


CPIT FOUNDATION **FUNDING** **EDUCATIONAL** **ENTERPRISE**



ANNUAL REPORT 2007



Investing in Educational Enterprise

www.cpfoundation.co.nz



CPIT FOUNDATION FUNDING EDUCATIONAL ENTERPRISE

Established as an independent charitable trust in 1984, the CPIT Foundation works in partnership with CPIT to help fund innovative projects that can "make a difference" to individual students and staff, to CPIT as a whole, or to the community.

Funding is provided for these projects through a six-monthly awards scheme for which students and staff apply online: www.cpfoundation.co.nz.

The Foundation is managed by Executive Director Tony Kunowski from an office in Allen Street next to the CPIT Campus, and governed by a board of Trustees, drawn from the business and education sectors in Canterbury.

Since it was established in 1984 to assist Christchurch Polytechnic's 50,000 staff and students with enterprising projects, CPIT Foundation has received donations from individuals, companies and the Polytechnic itself to build its funding base.

The CPIT Foundation therefore has a well established fund, which the Trustees have actively managed and grown over the years to provide a solid capital base at a level that can now help make a difference.

In addition, the CPIT Foundation forms partnerships with local businesses to help deliver some of the projects in a more meaningful and practical way. The Foundation is always keen to talk to Canterbury businesses interested in working with CPIT departments and their students on projects of mutual benefit.

CPIT Foundation

Phone: 365 3469

Email: cpfoundation@xtra.co.nz

www.cpfoundation.co.nz



Hands-on education is part of CPIT's outdoor education courses thanks to a grant from the CPIT Foundation. Students Chris Whyte (centre) and Andrew Mason (right) restoring the natural environment at the Travis Wetlands with the assistance of tutor Gareth Wheeler.

CPIT FOUNDATION ANNUAL REPORT 2007

In many respects 2007 has been a watershed year for the Foundation.

First our level of grant payments and commitments increased to \$428,324, a 100% increase on the 2006 level, consistent with our mission of "providing financial support for innovative and transformational projects of CPIT and its internal stakeholders."

The new grants approved in 2007 are listed on page 5. A major contributor to the 2007 grants figure was the ongoing commitment to the Digitalisation Programme initiated by the CPIT Faculty Deans in 2005. The primary goal of this project was "to ensure that CPIT's practical and vocational training in the science and technology areas initially, and ultimately all applied learning is relevant, up-to-date, and provides opportunities for students to experience first hand the types of technology they are likely to find when entering employment."

Second, we embarked on a communication plan to raise awareness of the Foundation's work as CPIT's strategic partner with both internal and external stakeholders. This required a revamping of our image, further development of our website, production of promotional material and engaging in dialogue with CPIT staff and students and the business community.

Third, we accepted the opinion of the Office of the Auditor General that under accounting convention FRS 37 we are a "public entity" and hence our accounts have, for the first time, been subject to public audit. We have included the audit report of Audit New Zealand in this report.



Scientist Barbara Dolamore and Science student Lisa McCade preparing the bags to be used for analysing toxins at Lake Forsyth.

CPIT FOUNDATION FINANCIAL PERFORMANCE

The commitments to our grants programme and our profile raising strategy, coupled with a rapid downturn in world equity markets in the 4th quarter of 2007, led to a net unrealised deficit for the year of \$230,556, compared to a net surplus of \$468,011 the previous year.

The trustees do not wish to erode the Foundation's capital base and, given the current trends in the equity markets, our grant payments cannot be sustained at the 2007 level unless we receive financial support from the business community. To this end we are looking for opportunities to partner with Canterbury businesses on projects that will deliver added value to both CPIT and the businesses supporting this concept.

Total assets of \$5,782,693 decreased by 0.4% of their 2007 value. They comprise property (33%), investments (44%) and short term deposits (23%). The bulk of the investments are managed in a medium risk portfolio by ABN Amro Craigs, while the Foundation's own Finance Committee manages the short term deposits, ensuring a maximum exposure to any single financial institution of 30% of total deposits.

In closing we wish to acknowledge and sincerely thank our trustees for their voluntary contribution to the work and development of the Foundation, and to those service providers both paid and unpaid for their support during 2007.

We remain confident that the initiatives launched in 2007 will make a difference to community awareness and support of the Foundation and, through us, to the staff, students and learning programmes of CPIT.



Grace Hollander
Chair



Tony Kunowski
Executive Director



Selena Chan, a tutor with CPIT's School of Food and Hospitality and eLearning designer Nick Ford discuss how the mobile assessment camera phone works with Bakery student Xing Dong.

CPIT FOUNDATION FINANCIAL SUMMARY

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2007

Income	2007 (\$)	2006 (\$)
Income from investments	186,688	176,701
Income from rents	135,720	133,766
Realised capital gain on sale of investments	30,045	96,143
Gross Income	352,453	406,610
Operating Expenses		
Grants	428,324	213,597
Wages	27,692	20,000
Administration & Financial	62,217	61,276
Depreciation	627	23,904
Total Expenses	518,233	294,873
Operating (deficit)/surplus	(165,780)	111,737
Net increase in investment portfolio revaluation	(64,776)	356,274
Net operating (deficit)/surplus	(230,556)	468,011

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2007

	2007 (\$)	2006 (\$)
Trust equity	5,583,483	5,739,039
Current liabilities	199,210	66,912
Non-current assets	5,770,043	5,695,960
Current assets	12,650	109,991
Total assets	5,782,693	5,805,840



Proud faces of Poutama recipients from left to right Kiriana Brown Year 11-13 Marion College, Jermaine Edmons Year 9-10 Riccarton High School and James Tawa Year 11-13 joint winner Aranui High School.



2007 CPIT FOUNDATION REPORT OF THE AUDITOR-GENERAL

AUDIT REPORT TO THE READERS OF THE CHRISTCHURCH POLYTECHNIC FOUNDATION'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007

The Auditor-General is the auditor of the Christchurch Polytechnic Foundation (the Trust). The Auditor General has appointed me, Ken Boddy, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements of the Trust on his behalf for the year ended 31 December 2007.

UNQUALIFIED OPINION

In our opinion, the financial statements of the Trust on pages 4 to 12:

- comply with generally accepted accounting practice in New Zealand; and fairly reflect:
 - the Trust's financial position as at 31 December 2007; and
 - the results of its operations for the year ended on that date.

The audit was completed on 17 April 2008, and is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Trustees and the Auditor, and explain our independence.

BASIS OF OPINION

We carried out the audit in accordance with the Auditor General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed the audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements did not have material misstatements, whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

The audit involved performing procedures to test the information presented in the financial statements. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by the Trustees;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all financial statement disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements.

We evaluated the overall adequacy of the presentation of information in the financial statements. We obtained all the information and explanations we required to support our opinion above.

RESPONSIBILITIES OF THE TRUSTEES AND THE AUDITOR

The Trustees are responsible for preparing financial statements. Those financial statements must fairly reflect the financial position of the Trust as at 31 December 2007. They must also show the results of its operations for the year ended on that date. The Trustees' responsibilities arise from clause 10.4 of the Trust Deed.

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001.

INDEPENDENCE

When carrying out the audit we followed the independence requirements of the Auditor General, which incorporate the independence requirements of the Institute of Chartered Accountants of New Zealand. Other than the audit, we have no relationship with or interests in the Trust.

KJ Boddy
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand

AUDIT NEW ZEALAND
Mana Arotake Aotearoa



2007 CPIT FOUNDATION AWARD RECIPIENTS

Mobile Learning Pilot at CPIT

Project to find solutions to the assessment of evidence gathered in the workplace from students off campus via cellphone and the internet.

Cost: \$30,000

Performing Arts Space for CPIT & Community

Establishment of a theatre space for the performing arts at CPIT and for other local arts organisations from the wider community.

Cost: \$100,000

ACE Provision

Bridging the funding shortfall due to lower TEC funding for Adult & Community Education courses in Hornby and Rangiora.

Cost: \$17,390

Conversations Across Time

A Canterbury Museum-CPIT School of Art & Design project featuring 12 new works from 12 artists based on items housed at the museum.

Cost: \$9,500

Literacy Support

Pilot project to develop resources to support students at the Trades Innovation Institute who typically have low literacy levels.

Cost: \$15,425

Te Puna Wanaka Awards for Excellence

Continuation of the 2007 project aimed at raising the profile of Maori student achievements.

Cost: \$7,980

Masters in Jazz Performance

CPIT jazz tutor in trumpet undertaking a Master's course at the Aaron Copland School of Music at Queens College, New York.

Cost: \$15,291

Laboratory Information Technology Update

Installation of computing technology (computers, data projectors, document cameras and smart boards) in all laboratories in S Block.

Cost: \$108,397

Appalachian State University Internship

Assistance for a student of CPIT's Bachelor of Adventure Recreation and Outdoor Education to study environmental sustainability.

Cost: \$5,500

ImagineCup 2008

To help a group of students from CPIT's Bachelor of Information Communication Technologies in an international competition encouraging innovation, creativity and application of learning.

Cost: \$800

CPIT FOUNDATION TRUSTEES

The Trust Deed specifies that the Chair of the CPIT Council is a Foundation trustee ex officio and that up to 3 trustees can be appointed by the Council. Up to 8 trustees may be appointed from the community:

Chair: Grace Hollander DCNZM, CBE, JP
Retired Businesswoman

Deputy Chair: Barry Pett CPIT Council member

Colin Russell Retired Businessman

Murray Weakley Partner, Anthony Harper, Lawyers
(retiring 31/12/07)

Vicki Blyth Communications Director, Solid Energy
New Zealand Ltd

Janice Fredric Chief Executive, Duncan Cotterill, Lawyers

Hector Matthews Chair, CPIT Council member; Executive
Director, Maori and Pacific Health, Canterbury District Health Board

Dr Neil Barns Chief Executive, CPIT

Carl Pascoe CPIT Council member; Organisational Consultant

AUDIT OFFICE DECISION

Last year we reported that we had accepted the opinion of the Office of the Auditor General that the Foundation was, according to accounting principles, part of the CPIT and hence a "public entity". The two main impacts of this status are that our accounts must be consolidated with those of CPIT and must be subjected to public audit via the OAG. Legally the Foundation remains totally independent and continues to operate according to its Trust Deed.

CONTACT DETAILS

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www.cpfoundation.co.nz



Performance students rehearse in the new CPIT Performing Arts Space, which received \$100,000 grant from the Foundation.