

STATEMENT OF FINANCIAL PERFORMANCE

For the Year Ended 31 December 2011

	NOTE	31-Dec-11	31-Dec-10
INCOME			
Sundry Income	1	204,200	204,749
Investment income / (Loss)	2	25,168	26,962
TOTAL INCOME		229,368	231,711
EXPENDITURE			
Scholarships	3	107,048	80,000
EPE Centre Management		123,360	60,000
Power Engineering Education Support	4	2,518	-
Field Trips		1,607	15,000
Sundry	5	17,462	47,800
TOTAL EXPENDITURE		251,995	202,800
NET SURPLUS / (DEFICIT)		(22,627)	28,911

STATEMENT OF MOVEMENTS IN EQUITY

For the Year Ended 31 December 2011

		31-Dec-11	31-Dec-10
Balance as at 1 January		648,727	598,181
Net Surplus / (Deficit) for period		(22,627)	28,911
Other Distributions	6	-	21,635
Total Recognised Income & Expenditure		(22,627)	50,546
Balance as at 31 December		626,100	648,727

STATEMENT OF FINANCIAL POSITION

As at 31 December 2011

		31-Dec-11	31-Dec-10
CURRENT ASSETS			
Sundry Debtors		652	-
Total Current Assets		652	-
NON-CURRENT ASSETS			
Investments	7	625,448	648,727
Total Non-Current Assets		625,448	648,727
TOTAL NET ASSETS		626,100	648,727
REPRESENTED BY:			
Trust Funds	8	626,100	648,727
TOTAL TRUST FUNDS		626,100	648,727

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2011

	31-Dec-11	31-Dec-10
1 Sundry Income		
Industry Funding	204,200	204,749
	204,200	204,749

	31-Dec-11	31-Dec-10
2 Investment Income		
Investment Income / (Loss)	25,168	26,962
	25,168	26,962

Investment Gain / (Loss) for 2011 and 2010 was calculated at 4.5% on the average equity balance as per the Statement of Investment Policy Objectives, which is approved by University Council.

	31-Dec-11	31-Dec-10
3 Scholarships		
Postgraduate	57,048	30,000
Undergraduate	50,000	50,000
	107,048	80,000

	31-Dec-11	31-Dec-10
4 Power Engineering Education Support		
Other	2,518	-
	2,518	-

	31-Dec-11	31-Dec-10
5 Sundry Expenditure		
EPE Centre Administration Support	8,748	19,800
EPE Energise your future	8,714	23,000
EPE Centre Operational Support	-	5,000
	17,462	47,800

	31-Dec-11	31-Dec-10
6 Other Distributions		
CPI Adjustment to Base Capital	-	21,635
Revenue Reserve	-	-
	-	21,635

The Base Capital adjustment is to maintain the purchasing power of the fund, spending this effectively reduces the capital of the fund.

The Revenue Reserve is to be used as and when necessary, during years of low or negative investment returns, to support the flow of distributions without recourse to reducing the capital of the fund. Note that there were insufficient investment returns to make a distribution to the Base Capital and the Revenue Reserve in 2011.

7 Investments

As at 31 December 2011 the amount of \$ 625,448 (2010: \$ 648,727) is invested through the University Trust Fund. Investment of these funds is overseen by investment advisers, Eriksen & Associates.

This is in a manner that is in accordance with the Statement of Investment Policy and Objectives.

8 Trust Funds

	31-Dec-11	31-Dec-10
Balance at beginning of period	648,727	598,181
Net Operating (Deficit) for period	(22,627)	28,911
Other Distributions	-	21,635
Balance at end of period	626,100	648,727

Members

Premium Members



Members



POWER
ENGINEERING EXCELLENCE
TRUST

Power Engineering Excellence Trust

C/- EPE Centre
University of Canterbury
Private Bag 4800
Christchurch 8140, NZ
T +64 3 364 2987 x45687
E peet@epcentre.ac.nz



www.epcentre.ac.nz



Annual Report 2011

“Promoting and supporting the education of power engineers and the study of power engineering as a field of excellence in New Zealand”

Chairmans Statement

Power Engineering Excellence Trust 2011

The event that captured New Zealanders in 2011 was the Canterbury earthquake of February 22, 2011. The event has made a significant impact upon the economy and local community including the University of Canterbury and the industry's Electric Power Engineering Centre (EPEC).

The resilience and commitment of the Canterbury community has impressed us all and I was pleased at how quickly the University was back up and operating despite the damage to buildings and the impact upon staff and students. The EPECentre and the Electrical Engineering laboratories sustained damage but within a short time were operational - enabling students to continue and complete their academic studies. I am heartened and very grateful to the University and the staff and students of the Centre whose continuing passion and commitment has helped restore some 'normal service' for our power engineering students.

The earthquake did bring some immediate change as we said good bye to Joseph Lawrence who had been with the EPECentre since 2002. Over the last 9 years Joseph has been the face of EPECentre and had driven growth in student numbers taking power systems courses, raised the profile of industry careers and opportunities among students; and significantly enhanced the Centre's research capacity. The Trustees acknowledge and thank him for his work and we wish him well for the future.

In August 2011 PEET welcomed Dr Allan Millar as the Director of the EPECentre. Allan brings to the position many years of international business experience and a strong research and academic background - a mix of skills that reinforces the industry/academic mix which has been such a strong driver in the success of the Centre to date.

Physical damage to the university has now been assessed and there is a significant challenge and commitment required not just to rebuilding the University infrastructure but to ensuring the unique and highly successful work by industry, PEET and EPEC is sustained and grows student numbers.

The earthquake events have demonstrated the importance of the electricity system to economic recovery and the key role and value of our skilled engineers. We need to lever of this public profile to better promote and market careers and research opportunities in our industry

Student enrollment numbers for 2011 remained strong with good numbers participating at all levels as seen below:

- 1st Pro Principle of electrical systems. 81 students
- 2nd Pro Electric power Engineering; 43 students out of 85 Power electronics 1: 91 students
- 3rd Pro Power Engineering Applications: 24 Students
Power Systems: 25 students out of 61
Power Electronics 2: 48 students

What is less certain is the impact of the earthquakes upon future student numbers at the University of Canterbury. For PEET, EPEC and our industry significant challenges may be ahead. The EPECentre is a key point of difference that over the past 9 years has helped train over 300 new power engineers and reduced engineering skill shortages in industry by growing student numbers in power systems. PEET has also provided a mechanism for industry to partner a world class research centre and influence power engineering at Canterbury University. The Centre is a very effective forum to engage industry employers, engineers and to help students understand the many opportunities that exist in industry careers and research. Having built this outcome now more than ever industry needs to continue its commitment to PEET and EPECentre or run the risk of reverting to the past of skill shortages that lead to us establishing PEET and EPECentre in 2002.

In 2011 PEET and the University agreed to change the EPECentre business model. Since the inception of PEET, the EPECentre has been under the Department of Electrical Engineering. During 2011 the Trustees and the Pro-Vice-Chancellor of Engineering, Professor Jan Evans-Freeman have been in discussions around establishing EPEC as a separate department in the College. As off the 1 January 2012 the EPECentre will be a standalone Research Centre within the College of Engineering with strong collaboration with the Electrical and other Engineering Departments. This new structure will enable EPEC is a world class research centre to better target industry and independent research funding and enable a multi-disciplined engineering approach to research and learning opportunities.

In 2011, the Power Engineering Excellence Trust (PEET) and the Electric Power Engineering Centre (EPEC) delivered on a number of key achievements and activities relating to promoting power engineering as a field of excellence.

The core deliverables of PEET and EPECentre are:

- High quality, skilled graduates in power engineering
- A successful engineering research and innovation centre supporting undergraduates, post graduate research and the research needs of the industry
- Knowledge transfer between academia and industry at local and international level focused on power engineering excellence, learning opportunities and industry best practice

PEET in 2011 provided 10 scholarships to undergraduate and 4 post graduate power engineers. We supported a number of industry-led research opportunities, and promoted power engineering education and careers amongst undergraduate engineers and in New Zealand schools.

EPEC remains committed to -

- enabling New Zealand students to learn about engineering in the power industry and the great industry career opportunities;
- providing academic/student engagement with industry companies; and
- undertaking industry research to meet the engineering challenges in the electricity supply sector.

Industry partners and collaboration is the key to continue success. In 2011 we there were 21 industry partners providing support, and we thank you for your contributions. With the support of these leading organizations we are able to deliver on the core essentials for our industry and ensuring New Zealand continues to have a sustainable world class power engineering programme and research centre.

A key highlight from the EPEC research portfolio is the completion of a major Power Quality Study. This study which involved overseas universities and research centre has taken 3 years and many hours of collaboration with our members and the wider industry. The result of this research is the impending publication of a New Zealand Guide on Power Quality and a major research report which will enable industry, consumers and equipment suppliers to work together to reduce power quality problems and improve the performance of electrical equipment and networks.

In 2012 EPEC will continue to develop the research capability through applications for further study grants that will see further industry academic collaboration.

As an industry we continue to build a world class student and research facility and we should not be distracted by the forces of nature. There are many challenges facing our industry with aging assets and there large investment in infrastructure over several years. PEET and EPECentre will continue to play a pivotal role in delivering the power engineering need of our industry. I believe we must all continue our commitment to supporting PEET/EPEC to maintain and grow New Zealand's future power engineers and our centre of research excellence. By industry continuing to support PEET/EPEC we give the Centre every opportunity to sustain itself in this difficult time and to create capability to grow in the future.

For 2012 we will continue our focus on supporting and increasing student numbers back to Canterbury, while also looking to grow the research side through applications for public research funding. Research opportunities attract the best and brightest students and provide them opportunities to interact with our industry partners. Through high quality research our knowledge and expertise will remain world class.

I would like to thank the industry partners for their support and funding of the Trust and pay tribute to the dedicated and committed EPECentre staff. Leaders in our industry stood up and provided leadership during the Canterbury earthquakes, not just to our industry, but to the community at large. Though your commitment and support we will continue to develop engineers and leaders that have the capability and competence to provide the infrastructure we all rely on for our quality of life.

I encourage the industry to continue to invest in PEET/EPEC - Now more than ever we need to invest in our engineering skills, we have a truly unique and highly successful partnership delivering professional engineering capability for New Zealand's electricity sector.

Peter Berry, Chair, Power Engineering Excellence Trust / Electric Power Engineering Centre

The Trustees for 2011 were: Peter Berry (Chair & professional engineering representative), John Foote (generation), Professor Pat Bodger (academia), Gavan Jackson (contracting), Richard Aitken (consulting), Bob Simpson (transmission) and Tas Scott (distribution); Executive Assistant to the Trust was Sean McCready; the Trust met four times during the year and did not receive any remuneration in our capacity as Trustees.

2011 Highlights

Facilitating Quality Education in Power Engineering

Scholarships:

- 10 undergraduate scholarships were awarded in 2011 to students that showed excellence in Power Engineering,
- 4 Postgraduate scholarships, 2 of which were for Masters and 2 PhD. Four of these scholarships were funded directly through PEET.

Practical work and graduate placement in the power industry:

- Continuing to provide industry with suitable students for practical work placements
- Providing recruitment support to industry and students

Power Engineering student field trips:

- Field trips continue to be a huge success for students, with over 60 student engineers visiting sites across New Zealand. These field trips continue to be key strategy in developing engineers for the industry and in students identifying the areas of interest and employment. In 2011, the South Island Field Trip was the only one to be held, due to earthquake disruption, sign up closed in under 15 minutes with all seats taken and a waitlist of students.

Visiting Lecturers:

- Industry relevant lectures to enhance power engineering education on areas such as "Power Systems Protection" by Kathryn Ward (BECA) and Marc Palmer (Schweitzer Engineering Laboratories). Our thanks to those people and their organisations support.

Highlighting Future Power Engineering Opportunities

Encouraging the Next Generation:

- Reaching into the schools to promote engineering careers, such as support and sponsorship for NZ school participation in the International Young Physicists' Tournament (IYPT).

Showcasing Innovation and the Industry:

- The annual R&D expo was once again a success. The event attracted around 200 participants coming from students and industry members.

Electric Power Research and Development

Research Centre

- EPECentre is recognised as a separate research centre within the college of engineering.

Power Quality research project

- This 3 year project to research "Power Quality in Future Electrical Networks" with Foundation for Research Science and Technology (FRST) and co-sponsorship from the Electricity Engineers' Association (EEA) is due to be released in 2012.
- Various commercial research assignments for members undertaken.

Highlights from Joseph



"I would like to thank the EPECentre for the many opportunities over the years. I will be leaving with fond and cherished memories of the wonderful people, the successes and the achievements during my many years of service - approx 9 years, where I have established a dedicated team around me, starting with a handful of industry partners and it to over 35, establishing a support network of over 700 individuals, rejuvenating the power engineering programme and growing student numbers for 17% to over 65% completed over 50 R&D projects and commercial contracts, ran 4 international conferences, enabled the publication of several technical books, published many academic papers and contributed to numerous conferences, raised over \$5million in external funding, executed over 100 presentations to industry, academia and school community groups, enabled the award of over 160 scholarships, launched a nationwide school competition, conceptualized and led a research bid, won a major FRST bid, created and annual R&D Expo that has received 3 consecutive years of TV news appearances, featured our work in dozens of newspaper/ magazines articles, designed and developed and office to house the EPECentre staff and our many post graduate students, and finally helping to establish the centre as a standalone unit which is internationally recognised as an exemplar for industry - academic collaboration, these were just some of the highlights for me" J Lawrence, May 2011.

Financials

POWER ENGINEERING EXCELLENCE TRUST FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

STATEMENT OF ACCOUNTING POLICIES

REPORTING ENTITY

The Power Engineering Excellence Trust is a charitable trust established in 2002. The Objects of the trust are:

- encourage a greater number of students to study power engineering, thus increasing the quantity and quality of power engineers in New Zealand.
- maintain, enhance and sustain research into, and the study of, power engineering.
- create closer, stronger and synergistic relationships between students of power engineering and the power industry.
- provide for and foster power engineering innovation as a product of education.
- provide better awareness of the existence and benefits of the Department's power engineering
- courses to the power industry.

GENERAL ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Financial Reporting Standards and Statements of Standard Accounting Practice issued by the Institute of Chartered Accountants of New Zealand.

The Power Engineering Excellence Trust applies differential reporting in the preparation of these financial statements.

Full advantage has been taken of all differential reporting exemptions.

The general policies adopted in the preparation of these financial statements are the measurement and reporting of financial performance and position on an historical cost basis.

PARTICULAR ACCOUNTING POLICIES

The following are the particular accounting policies which have a material effect on the measurement of financial performance and the financial position:-

INVESTMENTS

All investments are stated at market value. Foreign investments have been translated to New Zealand currency at the ruling rates of exchange at balance date.

Investment income is calculated as per the Statement of Investment Objectives, which is approved by University Council.

This provides for a 4.5% operating return and two further distributions to equity, which maintain the purchasing power and also allow for future market fluctuations.

FINANCIAL INSTRUMENTS

Income and expenditure relating to all financial instruments are recognised in the Statement of Financial Performance. All financial instruments are recognised in the Statement of Financial Position.

GOODS AND SERVICES TAX

All amounts are stated inclusive of Goods and Services Tax.

TAXATION

The Trust is exempt from the payment of income tax as it is a not-for-profit organisation. Accordingly there is no provision for income tax.

CHANGES IN ACCOUNTING POLICIES

There have been no changes in accounting policy.