



**FR  ITO**

*Fire & Rescue Services ITO*

**ANNUAL REPORT 2008**





*Fire & Rescue Services ITO*

## ANNUAL REPORT 2008

### CONTENTS

- 2 Chairperson's Report
- 3 National Manager's Report
- 4 FRSITO Board 2008
- 5 Facts and Figures - General Information and Statistics
- 8 Audit Report
- 9 Annual Financial Report

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### Steady movement on our Strategic Goals.

2007 was a year of steady achievement that assisted the positioning of FRSITO as the ITO of choice for the wider emergency management industry and as the ITO that best understands the needs of volunteers. A key milestone in the year was the completion of the research into learning barriers for volunteers that we commissioned through NZIER. This two-stage report was widely accepted in the industry. It was frequently cited in an independent training review into Search and Rescue training in which we were named as the ITO that was the best fit to develop qualifications and manage training for the members of the SAR council. The NZIER report was also instrumental in FRSITO's success at securing generous funding from TEC to put in place initiatives to remove the barriers for volunteers that the report highlighted.

FRSITO has continued to grow both in numbers and in its stature within the industry. Increases in staff numbers include the appointment of a Quality Manager and Moderator. This additional resource, focused on best practice in competency based assessment, has enabled us to revise our Quality Management System, including our assessor and moderator manuals. All our assessors and moderators will receive professional development on this new approach during 2009.

2008 saw the conclusion of the move to bring all FRSITO's financial management in-house. The installation of accounting software and loading of FRSITO data was completed early in the year and we have been self-sufficient since April. This has enabled better management of all cost centres and improved reporting.

The growth of FRSITO has also continued in its regional delivery. The opening of a serviced office in Auckland early in the year and Christchurch in the latter stages, together with the purchase of a fleet of vehicles has enabled our regional staff to project a more professional image. The decision to replace contractors with full time staff has already shown us to be more responsive to the needs of our regional stakeholders.

I wish to acknowledge the industry's volunteers and the remarkable efforts made not only in the provision of vital services in New Zealand's communities but also in the enthusiastic involvement in training towards National Qualifications.

This year saw the biennial Board elections. As a result of these I replaced Kerry Hilliard as Board Chair. I'd like to thank Kerry for his time in the Chair. Kerry took over when the previous Chair resigned and successfully steered the organisation through the vital task of developing our first investment plan with the Tertiary Education Commission. I'd also like to thank and acknowledge Nella Booth and Brendon Wood who retired from the Board in March. Thank you both for your efforts on our behalf. In their place we welcomed Piki Thomas and Rick Eng who are also making a great contribution to the governance of the organisation. Mike Gibson came onto the Board as representative of Airports but unfortunately had to resign late in the year. Thank you for your contribution too Mike and best wishes for your future endeavours.

A key milestone for me this year was the Board governance training that resulted in the development of a draft Board Charter and the re-development of our strategic plan. It is intended both documents will be ratified shortly. The new strategic plan includes commitment from the organisation to a set of core values. These are:

- We model attitudes and behaviours we believe are right and take a stand on important issues
- We believe in building partnerships and in productive relationships
- Through learning we enable people to achieve their life goals and enable their organisation to achieve its goals
- We value our learners

I would like to thank the dedicated and enthusiastic team at FRSITO. It is especially encouraging and a pleasure to see the team fulfilling FRSITO's goals and direction in making it the organisation it has become.

Finally, a big thank you to Bill for his leadership of the team and support of the Board. I believe we have come a long way in the relatively short time Bill has been with us and look forward to the continued drive and vision.



David Guard  
Chairperson

## NATIONAL MANAGER'S REPORT FOR 2008

Bill Robertson



This was another year that saw large gains in the numbers of trainees achieving National Qualifications amidst considerable change as part of the tertiary reforms.

That was the start of my 2007 report but it is equally relevant in 2008. We started 2008 contracted by the Tertiary Education Commission (TEC) to deliver 492 standard training measures (STMs). I reported last year that we were confident we could surpass that and indeed we did. We finished the year on 516 STMs even after conscientiously removing from the database all trainees who had not completed by the due date.

Our trainee numbers continue to climb. Not only are more people entering training but greater numbers are also completing National Certificates. It is not easy for someone who works full time to find the time to do the work required to complete training towards a national qualification, but in 2008 779 National Certificates and Diplomas were presented to trainees who succeeded in doing so. A significant number of those were above level four on the National Qualifications Framework. Congratulations to you all!

As a result of the recent research project looking at volunteer training, FRSITO has had discussions with government at several levels. This will result in a number of additional projects being run throughout 2009 to trial new initiatives to remove the identified training barriers and ensure we can effectively meet the needs of volunteers. NRFA and several polytechnics have provided support for this venture which we think has potential to simplify training and improve productivity across all industries. We will provide more details next year.

2008 saw the consolidation and growth of FRSITO into a structure that will serve us for several years to come. Under the National Manager are four teams, Administration, Operations, Development and Quality Management. While those four functions will continue, the numbers in each team may change. As part of the structural change FRSITO made the decision to put in place full time permanent employees to better respond to the needs of our trainees. At the end of 2008 we said goodbye to part time contractors Les Williams, Greg Steele, Lindsay Heal and Justin Murtha. My sincere thanks to the four of you. You have provided an invaluable service to FRSITO and industry clients over several years.

FRSITO continues to have staff changes. During the year we farewelled Audrey Parker, Trish Edwards-Jones, Arleen de Leon and Tina Lee. We also welcomed new staff to the team. Nandini Sharat Chandran became our Auckland based Regional Training Coordinator early in the year. Martin MacLean joined us at the end of July. He takes up the new role of Quality Manager. In August we welcomed Maria Reynecke and in September Warren Healy. Maria fills a vacancy in our Administration team and Warren takes over the role of Finance and Administration Manager. We have also successfully filled the role of Resource Developer in our development team. Venessa Green took up that role early in December. Ian Chen took an additional role in our Administration team late in the year. Also late in the year we appointed Leigh Maddock to the role of Moderator and Janet Derham as South Island Regional Training Coordinator.

FRSITO continued its focus on building strategic relationships and alliances across the sector. This year we strengthened relationships with the Ministry of Civil Defence and, with the help of the NZ Fire Service, built on our relationship with the Australasian Fire and Emergency Management Authorities Council (AFAC). We continued to work on building closer relationships with the Departments of Conservation and Defence and with NZ Fire Service and the National Rural Fire Authority. We continued to play a leadership role in numerous areas including lobbying Government over the results of the volunteer research and representing ITOs on several national working groups. We were the major sponsor of the very successful joint Forest and Rural Fire Association/Institute of Fire Engineers conference and continued our support for the United Fire Brigades Association conference and competitions.

I am indeed fortunate to be supported by such an energetic, efficient and competent team. We are a small organisation but we punch well above our weight.



**Bill Robertson**  
National Manager

## FRSITO BOARD 2008

**Bill Robertson**  
*(National Manager, Board Secretary)*  
Fire & Rescue Services Industry Training Organisation

**Stephen Taylor**  
Local Government New Zealand

**David Guard**  
*(Chairperson)*  
New Zealand Fire Service

**Rick Eng**  
United Fire Brigades' Association

**Mike Gibson**  
Auckland International Airport

**Kerry Hilliard**  
Department of Conversation

**Kevin Kennedy**  
Fire Protection Association NZ

**Mike Owen**  
NZ Defence Force, ISP Branch

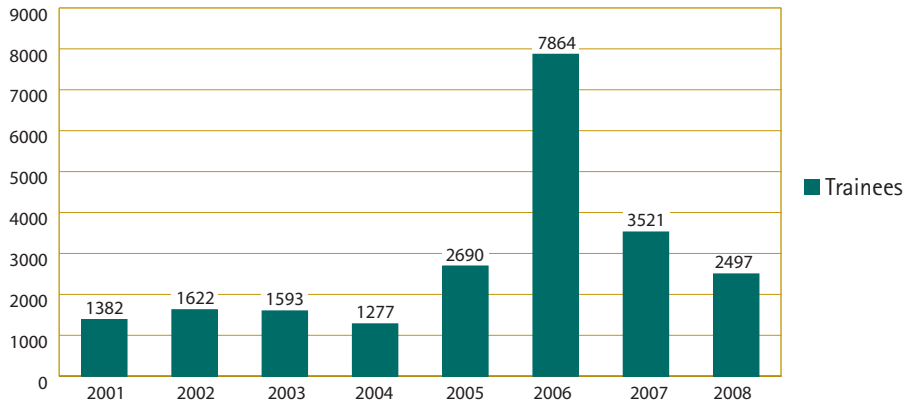
**Gary Lockyer**  
National Rural Fire Authority

**Piki Thomas**  
Under Represented Groups

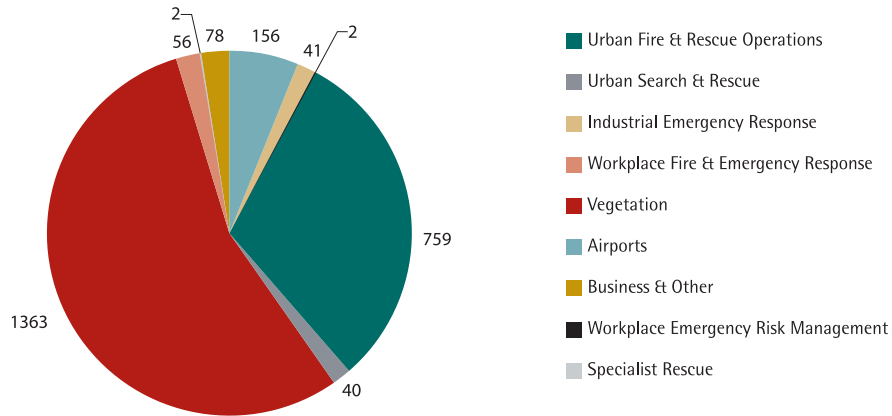
**Keith Marshall**  
Employee Representative

**Derek Best**  
NZFS Paid Employees

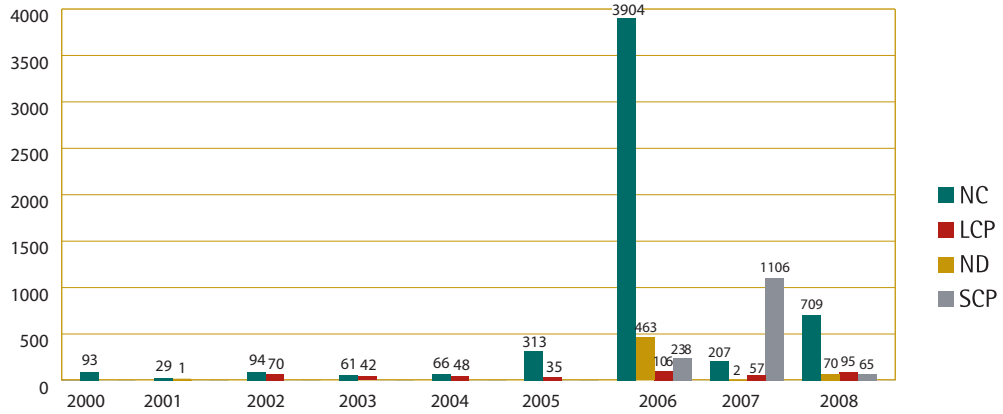
CURRENT TRAINING AGREEMENTS BY YEAR



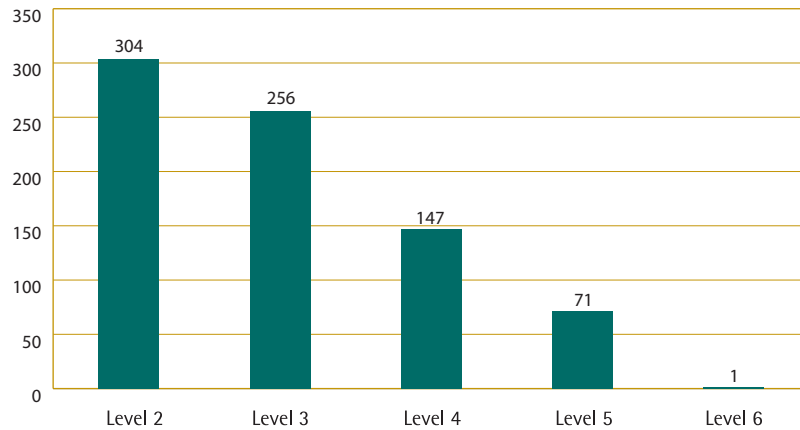
2008 CURRENT TRAINING AGREEMENTS BY QUALIFICATION



COMPLETED TRAINING AGREEMENTS BY YEAR

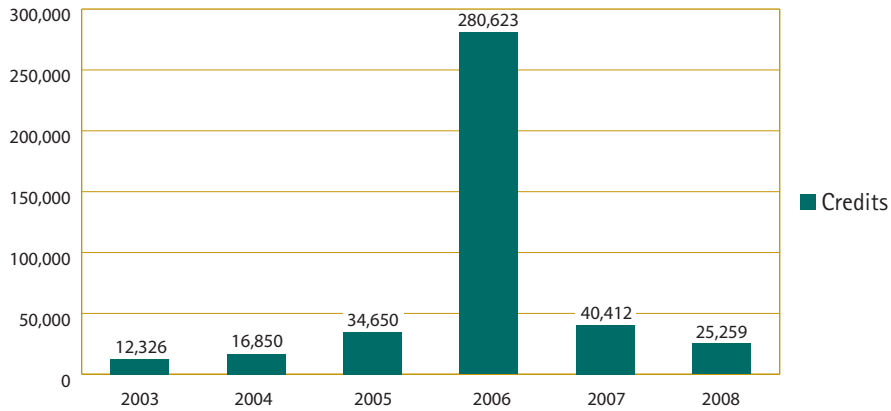


2008 COMPLETED NATIONAL QUALIFICATIONS BY LEVEL

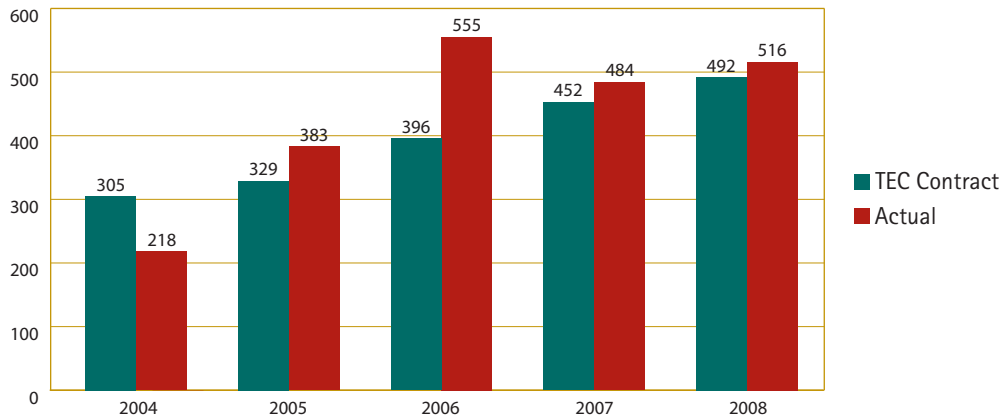


Comprised of National Certificates (709) and National Diplomas (70)

CREDITS ASSESSED BY YEAR



STANDARD TRAINING MEASURES BY YEAR



1 STM = 1 Full time equivalent trainee achieving 120 credits in a year

### To The Members of Fire and Rescue Services Industry Training Organisation Incorporated

We have audited the financial report on pages 9 to 12. The financial report provides information about the past financial performance of Fire and Rescue Services Industry Training Organisation Incorporated and its financial position as at 31 December 2008. This information is stated in accordance with the accounting policies set out on page 10.

#### The Board's Responsibilities

The Board is responsible for the preparation of financial statements which fairly reflect the financial position of Fire and Rescue Services Industry Training Organisation Incorporated as at 31 December 2008 and the results of 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 and to report to you.

#### 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 in the preparation of the financial report; and
- whether the accounting policies are appropriate to Fire and Rescue Services Industry Training Organisation Incorporated'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 auditors, we have no relationship with, or interests in, the Fire and Rescue Services Industry Training Organisation Incorporated.

#### Unqualified Opinion

We have obtained all the information and explanations we have required.

In our opinion the financial report on pages 9 to 12 fairly reflects the financial position of Fire and Rescue Services Industry Training Organisation Incorporated as at 31 December 2008 and the results of its operations for the year ended on that date.

Our audit was completed on 17 March 2009 and our unqualified opinion is expressed as at that date.



Grant Thornton  
Wellington

## STATEMENT OF FINANCIAL PERFORMANCE FOR YEAR ENDED 31 DECEMBER 2008

| 2007             |                                   |        | 2008             |
|------------------|-----------------------------------|--------|------------------|
| 1,661,329        | Operating Revenues                | Note 2 | 1,884,526        |
| <u>1,523,500</u> | Operating Expenses                | Note 3 | <u>1,987,476</u> |
| <u>137,829</u>   | Excess of Income over Expenditure |        | <u>-102,950</u>  |

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2008

| 2007                  |                                   |  | 2008             |
|-----------------------|-----------------------------------|--|------------------|
| <b>CURRENT ASSETS</b> |                                   |  |                  |
| 357,060               | Cash & Bank                       |  | 267,451          |
| 650,000               | Fixed Term Deposits               |  | 775,308          |
| 99,924                | NZ Government Stock               |  | 65,276           |
| 6,070                 | Interest Due                      |  | 9,534            |
| 252,966               | Accounts Receivable               |  | 4,764            |
| -22,590               | Less Provision for Doubtful Debts |  | -                |
| -                     | TEC Funding Due                   |  | 41,734           |
| -                     | Bond Paid                         |  | 500              |
| 8,566                 | Prepayments                       |  | 1,980            |
| <u>1,351,996</u>      | <b>TOTAL CURRENT ASSETS</b>       |  | <u>1,166,547</u> |

**CURRENT LIABILITIES**

|                |                                  |  |                |
|----------------|----------------------------------|--|----------------|
| 4,100          | Audit Fee Accrued                |  | 6,000          |
| 20,332         | GST Payable                      |  | 6,861          |
| -              | National Bank Visa               |  | 5,749          |
| 128,937        | Accounts Payable                 |  | 65,049         |
| 47,878         | Income in Advance                |  | 47,934         |
| 30,349         | PAYE Tax Payable                 |  | 22,521         |
| 5,181          | Accrued Expenses                 |  | 51,539         |
| 17,634         | Provision for Holiday Pay        |  | 39,794         |
| <u>254,411</u> | <b>TOTAL CURRENT LIABILITIES</b> |  | <u>245,447</u> |

**FIXED ASSETS**

|               |              |        |                |
|---------------|--------------|--------|----------------|
| <u>89,549</u> | Fixed Assets | Note 4 | <u>163,084</u> |
|---------------|--------------|--------|----------------|

|                  |                               |  |                  |
|------------------|-------------------------------|--|------------------|
| <u>1,187,134</u> | <b>EQUITY</b>                 |  | <u>1,084,184</u> |
|                  | Represented by                |  |                  |
| 1,049,305        | Retained Earnings at 31/12/07 |  | 1,187,134        |
| 137,829          | Operating Surplus for year    |  | <u>-102,950</u>  |
| <u>1,187,134</u> | <b>TOTAL EQUITY</b>           |  | <u>1,084,184</u> |

## STATEMENT OF MOVEMENT IN EQUITY

| 2007             |                                      |  | 2008             |
|------------------|--------------------------------------|--|------------------|
| 1,049,303        | Retained Earnings from previous year |  | 1,187,134        |
| <u>137,829</u>   | Operating Surplus for year           |  | <u>-102,950</u>  |
| <u>1,187,132</u> | <b>TOTAL EQUITY</b>                  |  | <u>1,084,184</u> |

## NOTES FORMING PART OF THE ANNUAL REPORT FOR YEAR ENDED 31 DECEMBER 2008

## NOTE 1: Statement of Accounting Policies

## a. Reporting Entity

The Fire & Rescue Industry Training Organisation is a Society registered under the Incorporated Societies Act 1908 and is entitled to use Differential Reporting exemptions as it is not publicly accountable and does not qualify as large. The financial statements have been prepared using Generally Accepted Accounting Principles and advantage has been taken of all Differential Reporting exemptions. The Society has been granted charitable status by the Inland Revenue Department and accordingly no tax is payable.

## b. Measurement Base

The accounting policies recognised are appropriate for the measurement and reporting of the statement of financial performance and the statement of financial position which are based on historical cost unless stated otherwise.

## c. Specified Accounting Policies

(i) *Goods & Services Tax* - These financial statements have been prepared on a GST exclusive basis, except for Accounts Receivable and Accounts Payable which are stated with GST included.

(ii) *Fixed Assets* - These are stated at cost less accumulated depreciation. Depreciation is provided on a diminishing basis at the maximum rates prescribed by the Inland Revenue Department (except for the ITMS Database which is depreciated at 20% on a straight line basis). When a fixed asset is disposed of, the gain or loss recognised in the Statement of Financial Performance is calculated as the difference between the sale price and the carrying value of the asset.

(iii) *Accounts Receivable* - stated at the net realisable value and no further provision is required.

(iv) *Revenue Recognition Policy* - TEC Income: The Society receives funding from the Tertiary Education Commission based upon a number of Standard Training Measures agreed in a 3 year Investment Plan and reviewed annually. The investment plan is consistent with the financial year. All revenue in accordance with the investment plan is therefore recognised in the financial year.

(v) *Interest Bearing Accounts* - Investment funds are held with the National Bank of New Zealand Private Banking Portfolio Services. Accounts are shown at face value with any income due shown as a specific item calculated from start date to 31st December 2008.

(vi) *Income in Advance* - Annual Levies payable by industry Members run from 1st July to 30th June and are paid in advance. The balance shown as Income in Advance represents 6 months portion of this from 1st January to 30th June 2009.

## d. Changes in Accounting Policies

There have been no changes to accounting policies since the date of the last financial report.







