Tokoroa, Waipā, Whakatāne) - \$175
- Other/Online (Satellite delivery sites or Online study) - \$125

Note 22. Variations to Budget and Previous Year

The variations to the previous year are not an adequate reflection as the previous year's accounts only reflect 9 months of operations.

Student tuition fees

With the continuing impact of COVID-19 and the closure of borders, student tuition fees have been adversely impacted against budget by the significant decline in international tuition fee income.

Other expenses

With the decline in international students as a result of continuing border closures, international agents fees have also significantly declined against budget resulting in savings made in other costs.

Cash & Cash equivalents

Due to the better than expected performance against budget and continuing deferred capital expenditure, the Institute's funds are higher than originally budgeted for.

Debtors

Debtors have increased against budget as a result of earlier than budgeted for enrolments (and therefore invoicing of 2022 student fees).

Property

Property has significantly increased relative to budget and the previous year as a result of a revaluation having been completed as at 31 December 2021.

Revenue in advance

This account has been impacted by the continuing border closures and the lack of the international student market. The budget had assumed borders would be reopened by the end of the financial year.

Note 23. COVID-19

On 11 March 2020, the World Health Organisation declared the outbreak of COVID-19 global pandemic. Since then, the New Zealand Government has implemented a range of domestic restrictions and border controls to limit the spread of the virus.

The main impacts on the Institute's financial statements due to COVID-19 are explained below. This includes information about key assumptions concerning the future and other sources of estimation uncertainty. The main impacts on the Institute's performance measures are explained in the Statement of Service Performance.

The main impacts on the Institute's financial statements due to COVID-19 are explained below:

Government funding

The TEC has confirmed that 2021 funding for Investment Plans and Fees Free will continue.

This provides the Institute with certainty that it can continue to deliver to students despite disruption caused by COVID-19.

Student fees

There has been no material impact on the financial statements arising from COVID-19 on domestic student fees for the reporting period. International income has been reduced significantly as a result of ongoing border closures; this reduction has been appropriately reflected in the financial statements.

Accommodation revenue

There has been no material impact on the financial statements arising from COVID-19 on accommodation revenue.

Operating expenses

As a result of COVID-19, the Institute has not incurred additional expenditure of a material nature compared to 2020, where it was identified an additional \$15,000 had been spent on the provision of personal protective equipment for staff and students. No material additional costs were incurred for developing alternative methods of delivery to students.

Recoverability of student fee debtors

The Institute completed an assessment for impairment over its' student debtors as at 31 December 2021. There are no indications of any material impairment, and the Institute is satisfied the existing provision for doubtful debtors of \$167,000 is materially reflective of those debtors that may be doubtful.

Valuation of land and buildings

Land and buildings were revalued as at 31 December 2021 to reflect the fair value of those assets. The Institute's valuer has highlighted in their fair value assessments there remains some uncertainties surrounding land values. However there is not a significant valuation uncertainty as at 31 December 2021.

Any future decisions on the use of land and buildings are the responsibility of Toi Ohomai Institute of Technology Limited.

Impairment of tangible and intangible assets

An impairment assessment has been completed for tangible and intangible assets. The result of this assessment was that there is no impairment to recognise.

Note 24. Subsequent events

As highlighted in Note 2 – the Education and Training Act (the Act) states that each Te Pukenga subsidiary continues in existence until the close of 31 December 2022 at which point all the rights, assets and liabilities of the Te Pukenga subsidiary will be transferred to Te Pukenga. Under the Act, Te Pukenga may dissolve the Institute at or before this date and transfer some or all the rights, assets and liabilities to Te Pukenga or another Te Pukenga subsidiary. On 21 March 2022, the Toi Ohomai Board enacted to dissolve earlier into Te Pukenga and resolved to table before the Council of Te Pukenga to dissolve the Toi Ohomai Subsidiary Board with the aim of giving effect to this no later than close of business 31 May 2022. This proposed dissolution was approved by the Council of Te Pukenga on 5 April 2022.

No other subsequent events have been identified.

Statutory Declarations

Directors holding office during the period

- Catherine Cooney (Chair)
- Ripeka Evans
- Ngaroma Tahana
- Leith Comer
- Tania Hodges
- Niwa Nuri

Remuneration of directors and employees

Directors' remuneration received during this year is as follows:

	January - December 2021 \$'000	April - December 2020 \$'000
Catherine Cooney (Chair)	37	28
Ripeka Evans	23	18
Ngaroma Tahana	19	14
Leith Comer	19	14
Tania Hodges	19	14
Niwa Nuri	19	14
	136	102

The Institute has, pursuant to the Institute's constitution and in accordance with the Companies Act 1993, directors and officer's liability and company reimbursement insurance in place covering the directors, and officers of the company. The insurance indemnifies the company in respect of costs which may be incurred in reimbursing a director or officer in the successful defence of any action and covers individual directors and officers for personal liability as permitted by the Act.

Toi Ohomai has employees, not including directors, who also received total remuneration greater than one hundred thousand dollars.

	2021	2020
\$100,000 to < \$110,000	35	4
\$110,000 to <\$120,000	9	5
\$120,000 to <\$130,000	10	4
\$130,000 to <\$140,000	10	-
\$140,000 to <\$150,000	1	-
\$150,000 to <\$160,000	1	-
\$160,000 to <\$170,000	2	5
\$170,000 to <\$180,000	2	-
\$180,000 to <\$190,000	2	2
\$190,000 to <\$200,000	1	-
\$200,000 to <\$210,000	2	1
\$210,000 to <\$220,000	1	-
\$240,000 to <\$250,000	-	-
\$250,000 to <\$260,000	1	-
\$280,000 to <\$290,000	1	-
\$310,000 to <\$320,000	1	-
\$320,000 to <\$330,000	-	1
\$400,000 to <\$410,000	1	-
Total	80	22

Directors' Interest

All transactions with directors individually or as director shareholders of companies have transacted in the ordinary course of business. The transactions are on the same terms and conditions as other shareholder/members. Transactions relating to the directors for the year ended 31 December 2021 include revenue of \$1,207,000 and expenses of \$376,000. The receivables and payables balance relating to directors at 31 December 2021 was \$2,700 receivable and \$16,000 payables. The majority of transactions relate to lease of a building for teaching purposes, and a consultancy contract by a trust with common director/trustee.

Share Dealings

No director acquired or disposed of any interest in shares in the company during the year.

Donations

No donations were made by the Institute during the year (2020: \$1,735).

Company Directory

Executive Leadership Team

Leon Fourie	Chief Executive
Anthony Robertson	Executive Director: Corporate Services
Patrick Brus	Executive Director: Student & Staff Engagement & Experience
Kieran Hewitson (Left role 12 November 2021)	Executive Dean: Academic Excellence & Māori Success
Huia Haeata	Executive Director: Tiriti Partnerships & Māori Success
Clarke Raymond (Left role 29 July 2021)	Executive Director: Strategic Projects & Development

Registered Office

70 Windermere Drive, Poike
Tauranga, 3112

Auditor

Audit New Zealand

Bankers

Westpac

Solicitors

Holland Beckett Law Tauranga

Website


toiohoma.ac.nz





TOI OHOMAI

TOI OHOMAI

The background is a solid teal color. It features several large, overlapping circular shapes. Two prominent white circular outlines are positioned on the left and right sides. There are also several semi-transparent light blue circular shapes scattered across the background, some overlapping the white outlines.

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