

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

For the Year Ended 31 DECEMBER 2016

	NOTE	31-Dec-16	31-Dec-15
<b>INCOME</b>			
Sundry Income	1	231,089	272,253
Investment Income	2	30,067	43,141
TOTAL INCOME		261,156	315,394
<b>EXPENDITURE</b>			
Scholarships	3	90,500	75,333
Personnel		140,902	131,826
Education Support		16,142	-
Field Trips		11,327	16,484
Consulting		-	-
Sundry		8,071	60,638
TOTAL EXPENDITURE		266,942	284,281
NET SURPLUS (DEFICIT)		(5,786)	31,113

STATEMENT OF MOVEMENTS IN NET ASSETS/ EQUITY

For the Year Ended 31 DECEMBER 2016

Balance as at 1 January		1,015,025	947,690
Net Surplus (Deficit) for period		(5,786)	31,113
Other Distributions	4	-	36,222
Total Recognised Income & Expenditure		(5,786)	67,335
Balance as at 31 December		1,009,239	1,015,025

STATEMENT OF FINANCIAL POSITION

As at 31 DECEMBER 2016

CURRENT ASSETS

Sundry Debtors	-	-
Total Current Assets	-	-

CURRENT LIABILITIES

Accounts Payable	-	-
Total Current Liabilities	-	-

NON-CURRENT ASSETS

Investments	5	1,009,239	1,015,025
Total Non-Current Assets		1,009,239	1,015,025

TOTAL NET ASSETS

REPRESENTED BY:			
Trust Funds	6	1,009,239	1,015,025
TOTAL TRUST FUNDS		1,009,239	1,015,025

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2016

	31-Dec-16	31-Dec-15
<b>1 Sundry Income</b>		
Industry Funding	231,089	272,253
Consulting Income	-	-
	231,089	272,253
<b>2 Investment Income</b>		
Investment Income Gain	30,067	43,141
	30,067	43,141

The investment gain for 2016 was 3.0% (4.5% for 2015) and was calculated on the average equity balance as per the Statement of Investment Policy Objectives, which is approved by University Council.

<b>3 Scholarships</b>		
Postgraduate	37,500	33,333
Undergraduate	53,000	42,000
Prior year scholarships	-	-
	90,500	75,333

<b>4 Other Distributions</b>		
CPI Adjustment to Base Capital	-	958
Revenue Reserve	-	35,264
	-	36,222

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.

<b>5 Investments</b>		
As at 31 December 2016 the amount of \$1,009,238 (\$1,015,025 in 2015) 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.		
<b>6 Trust Funds</b>		
Balance at beginning of period	1,015,025	947,690
Net Operating Surplus for period	(5,786)	31,113
Other Distributions	-	36,222
Balance at end of period	1,009,239	1,015,025

<b>7 Commitments</b>		
As at the balance sheet date, there were no commitments (2015: nil)		

Members

Premium Members



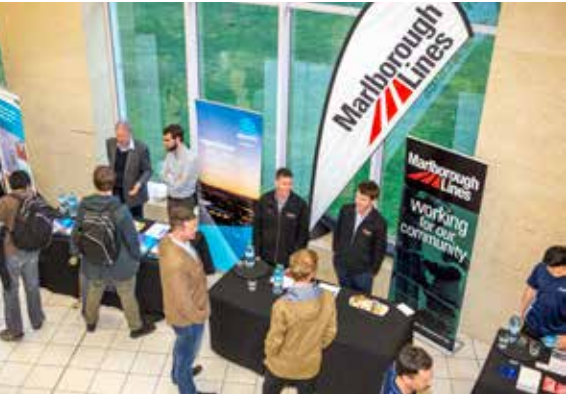
Members



2017 PEET Undergraduate Scholars (Intermediate to Second Professional)



2016 UCM FSAE car, sponsored by PEET. Photo courtesy of Toby White, UC Student.



2016 EPECentre Careers Convention

Power Engineering Excellence Trust  
C/- EPECentre  
University of Canterbury  
Private Bag 4800  
Christchurch 8140, NZ  
T: +64 3 369 5871  
E: info@epecentre.ac.nz

www.epecentre.ac.nz



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



Annual Report  
2016





# Chair’s statement

“Power Engineering Excellence Trust (PEET) is a unique partnership between our industry and the University of Canterbury and is vital to sustaining excellence in electric power engineering education and the professional capability of our industry. PEET and industry’s ongoing support of the EPECentre is an investment in our future. In this annual report, I am pleased to provide an overview of a busy and successful year for PEET/EPECentre and our power engineering students. Key outcomes are high levels

of engagement with industry and school students; increased scholarship support to undergraduate and graduate students; and a centre of excellence producing quality research to support knowledge and understanding of the application and opportunities of future power technology. I want to thank our existing industry sponsors for their support and funding of the PEET and to welcome Wellington Electricity as a new sponsor. I would also like to thank Dr Allan Miller and his team at the EPECentre for their dedicated work.

Thanks to my fellow trustees and Professor Jan Evans-Freeman at the College of Engineering, UC for their commitment and support.”

**Peter Berry**, Chair, PEET

### The trustees for 2016 were:

The Trustees for 2016 were: Peter Berry (Chair), John Foote (Generation), John Clarke (Transmission), Tas Scott (Distribution), Craig Price (Consulting), Robert Ferris (Contracting) and Professor Neville Watson

(Academia); Sean McCready (Executive Assistant) and Valerie Lang (Secretary). The PEET Trustees met four times during the year and did not receive any remuneration in their capacity as Trustees.

It is with great sadness we note that John Foote passed away in early 2017. We would like to acknowledge John’s contribution to PEET and EPECentre over the past few years.

*Cover photo by Byron Engler – South Island Field trip 2016*

# Financial Statements

For the year ended 31 December, 2016

## 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.

### BASIS OF PREPARATION

These Financial Statements have been prepared on a going concern basis, and the Accounting Policies have been applied consistently throughout the period.

### STATEMENT OF COMPLIANCE

These Financial Statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). These Financial Statements comply with Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS) and other applicable Financial Reporting Standards as appropriate that have been authorised for use by the External Reporting Board (XRB) for not-for-profit (NFP) public benefit entities. For the purposes of complying with NZ GAAP, the Power Engineering Excellence Trust has designated itself as a NFP PBE and is eligible to apply Tier 2 NFP PBE IPSAS – Reduced Disclosure Regime (RDR) on the basis that it does not have public accountability and it is not defined as large.

These Financial Statements are the first full year to be presented in accordance with the new PBE Accounting Standards. The impact on the Financial Statements, of the transition to the new PBE Accounting Standards, is explained in Note 14. The Power Engineering Excellence Trust are deemed a qualifying entity within the Framework for Differential Reporting, on the basis that they are not publicly accountable and are not large. As such, the Power Engineering Excellence Trust has taken advantage of all differential reporting concessions available to them except for FRS19 Accounting for Goods and Services Tax and FRS 10 on Cash Flows, with which they have complied fully.

### PRESENTATION CURRENCY AND ROUNDING

These Financial Statements are presented in New Zealand dollars and all values are rounded to the nearest dollar.

### 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 3% operating return and two further distributions to equity, which maintain the purchasing power and also allow for future market fluctuations.

### ACCOUNTS RECEIVABLE

Accounts receivable are recorded at expected realisable value and are all receivables from exchange contracts; where a debt is considered unrecoverable it is written off.

### FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised when The Power Engineering Excellence Trust become party to the contractual provisions of the financial instrument. The Power Engineering Excellence Trust derecognise a financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets when the rights to receive cash flows from the asset have expired or are waived, or the UC Trust Funds have transferred the rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either:

- The Power Engineering Excellence Trust have transferred substantially all the risks and rewards of the asset; or
- The Power Engineering Excellence Trust have neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset

### I. FINANCIAL ASSETS

Financial Assets within the scope of NFP PBE IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets. The classifications of the financial assets are determined at initial recognition.

### II. FINANCIAL LIABILITIES

The Power Engineering Excellence Trust’s financial liabilities include trade and other creditors. All financial liabilities are recognised at fair value.

### FOREIGN CURRENCIES

Foreign currency transactions throughout the year have been translated to New Zealand currency at the ruling rates of exchange at date of payment. Realised and unrealised exchange gains or losses are accounted for in the Statement of Comprehensive Revenue and Expense

### GOODS AND SERVICES TAX

All amounts are stated inclusive of Goods and Services Tax. As the Power Engineering Excellence Trust is not registered for GST, all GST is non-recoverable.

### REVENUE

The Power Engineering Excellence Trust classify its revenue into exchange and non-exchange transactions. Investment Revenue: Dividend revenue is recognised in the period the dividend is declared. Interest revenue is accounted for as it is earned.

### EXPENDITURE

Trust expenditure on scholarships, prizes and related travel is expensed/ accrued in the year that it is incurred.

### TAXATION

The Power Engineering Excellence Trust are exempt from the payment of income tax as it is a not-for-profit organisation registered under the Charities Act 2003. Accordingly, there is no provision for income tax.

### CHANGES IN ACCOUNTING POLICIES

There have been no changes in accounting policies. All accounting policies have been applied on a consistent basis with the previous year.

## Education: Outreach and Events

*We deliver industry engineers who will ignite and work with their communities to provide electricity in smart and sustainable ways*



10 Online electrical systems videos  
For schools - aligned with the NCEA curriculum



26 Power Engineering students  
Supported on the four-day Power Systems field trip



Over 100 Electrical Engineering students  
Met with our Industry Members at EPECentre events on campus (e.g. Careers Convention, R&D expo)



35 UCM Students  
Supported through the UC Motorsport sponsorship (electrical racing car) fostering many outreach opportunities



26 EPECentre Scholars  
Awarded in 2016 through our 3 Scholarship programmes for School leavers, Undergraduate and Postgraduate\* students  
\* Funded by PEET or Research funds

Over 140 EPECentre Scholars  
Awarded since 2003



"The UCM team is a group of dedicated engineers that compete in the global Formula SAE competition. Last year we decided to push the limits and design New Zealand’s first 4WD electric race car - something that we could never have achieved without the support of UC and the EPECentre. I worked with a great team of electrical engineers to develop all of the car’s electrical systems. The long hours (averaging 100 hours a week) were definitely worth it!”

**Matt Barham, UCM16**  
Electrical lead and EPECentre UG Scholar (2013 and 2014)

## Research and Innovation

*The EPECentre is a world-class power Industry research incubator that attracts academics and students from around the world*

### GREEN Grid

- Managing new renewable energy technologies in the network
- Economic, functional, safe distribution network

### 6 Postgraduate scholars

Funded by MBIE, Transpower and EEA  
In-kind support from over 12 organisations

### 2016 publications:

- Over 80 formal or conference presentations
- 18 conference papers published included 3 overseas
- 3 journal papers published in 2016



**GREEN Grid PhD Scholar Josh Schipper** presented his paper “The Value of Frequency Keeping and Governor Response to New Zealand” at the 15th Wind Integration Workshop in November in Vienna (Austria).

### Joule Log Heating

- Ozone friendly alternative to methyl bromide fumigation

**2 Postgraduate scholars**  
Funded by STIMBR, Scion and MBIE

## Industry-academia

*We connect academia, industry and students, and deliver applied research to our Industry members.*



23 Members  
(including 5 Premium)



3 Transfers from GREEN Grid to the Industry

- EEA PV Connection Guideline (Draft)
- DGHost™
- EECA energywise™ Solar Calculator



“Attracting talent and supporting students pursuing courses in electrical power engineering is critical to the future of our industry. The EPECentre shares our vision for a sustainable future with a specific focus on education and innovation.”

**Bruce Emson, Chief Executive, MainPower**