

# Young Enterprise Trust

Leaders in enterprise and financial education

## Annual Report - 2008



LEADERS IN ENTERPRISE  
AND FINANCIAL EDUCATION



"PrEP is equipping students with the skills needed for the future. It is providing cross-curricular learning, co-operative group skills and it's engaging and fun for all students."

David Ivory, St Thomas of Canterbury College

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### Photo Acknowledgements:

Cover page - Opotiki College, YES Company, Kai from the Coast

Facing page - Scots College, Wellington



## Young Enterprise Trust

### Report on Activities 2008

#### Introduction

On behalf of your Trustees, I have pleasure in presenting this report on the 2008 calendar year. Among many achievements, the winning of the Global Enterprise Challenge, and the establishment of the Fairfax Media New Zealand Business Hall of Fame with a physical hall stand out.

#### Highlights of 2008

In the small hours of the morning, on a cold night in June, our team of selected Young Enterprise students from across New Zealand learnt that they had won the Global Enterprise Challenge. This is the third time in eight years that New Zealand students have won this international event, and it reflects very well on the calibre of our students and the effect of our Lion Foundation Young Enterprise Scheme as a teaching tool.

The Fairfax Media New Zealand Business Hall of Fame entered a new chapter in its history. For the first time, the Hall has a physical presence at the new Owen G Glenn building of the Auckland University Business School. Eight new laureates were inducted, so we now have the first 100 laureates in the Hall. Their inspirational stories are now available for the tens of thousands of student movements per day that walk past the new wall. We were delighted to welcome Fairfax Media as the naming sponsor.

Last year the inductees were Tony Falkenstein, Hugh Perrett, Sir George Fenwick, Joseph Nathan, Shariffe Coory, Alan Burnet, Ron Jarden and Sir Roderick Weir.

The trust changed its name from the Enterprise New Zealand Trust to the Young Enterprise Trust, effective from the start of 2009, with the by line "Leaders in Enterprise and Financial Education".

The number of students taking our programmes grew to over 40,000 for the first time, with strong growth in the three day business planning SELL programme (Year 11) and in financial education.

The winning Lion Foundation Young Enterprise Scheme company was "Tangaroa Engineering" from Rotorua Boys' High School, who developed a range of "glow in the dark" fishing tackle.

A trial was undertaken in twenty Auckland and Northland primary schools for ASB SmartStart in conjunction with the ASB Bank. This is an exciting new development in primary schools and has the potential for significant expansion.

The school curriculum is now being implemented in schools across the country. Its vision is for "young people who will be creative, energetic and enterprising."



The Trust is well placed with work with schools within this new framework.

The SELL programme made excellent progress with an increase in student numbers of 27%, thanks to some extra sponsorship. It is a three day business planning programme used mostly at Year 11. It also prepares students well to go on to tackle the Lion Foundation Young Enterprise Scheme.

At Year 10 we operate the BP Enterprise Studies Programme, where students find and solve a problem in their local community. The overall winner was Liam Walsh from John Paul College in Rotorua, who redesigned the waiting room of the Rotorua Cancer Society and then fund raised to make it happen. Springbank School and St Mary's College also won awards. We thank BP for their support.

The contract with the United Nations Development Programme to pilot an enterprise and financial education curriculum in Samoa has progressed well.

We trialled Enterprising Technologies in four schools in the Lower North Island to develop new food products in conjunction with Heinz Watties Ltd and Wishbone.

### **Annual Accounts**

The audited accounts for 12 months to December 2008 show a deficit of \$56,469, after paying operating expenses of \$2.7 million. Revenues were up by 13%. Some of the deficit relates to the unrecovered portion of the costs of the physical hall of fame.

Accumulated funds stand at \$823,536, representing a little less than four months of operating expenses.

### **Sponsorship**

The Lion Foundation is our single largest sponsor and we thank them for their increased support. Other major sponsors are Business New Zealand, Renaissance Corporation, the New Zealand Institute of Chartered Accountants, ASB, Fairfax Media and Clemenger BBDO. We very much enjoy working with these great organisations and the many others who support us in cash and kind. We are very grateful for your support.

### **Supporters' Council**

The Supporters' Council is a vital part of our organisation. We are thrilled to have people on the Council who are genuinely interested in the work that we do and can help us in many different ways.



### **Trustees**

My thanks go to my fellow Trustees - deputy chairman Nigel Gould, trustees Corinne Blumsky, Bryan Gundersen, Paul Lockey, and Phillip Meyer, who all voluntarily give generously of their time to support our Trust.

Peter Shirtcliffe retired as a trustee in November last year. He has been a great enthusiast for the Trust, and has made major contributions in many ways. We thank him for all that he has done for us. He previously chaired the Enterprise Education Foundation which was merged into the Trust in 2003. He remains a member of the Supporters' Council and chair of the selection committee for the Fairfax Media New Zealand Business Hall of Fame.

Mrs Liliias Bell, director of Bell McCaw Bampfyld, and previously a member of the Supporters' Council was elected to the board by the Supporters' Council in November. We congratulate her on her appointment for 2009 and are enjoying working with her.

### **Staff**

We ask a lot of our staff who are at times under resourced

to do as much as they would like. Chief Executive, Donna Dentice has led by example with energy and dedication. I thank her and her team for their considerable efforts.

### **Future**

The economic landscape will pose challenges for not for profit organisations like ours. The continuing support of our sponsors is appreciated even more in these difficult times.

The convergence of education, business and government has its challenges, but the Trust has sufficient strengths and linkages to be able to make a significant contribution.

While good progress has been made in many areas, we still believe that we are only scratching the surface of the potential that exists in teaching and encouraging young people to become energetic and enterprising.

Tony Caughey, Chairman,  
April 2009

## The Young Enterprise Trust Portfolio

Young Enterprise Trust programmes in enterprise and financial education are currently being implemented in over 50% of New Zealand's schools (from Year 1-13) and the support we provide for them includes robust programmes linking where possible to the National Curriculum, teacher professional development, access to relevant qualifications, resource material and community support.

### Primary ASB SmartStart - Enterprise and financial education Initiatives

Primary Enterprise Programme (PrEP)	An innovative, fun and integrated way of delivering New Zealand's curriculum. Students from Years 1-8 (age 5 - 13) are engaged in designing and operating their own functioning community within the school. Students run ventures from manufacturing to advertising and performing arts. They form their own government, design their own currency and set up banking services. Through their exchange of goods and services they create jobs for one another. PrEP gives young people an understanding and appreciation of the economic and social systems that shape our lives.
Technology Enterprise Learning Link (TELL)	TELL is a two - four week programme for Year 1 - 8 students that links technology with enterprise, innovation and entrepreneurship. Students use design processes to develop product or service ideas then form a business. They produce business plans that include financial management and marketing. Students produce their products to sell at a Market Day.
Business for Kids (BfK)	A one-week enterprise holiday programme designed for students from Years 5 - 8. During the week young people review their personal skills and attributes, complete a Curriculum Vitae and apply for jobs. Within their ventures they appoint managers who become responsible for business planning, design, production, finance and marketing. At the end of the week a Market Day is held for the young entrepreneurs to buy and sell goods.
Financial Education (FED)	A suite of financial literacy and enterprise education resources that support the development of financial capability and enterprising skills and attributes with primary and intermediate aged students. Resources include board games, story books, economics lessons and teaching and learning tasks. Resources, assessment tasks and professional development to support the Ministry of Education's "Figure It Out" Financial Literacy books are an integral part of the package.



The Lion Foundation Young Enterprise Scheme has opened our eyes to the wider world of business and we have already been more successful than we ever imagined. We are now looking to the future and aren't afraid to "think big", making plans so we can ensure we are successful in achieving our goals. The world indeed is "our oyster" so we must take as many opportunities we can, because if we want to succeed we can't afford to miss out."

Peter Forbes and Geoff Howes, Managing Directors  
Light Lures Ltd. (YES Company of the Year)



## Secondary Enterprise Education Programmes

Enterprise Studies Programme (ESP)	An experiential enterprise programme offered at Year 10 that targets the social studies, economics and technology curriculum areas. It is a proven and well-resourced programme with almost 12,000 participants in 2008. ESP is developed for the junior secondary school and takes student through a journey of teamwork, motivation and an experiential approach to learning - culminating in NCEA credits and two exciting enterprising competitions supported by BP NZ.
Student Enterprise Learning Link (SELL)	A three-day business planning programme for Year 11 students, that involves them forming notional companies, researching and deciding on a product or service, writing a business plan and launching it in an oral presentation competition (Dragon's Den). This is an intensive, positive business experience - and for most students it is the first time they have encountered such experiential learning. Students learn by doing and whether they succeed or fail in the programme depends on the effort and enthusiasm they put into it.
Lion Foundation Young Enterprise Scheme (YES)	A one-year experiential business programme where students set up a real company, create real products or services, write a business plan, implement real marketing plans, earn real money and keep profits. This is not just an academic course but a relevant and exciting business journey for Year 12 and 13 students. YES is about working towards goals and taking the steps necessary to establish and operate a small business. The Lion Foundation Young Enterprise Scheme can now be offered through the technology curriculum as well as economics, accounting or business studies. This extends the subject options for students who wish to be engaged in enterprising activity.



## Secondary Financial Education Programmes

Financial Studies	A course about financial planning and creating wealth. It aims to foster financial understanding, improve investor skills, and provide a format for designing a life strategy. Targeted at senior secondary students (Year 13), It takes a more analytical approach than the Financial Literacy Programme, and covers topics from student loans to financial planning and investment.
Financial Literacy Programme	The Financial Literacy Programme raises awareness about the financial cost of change. This teacher resource for Year 11-12 students consists of 10 topics, such as banking, saving and budgeting, that together develop a pathway to becoming financially literate. Taking an opportunity cost approach, students consider a range of options and make the best choice for their personal circumstances. Students acquire knowledge, skills and recognise their own values in the process of developing personal financial capability.
Money Stuff	A suite of activities delivering financial education in context for Year 9 - 10. The learning material is integrated into core curriculum learning areas such as Mathematics, English, Art, and an innovative Integrated Studies unit using an inquiry-based learning approach.
Your Money Sorted	Television New Zealand's "Your Money Sorted" DVD is packaged with accompanying teacher resources and student worksheets developed by the Trust. (Years 9-13).
KiwiSaver	A comprehensive teaching resource package designed to give students an insight into KiwiSaver at their specific level of understanding and relevance. The six lessons comprise of a number of activities using the Inland Revenue KS3 Employee information pack and Mary Holm's bestselling book - KiwiSaver: How to make it work for you'.

## Programme Outputs

### Lion Foundation Young Enterprise Scheme (YES)

	2006	2007	2008
Student Participation	3041	3312	3077
YES Companies Registered	515	588	570
Schools Registered	171	189	191

### Student Enterprise Learning Link (SELL)

	2006	2007	2008
Student Participation	1295	3263	3916
Programmes Delivered	17	43	55
Schools Registered	22	60	60

### Enterprise Studies Programme (ESP)

	2006	2007	2008
Student Participation	10,172	11,701	12,804
Schools Registered	165	166	207

### SmartStart (PrEP, TELL, BFK)

	2006	2007	2008
Student Participation	11,998	10,568	12,762
Schools Registered	151	143	132

### Financial Education (FED)

	2006	2007	2008
Student Participation	5,000	7,000	8,460
Schools Registered	102	105	121

	2006	2007	2008
<b>Total Students - For all Programmes</b>	<b>31,506</b>	<b>35,844</b>	<b>41,019</b>

Students participating in the SELL programme



"Everything I learnt in the Financial Literacy course was very useful. What I learnt about student loans can be put to immediate use as I am now a first year student at Waikato University. I also found the section on how to write budgets very helpful and am now putting that into immediate practice."

Laura Crisp, Pukekohe High School.

2008 Recipient of Russell Investment's FLP Exam Award

## Executive Trustees and Supporters' Council Members, 2008

Board of Trustees				
Mrs	Corinne	Blumsky	Partner	A J Park
Mr	Tony	Caughey	Company Director	
Mr	Nigel	Gould	Director	Byrd Services Ltd.
Mr	Bryan	Gundersen	Partner	Kensington Swan
Mr	Paul	Lockey	Company Director	
Mr	Phillip	Meyer	Company Director	
Mr	Peter	Shirtcliffe	Company Director	(Retired November 2008)
Mrs	Lilias	Bell	Director	(Elected November 2008) Bell McCaw Bamfylde

Supporters' Council Members				
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Ms	Jane	Diplock	Chairman	Securities Commission
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Mr	Eion	Edgar	Chairman	Forsythe Barr
Mr	George	Fergusson	High Commissioner	British High Commission
Mr	Charles	Finny	Chief Executive	Wellington Regional Chamber of Commerce
Mr	Dallas	Fisher	Managing Director	Montana Catering
Mr	Angus	Fletcher	Deputy Chairman	The Fletcher Trust
Mr	John	Gallagher	Director	Gallagher Group
Mrs	Janet	Gibb	General Manager	Credit Union Waikato
Prof	Des	Graydon	Pro Vice Chancellor International	Auckland University of Technology
Mr	Peter	Griffiths	Managing Director	BP Oil New Zealand Ltd
Mr	Richard	Hay	CEO	Chamber of Commerce, Southland
Mr	Phil	Holden	Chief Executive	Lion Foundation
Mr	Terry	Hoskins	CEO	Enterprise North Shore
Mr	Graeme	Hunt	Director	Hunt Communications Ltd
Mr	Alan	Issac	Director	Issac Advisory Services Ltd
Mr	Paul	Johnston	Managing Director	Renaissance Corporation Ltd
Mr	Don	Judkins	General Manager	Lion Foundation
Mr	Bruce	LePine	Managing Director	Commercial Print Ltd
Mr	Bill	Luff	CEO	Canterbury Development Corporation
Mr	Terry	McLaughlin	CEO	New Zealand Institute of Chartered Accountants
Mr	Robert	McTague	Chairman	AcitonCOACH New Zealand Education Foundation
Ms	Fiona	McTavish	General Manager	New Zealand Institute of Chartered Accountants



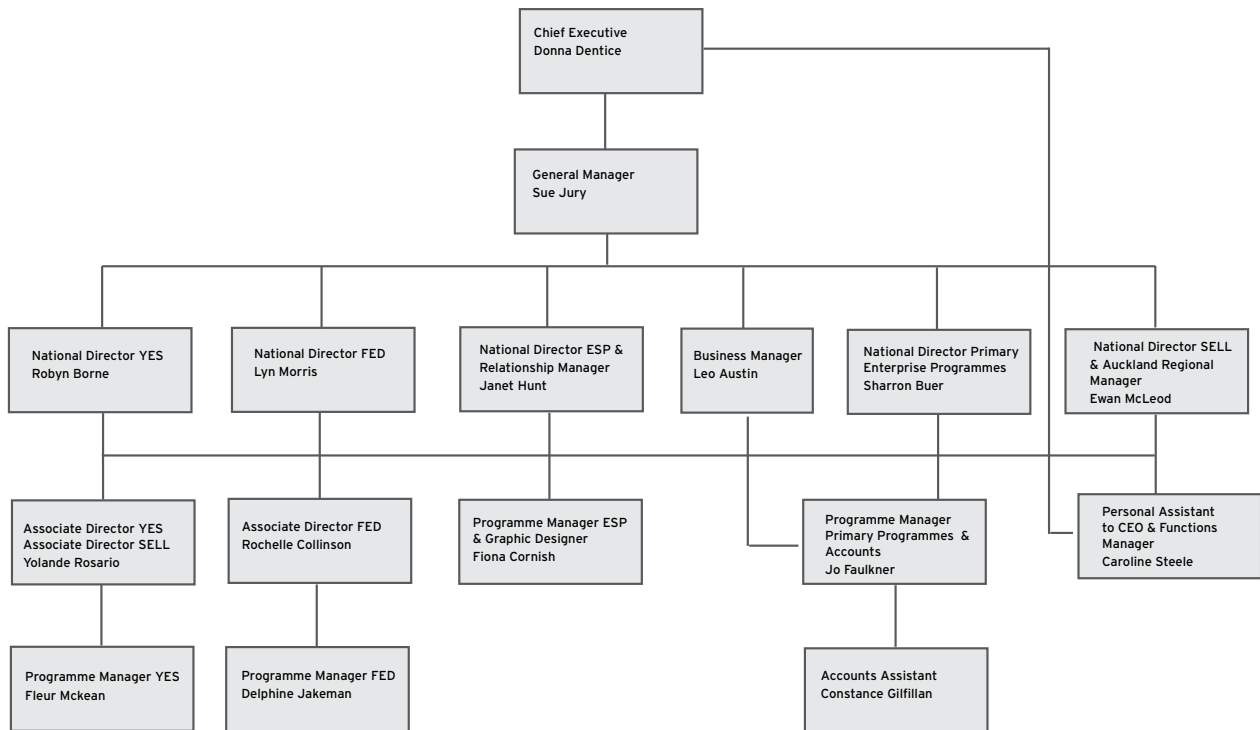
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Mrs	Anne	Pankhurst	CEO	Tauranga Chamber of Commerce
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Mr	Brian	Roberts	CEO	Enterprise Northland
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Mr	Dave	Tibby	General Manager	David Levene Charitable Trust
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Mr	Peter	Townsend	CEO	Canterbury Employers Chamber of Commerce
Mr	Jeff	Troon	CEO	Venture Southland
Sir	Ronald	Trotter		
Mr	Stuart	Trundle	CEO	Venture Taranaki
Ms	Sussan	Turner	CEO	Radioworks
Mr	David	Underwood	Chartered Accountant	
Mr	John	Wadsworth	CEO	Enterprise Waitakere
Sir	Roderick	Weir		
Mr	Mark	Weldon	CEO	NZ Stock Exchange
Mr	Paul	Winter	CEO	EMA Central
Ms	Joan	Withers	CEO	Fairfax Media New Zealand Ltd
Mr	Kerry	Wood	Managing Director	Quicken New Zealand



"It is always satisfying to see the difference the Lion Foundation Young Enterprise Scheme makes in the lives and ongoing growth of its participants. This is one of the key success factors and core drivers underpinning the Lion Foundation's ongoing support of the scheme."

Philip Holden, Chief Executive, Lion Foundation

# Staff Organisation





## Highlights of 2008

### United Nations Development Programme Contract

*Introducing Entrepreneurship and Financial Education to the Curriculum in Pacific Island Countries (EFEC).*

This contract was signed in August 2007 and runs until June 2009. The Trust's reputation has been enhanced both here and internationally through the delivery of this contract.

Young Enterprise Trust has created an exciting revised Business Studies curriculum and identified a number of opportunities for the Samoan secondary school system to integrate enterprise and financial education into their curriculum subjects. As well, a three day enterprise challenge has been developed and was trialled in the pilot schools at the end of November 2008.

The level of resourcing has been substantial. Professional development has been delivered for all three situations - the Business Studies Curriculum, the Practical Enterprise Project and the Enterprise Challenge. Teacher resource material and corresponding student material have been developed for use specific to Samoa.

### ASB SmartStart Financial Education (FED) Trial

An exciting new development in the primary sector is the inclusion of financial education in the primary suite of Young Enterprise Trust programmes. The FED programme was successfully trialed in 19 Auckland and Northland schools in Term Three 2008. Resources and activities developed through the trial (targeted at Years 4-8) provide primary teachers with a range of tools to develop financial capability in their students meet. They have a strong focus on literacy and numeracy, have clear links to the New Zealand curriculum, and can be easily integrated into classroom reading and mathematics programmes. Resources address school's varying curriculum needs and budget constraints.





## Enterprising Technology

The Enterprising Technologies trial has provided a model for integrating the Lion Foundation Young Enterprise Scheme into technology, and was funded by the Ministry of Education and New Zealand Trade and Enterprise.

Technology classes in Hastings Girls' High School, St Johns College Hastings, Tararua College and Wellington High School participated in the project, working with commercial clients Heinz Wattie's Ltd in Hawkes Bay and Wishbone in Wellington.

Carol Pound, Technology Advisor for the projects described how the Lion Foundation Young Enterprise Scheme is adding value to the Technology Curriculum.

"The Lion Foundation Young Enterprise Scheme focused students on what is important if you intend to sell a product to consumers. This made identifying key factors easier and the process of product and process development very real. Testing their products on strangers required a lot of planning and organisation and helped students focus their technology work on aspects of business that would interest their client. Students in the past have not considered the costs associated with decisions on ingredients, packaging and processing methods but it is evident in this project that these are real to the students. This has added a level of difficulty that has enabled the students to demonstrate their ability to conduct technological practice within a business model. These extra constraints have generated new key factors which has helped them make different decisions in terms of the products they are making and the type of research they are undertaking."

## Global Enterprise Challenge

### Team New Zealand – world champions of the 2008 Global Enterprise Challenge

For the third time since the Global Enterprise Challenge's inception eight years ago, New Zealand has taken first-place honours in the international 24-hour challenge that involves students from around the world designing a working model of a product or service to solve a topical challenge or issue.

On Sunday 22 June, students world-wide simultaneously applied their business acumen to the 2008 challenge: *Water is Planet Earth's most precious resource that is becoming scarcer by the day. Your challenge is to produce a working model of an innovative product, process, service or plan that will reduce the impact of growing demand on the world's dwindling water resources.*

The winning entry from New Zealand, an innovative design for saltwater farming technology to grow sea asparagus, won Team New Zealand global honours in the international business competition.

The New Zealand students, who are all directors of student companies participating in the Lion Foundation Young Enterprise Scheme competed against England, Germany, Indonesia, Japan, Korea, Norway, Philippines, Poland, Singapore the might of the United States of America, as well as Scotland, Wales and Australia.



## Fairfax Media New Zealand Business Hall of Fame

The Fairfax Media New Zealand Business Hall of Fame had its origins in 1994 when it was established by the Enterprise New Zealand Trust to recognise and celebrate individuals who have, through enterprise, made a significant contribution to the economic and social development of New Zealand.

2008 was a vintage year for the Hall for three reasons. First, the 100th laureate was inducted. Second, Fairfax Media came on board as the new naming sponsor, and third, the Hall established a physical presence at the new University of Auckland Business School.

Until 2008, the Hall was a virtual hall. Laureate's profiles existed only on a website - [www.businesshalloffame.co.nz](http://www.businesshalloffame.co.nz), and in various publications. Last year, thanks to a partnership with the University of Auckland Business School, and with the support of a number of generous benefactors who are identified on the new wall, we have a whole wall in the Business School devoted to the Fairfax Media New Zealand Business Hall of Fame. The wall is located outside the lecture theatres and witnesses 30,000 student movements each day.

A key objective of the Hall is to profile to young people the successful business men and women who helped to build and shape the New Zealand economy. It is designed to be inspirational and aspirational. It couldn't be in a better place to inspire such a large number of young students of business.

Inducted into the Hall in 2008, and receiving certificates from the Governor General at a black tie gala dinner in Auckland in July were: Sir George Fenwick, Tony Falkenstein, Joseph Nathan, Hugh Perrett, Shariffe Coory, Alan Burnet, Ron Jarden, Sir Roderick Weir.

The citations of these laureates together with the acceptance speeches are available on [www.businesshalloffame.co.nz](http://www.businesshalloffame.co.nz) and are well worth looking up.

Closing remarks on the evening were made by Alex MacKenzie, a Young Enterpriser from Westlake Boys High School.

Laureates are identified by an independent panel, chaired by Peter Shirtcliffe, who is himself a laureate. Others on the panel were Paul Thompson (Fairfax), John Lindsay/Michael Barnett (Chambers of Commerce), Tony Caughey (Young Enterprise Trust) and Graeme Hunt who did much of the research into the laureates. Laureates are selected for their contribution to enterprise and for their philanthropy to the wider community.

Our thanks go to Fairfax Media, Chambers of Commerce and the family of sponsors for this event.



## Enterprise New Zealand Trust

### Financial Statements For the year ended 31 December 2008

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## **AUDIT REPORT TO THE READERS OF ENTERPRISE NEW ZEALAND TRUST**

We have audited the financial report on pages 4 to 11. The financial report provides information about the past financial performance of the Enterprise New Zealand Trust (Trust) and its financial position as at 31 December 2008. This information is stated in accordance with the accounting policies set out on pages 7 and 8.

### **Board of Trustee's Responsibilities**

The Board of Trustees are responsible for the preparation of a financial report which fairly reflects the financial position of the Trust as at 31 December 2008 and the results of its operations for the year ended on that date.

### **Auditor's Responsibilities**

It is our responsibility to express to you an independent opinion on the financial report presented by the Board of Trustees.

### **Basis of Opinion**

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial report. It also includes assessing:

- the significant estimates and judgements made by the Board of Trustees in the preparation of the financial report; and
- whether the accounting policies are appropriate to the Trust's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with New Zealand Auditing Standards. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to obtain reasonable assurance that the financial report is free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial report.

Other than in our capacity as auditor we have no relationship with, or interest in, the Trust.

### **Unqualified Opinion**

In our opinion the financial report on pages 4 to 11 fairly reflects the financial position of Enterprise New Zealand Trust as at 31 December 2008 and the results of its operations for the year ended on that date.

Our audit was completed on 9 March 2009 and our unqualified opinion is expressed as at that date.



**PKF Martin Jarvie**  
Wellington

**Enterprise New Zealand Trust**  
**Statement of Financial Performance**  
**For the year ended 31 December 2008**

	Note	2008 \$	2007 \$
<b>Income</b>			
Donations		201,756	197,000
Sponsorship	5	1,634,214	1,482,269
Fees and sales		707,056	565,322
Interest		105,850	95,163
<b>Total Income</b>		<b>2,648,876</b>	<b>2,339,754</b>
<b>Expenditure</b>			
Salaries		1,326,414	1,191,443
Consultants' Fees Paid		59,673	
Promotion		53,521	90,949
Travel		174,636	175,632
Printing		76,262	68,383
Office expenses		507,973	315,494
Rent		74,171	70,419
Depreciation		32,252	26,889
Conference costs and awards		212,126	185,463
Co-ordinators		181,279	204,038
Audit Fees		7,038	7,760
<b>Total Expenditure</b>		<b>2,705,345</b>	<b>2,336,470</b>
<b>Net operating Surplus/(Deficit)</b>		<b>-56,469</b>	<b>3,284</b>
<b>Net Surplus/(Deficit)</b>		<b>-56,469</b>	<b>3,284</b>

The Notes to the Financial Statements form part of and are to be read in conjunction with these Financial Statements.



**Enterprise New Zealand Trust**

**Statement of Movements in Equity  
For the year ended 31 December 2008**

	2008	2007
	\$	\$
Net Surplus/(Deficit) for year	-56,469	3,284
<b>Total Recognised Revenues and Expenses</b>	<u>-56,469</u>	<u>3,284</u>
Opening Accumulated Funds	880,005	876,721
<b>Closing Accumulated Funds</b>	<u>823,536</u>	<u>880,005</u>

**The Notes to the Financial Statements form part of and are to be read in conjunction with these Financial Statements.**




Enterprise New Zealand Trust

Statement of Financial Position  
As at 31 December 2008

	Note	2008 \$	2007 \$
<b>Current Assets</b>			
Cash & Bank		90,565	200,142
Short Term Deposits	2	1,033,285	1,461,202
Sundry Debtors		108,665	113,430
Inventory		8,000	5,932
<b>Total Current Assets</b>		<b>1,240,515</b>	<b>1,780,706</b>
<b>Less:</b>			
<b>Current Liabilities</b>			
Trade Creditors		46,991	71,393
GST Payable		6,413	10,762
Income in Advance		330,051	794,400
Accrued Expenses		105,165	101,617
<b>Total Current Liabilities</b>		<b>488,620</b>	<b>978,172</b>
<b>WORKING CAPITAL</b>		<b>751,895</b>	<b>802,534</b>
Fixed Assets	3	27,545	36,095
Investments	4	44,096	41,376
<b>NET ASSETS</b>		<b>823,536</b>	<b>880,005</b>

Represented by:

**Accumulated Funds** 823,536 880,005

Trustee  \_\_\_\_\_

Date 9 March 2009

Trustee  \_\_\_\_\_

Date 9 March 2009

The Notes to the Financial Statements form part of and are to be read in conjunction with these Financial Statements.



## **Enterprise New Zealand Trust**

### **Notes to the Financial Statements For the year ended 31 December 2008**

#### **1. Statement of Accounting Policies**

##### **Reporting entity**

Enterprise New Zealand Trust was established under a trust deed dated 18 November 1986. The original trust deed was replaced by a revised deed effective 1 December 2003. The Trust is registered under the Charitable Trusts Act 1957. The financial statements of Enterprise New Zealand Trust are general purpose financial statements and have been prepared in accordance with generally accepted accounting practice.

##### **Measurement base**

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical basis have been used, with the exception of certain items for which specific accounting policies have been identified.

##### **Specific Accounting Policies**

The following specific accounting policies, which materially affect the measurement of financial performance and financial position, have been applied:

##### **Fixed Assets**

Fixed assets are stated at cost less accumulated depreciation.

Depreciation is provided for on a straight line basis at a rate of 33%, a rate calculated to allocate the assets' cost or valuation less estimated residual value, over their estimated useful lives.

##### **Accounts receivable**

Accounts receivable are recorded at expected net realisable value after allowance for unrecoverable amounts.

##### **Inventory**

Inventory is valued at average cost.

##### **Income Tax**

Enterprise New Zealand Trust is registered as a charitable entity under the Charities Act 2005. Any surplus from activities is exempt from income tax.

**The Notes to the Financial Statements form part of and are to be read in conjunction with these Financial Statements.**



## Enterprise New Zealand Trust

### Notes to the Financial Statements For the year ended 31 December 2008

#### 1. Statement of Accounting Policies (cont)

##### Goods and Services Tax

These statements are prepared on a GST exclusive basis except for debtors and creditors which are stated as GST inclusive.

##### Leases

The Trust leases office premises. Operating lease payments, where the lessors effectively retain substantially all the risks and benefit of ownership of the leased items, are recognised in the determination of the operating surplus in equal installments over the lease term.

##### Donation and Sponsorship Income

Donation and sponsorship income is recognised when received unless the donor or sponsor specifies a period for which the funding is to be allocated in which case the income is allocated accordingly.

Goods and services provided to the trust free of charge and sponsorship in kind are recorded at the fair value of the goods, services and sponsorship in kind received.

##### Differential Reporting

The entity is not publicly accountable and not large under defined criteria. It therefore qualifies for differential reporting in respect of accounting standards, and all appropriate exemptions have been applied.

#### 2. Short Term Deposits

##### As at 31<sup>st</sup> December 2008

Institution	Term	Rate	Amount	Maturity Date
ASB Bank	Call	Floating		At Call
ASB Bank	Term	6.00%	\$226,636	2 March 2009
ASB Bank	Term	6.00%	\$226,636	1 April 2009
ASB Bank	Term	5.95%	\$271,716	21 January 2009
ASB Bank	Term	7.04%	\$308,297	3 January 2009
			<b>\$1,033,285</b>	

##### As at 31<sup>st</sup> December 2007

Institution	Term	Rate	Amount	Maturity Date
ASB Bank	Call	Floating	\$27,671	At Call
ASB Bank	Term	8.60%	\$207,056	7 January 2008
ASB Bank	Term	8.60%	\$207,056	7 January 2008
ASB Bank	Term	8.76%	\$208,481	6 February 2008
ASB Bank	Term	8.76%	\$208,481	6 February 2008
ASB Bank	Term	8.58%	\$100,696	7 January 2008
ASB Bank	Term	8.78%	\$251,761	27 January 2008
ASB Bank	Term	8.70%	\$250,000	27 January 2008
			<b>\$1,461,202</b>	

The Notes to the Financial Statements form part of and are to be read in conjunction with these Financial Statements.



**Enterprise New Zealand Trust**

**Notes to the Financial Statements  
For the year ended 31 December 2008**

**3. Fixed Assets**

Fixed assets purchased in 2008 amounted to \$23,702. There were no obsolete assets written off during the year.

**Office Equipment**

	<b>Cost</b>	<b>Accumulated Depreciation</b>	<b>Book Value</b>
<b>2008</b>	221,581	194,036	27,545
<b>2007</b>	197,879	161,784	36,095

**4. Investments**

**Shares**

<b>Institution</b>	<b>Quantity</b>	<b>Purchase Price \$/unit</b>	<b>Market Value at 31/12/08 \$</b>	<b>Total Purchase Price \$ 2008</b>	<b>Total Purchase Price \$ 2007</b>
Infratil Ordinary Shares	16,320	0.925	26,602	15,096	9,656
Infratil 5 year warrant expires 29 June 2012	1,632	-	180	-	-
Infratil 5 Year Equity Warrants expire 10 July 2009	2,720	-	490	-	-
Infratil Partly Paid Instalment Shares	-	-	-	-	2,720
<b>Total</b>			<b>\$27,272</b>	<b>\$15,096</b>	<b>\$12,376</b>

**Bonds & Notes**

Current

Fletcher Challenge Notes	5 years	7.80%	Mar 09	14,000	14,000
<b>Total</b>				<b>\$14,000</b>	<b>\$14,000</b>

**Other**

Venture capital advance to Methodist Employment Generation Fund				15,000	15,000
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**Total Investments** **\$44,096** **\$41,376**

The Notes to the Financial Statements form part of and are to be read in conjunction with these Financial Statements.



**Enterprise New Zealand Trust**

**Notes to the Financial Statements  
For the year ended 31 December 2008**

**5. Sponsorship Schedule**

<b>Programme</b>	<b>Value of Sponsorship In kind</b>	<b>Value of cash Sponsorship</b>	<b>Total Sponsorship</b>
<b>2008</b>			
Young Enterprise	20,000	817,850	837,850
Other	130,100	666,264	796,364
	150,100	1,484,114	1,634,214

<b>Programme</b>	<b>Value of Sponsorship In kind</b>	<b>Value of cash Sponsorship</b>	<b>Total Sponsorship</b>
<b>2007</b>			
Young Enterprise	80,000	654,222	734,222
Other	60,000	688,047	748,047
	140,000	1,342,269	1,482,269

**6. Operating & Capital Commitments**

- a** The terms of the rental agreement for the Bloomfield Terrace premises specify an annual rental of \$67,122 + gst, for three years from 1 May 2008.
- b** The terms of the rental agreement for the Queens Road, Auckland premises specify an annual rental of \$9,244 + gst, for two years from 6 July 2007.
- c** On 11 September 2006, the Trust entered a lease agreement with Ricoh Finance for the lease of a digital copier. The agreement provides for an annual rental of \$2,225.92 for 5 years from 11 September 2006.
- d** On 30 September 2008, the Trust entered a lease agreement with Ricoh Finance for the lease of a digital copier. The agreement provides for an annual rental of \$15,060 for 5 years from 15 October 2008.

Commitments under non-cancellable operating leases are:

	<b>2008</b>	<b>2007</b>
Current portion	100,159	67,278
Non-current portion	152,860	235,258
	<b>253,019</b>	<b>302,536</b>

Datacom IT support contract

On 11 January 2008 Enterprise New Zealand Trust entered an Information Technology support contract with Datacom Engineering Limited. The contract has an initial term of 36 months and provides for monthly payments of \$2,100 plus GST.

**The Notes to the Financial Statements form part of and are to be read in conjunction with these Financial Statements.**



## **Enterprise New Zealand Trust**

### **Notes to the Financial Statements For the year ended 31 December 2008**

#### **7. Contingent Liabilities**

There are no known contingent liabilities as at 31 December 2008 (2007: Nil)

#### **8. Related Party Transactions**

The Trust has a Code of Conduct & Ethics Policy and a Register of Interest. The register, which is available for inspection by the public, is held in the offices of the Trust and details for each Trustee:

- a. Any fees paid to each Trustee, together with any fees paid to any organisation in which the Trustee has an interest.
- b. Amounts, if any, paid to parties listed in the register.

#### **9. Associated Parties Carrying Out Paid Work For the Trust**

##### **Employees**

No employees derive any income from the Trust other than salaries and wages.

##### **Trustees**

Two trustees are partners in professional firms that derive income from the Trust. They are:

1. Bryan Gundersen is a partner in Kensington Swan, a legal firm that provides general legal advice to the Trust. During 2008 Kensington Swan billed the Trust an amount of \$4,831 for services provided. At 31 December 2008, there were no fees, costs and disbursements incurred but unbilled by them.
2. Corinne Blumsky is a partner in A.J. Park, a legal firm that provides the Trust with advice on matters pertaining to trademarks and copyright. During 2008, A.J. Park billed the Trust an amount of \$7,817 for services provided. At 31 December 2008, fees, costs and disbursements incurred but unbilled by them amounted to \$3,894 plus GST.

##### **Family Members**

No family members of associated persons provide any paid services to the Trust.

##### **Other Parties**

The Business Manager works as a contractor to the Trust.

#### **10. Events Subsequent to Balance Date**

Effective 1 January 2009, Enterprise New Zealand Trust changed its name to Young Enterprise Trust.

**The Notes to the Financial Statements form part of and are to be read in conjunction with these Financial Statements.**





"TELL went really well in my class - a very successful, profitable venture. Lots of learning, in an exciting way. We loved it!"

Maureen Gass

Lead TELL teacher Marshall Laing School

## Young Enterprise Trust Family of Sponsors 2008

 <p>THE LION FOUNDATION</p>	 <p>RENAISSANCE</p>	 <p>BusinessNZ The voice of business</p>	 <p>NEW ZEALAND INSTITUTE OF CHARTERED ACCOUNTANTS</p>
 <p>ASB one step ahead</p>	 <p>Fairfax Media</p>	 <p>CLEMENGER BBDO</p>	 <p>bp</p>
 <p>Quicken</p>	 <p>building markets business CANTERBURY EMPLOYERS' CHAMBER OF COMMERCE</p>	 <p>RESERVE BANK OF NEW ZEALAND</p>	 <p>SECURITIES COMMISSION NEW ZEALAND</p>
 <p>New Zealand TRADE &amp; ENTERPRISE</p>	 <p>TODD</p>	 <p>movac Counting ideas into great business</p>	 <p>Retirement Commission Whirihiriat</p>
 <p>AMERICAN EXPRESS</p>	 <p>Russell Investments</p>	 <p>KCW TRUST</p>	 <p>AUT UNIVERSITY Faculty of Business and Law</p>
 <p>OTAGO SOUTHLAND Employers MULTI-TALENTED &amp; COMMITTED PEOPLE</p>	 <p>actionCOACH business coaching New Zealand Education Foundation</p>	 <p>DAVID LEVENE CHARITABLE TRUST</p>	 <p>MINISTRY OF EDUCATION Te Tāhuhu o te Mātauranga</p>
 <p>MORE FM</p>	 <p>CPL Since 1911 - More Than Just Pottery Commercial Pottery Limited Ph: 04 352 9010 Web: www.cpl.co.nz</p>	 <p>NEW ZEALAND SAILING</p>	 <p>Ministry of Economic Development Manatū Ōhanga</p>
 <p>MINISTRY OF YOUTH DEVELOPMENT Te Manatū Ōhaukura o te Tāwhiri Administered by the Ministry of Social Development</p>	 <p>EMA CENTRAL</p>	 <p>EMA</p>	 <p>Inland Revenue Te Tari Taake</p>
 <p>Te Puni Kōkiri REALISING MĀORI POTENTIAL</p>	 <p>AUCKLAND CHAMBER OF COMMERCE Business Vitality</p>	 <p>Massey University</p>	 <p>GALLAGHER GROUP</p>