

POWER ENGINEERING EXCELLENCE TRUST ANNUAL REPORT FOR 2002

Chairman's Report

The 2002 year was a year of significance for power engineering education in New Zealand. The establishment of the pan industry PEET is an important initiative to ensure adequacy of power engineering graduates for New Zealand's future.

In the first six months of 2002 an Establishment Board directed the establishment process, executing a trust deed and securing the required Inland Revenue approvals. Financial Services were arranged via the University at no cost, to minimize those overheads.

The establishment of PEET was coordinated with the establishment of EPECentre, a University of Canterbury Interdisciplinary Research Centre. EPECentre will operationalize the objectives of the Trust's strategic plan, receiving financial resource from the trust for that.

These establishment work streams culminated in the launch of PEET and EPECentre in June 2002 at the conference of the Electricity Engineers' Association in Christchurch.

Industry funding during 2002 totaled \$252,500. Potential funding sources were investigated across a broad front. This included organizations that had links to power engineering or its equipment and government sponsored R&D funding processes. It is apparent that PEET funding is likely from power industry participants only, although there may be opportunities for EPECentre to achieve some of its other funding from R&D funding processes.

The 2002 annual accounts of the Trust have not been separately audited, this not being possible with the current form of free financial services provided by University of Canterbury. The board will consider additional services that will provide sufficient information to enable audit in future. This is to assure trust members that all donations to PEET have been used for the Purpose of the trust.

After establishment in 2002 PEET

- sponsored research in the field of distributed generation by a post doctoral fellow,
- sponsored an engineering management student project; create EPECentre Business Plan,
- sponsored a power engineering student convention, and
- offered \$50,000 undergraduate (10 at \$5,000) and \$50,000 post graduate (2 at \$25,000) 2003 study scholarships. All ten undergraduate scholarships were awarded after twenty two applications.

An increase in enrolments in power engineering courses for 2003 was achieved; from 32 to 42 for second professional and from 16 to 21 in third professional courses. An increase in Power Engineering student numbers was the primary goal of establishing the trust.

Goals for the 2003 year will include-

- Closer electric power industry / university relationships and power industry / student relationships
- Coordinating with EPECentre to put in place sustainable future plans
- Establishing funding pledges that reach beyond the prevailing year so that programmes beyond one year's duration can be committed to and the long term success of PEET and EPECentre can be realized.

On behalf of the trustees I thank all those who have financially committed and contributed to the trust in 2002 and encourage you to continue with that support for its ongoing success.

Dr Keith Turner
Chairman

POWER ENGINEERING EXCELLENCE TRUST
FINANCIAL STATEMENTS
FOR THE PERIOD ENDING 31 DECEMBER 2002

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 Foundation 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 a 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

Investments are held in fixed interest investments and are stated at cost.

GOODS AND SERVICES TAX

All amounts are stated net of the Goods and Services Tax.

COMPARATIVE FIGURES

No comparative figures are presented as these are the first financial statements of the Power Engineering Excellence Trust.

CHANGES IN ACCOUNTING POLICIES

There have been no changes in accounting policies as these are the first financial statements of the Power Engineering Excellence Trust.

POWER ENGINEERING EXCELLENCE TRUST

STATEMENT OF FINANCIAL PERFORMANCE

For the Period Ending 31 December 2002

31-Dec-02

	NOTE	
INCOME		
Sundry Income	1	5,000
Investment income	2	6,773
TOTAL INCOME		<u>11,773</u>
EXPENDITURE		
Scholarships		10,000
Establishment Costs		31,301
Promotional Costs		2,414
Sponsorship		16,668
TOTAL EXPENDITURE		<u>60,383</u>
NET SURPLUS / (DEFICIT)		<u>(48,610)</u>

STATEMENT OF MOVEMENTS IN EQUITY

For the Period Ending 31 December 2002

Balance as at 12 July 2002	249,394
Net Surplus / (Deficit) for period	(48,610)
Total Recognised Income & Expenditure	<u>(48,610)</u>
Balance as at 31 December 2002	<u>200,784</u>

STATEMENT OF FINANCIAL POSITION

As at 31 December 2002

	NOTE	
NON-CURRENT ASSETS		
INVESTMENTS	3	200,784
Total Non-Current Assets		<u>200,784</u>
TOTAL NET ASSETS		<u>200,784</u>
REPRESENTED BY:		
Trust Funds	4	200,784
TOTAL TRUST FUNDS		<u>200,784</u>

POWER ENGINEERING EXCELLENCE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the Period Ending 31 December 2002

31-Dec-02

1 Sundry Income	
Industry Funding	5,000
	<u>5,000</u>
2 Investment Income	
Interest	6,773
	<u>6,773</u>
3 Investments	
As at 31 December 2002 the amount of \$200,784 was invested with Westpac Banking Corporation at the interest rate of 5.8% Interest has been calculated monthly during the year.	
4 Trust Funds	
Balance at beginning of period	249,394
Net surplus / (Deficit) for period	(48,610)
	<u>200,784</u>