

A large, stylized graphic of a flame, composed of several pointed, teardrop-like shapes, rendered in a dark red outline. It occupies the left side of the page, extending from the top to the bottom.

**F R  I T O**

*Fire & Rescue Services ITO*

**ANNUAL REPORT 2009**





*Fire & Rescue Services ITO*

## ANNUAL REPORT 2009

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### Further consolidation of our Strategic Goals.

In 2009 FRSITO strengthened its sector leadership role in education and training within the industry. This role is not in terms of the technical competencies required within the industry but rather by providing the foresight and drive to ensure we have an industry that is leading the way in workplace training and assessment practices.

The continued implementation of the Quality Management System has shown that we have an industry that is capable of making value judgements and recognising the commitment made to training by our paid personnel and the vast numbers of volunteers. We have also exceeded our TEC requirements, once again showing that training toward National Qualifications is recognised as a key component of the industry.

FRSITO hosted an Australasian Emergency Management Training Conference in 2009 – a first for us. I was delighted to be able to welcome speakers from the United States, Australia and New Zealand, as well as delegates from both New Zealand and Australia. The conference was yet another example of FRSITO leadership in providing the opportunity for interaction with leading practitioners, and to build on the knowledge already available within New Zealand. Bill and all the team should be proud for hosting such a successful event.

I also had the pleasure of again presenting the Excellence in Training awards, this year to the Turangi Volunteer Fire Brigade and Lake Okareka Rural Fire Force.

2009 saw the Board begin a review of its governance. Strong governance is important if we are to continue the growth of recent years and to continue to be the leader in workplace training within the wider emergency management/public safety industry. I would like to thank all on the Board for their contribution. The year saw Mike Gibson (Airports) and Stephen Taylor (Local Government) leave the Board with John Barnden and Blair King replacing them respectively.

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.

Finally, I would like to thank the Board for their support, and Bill and his team for their work.

A handwritten signature in dark ink, appearing to read 'David Guard'.

**David Guard**  
Chairperson

## CHIEF EXECUTIVE OFFICER'S REPORT FOR 2009

Bill Robertson



We started 2009 contracted by the Tertiary Education Commission (TEC) to deliver 510 standard training measures (STMs). Once again we exceeded the contracted number. We finished the year on 522 STMs. With three new members and agreements reached on signing-on of urban volunteers we expect to do much better next year.

2009 was a year of both consolidation and expansion for FRSITO. Early in the year we appointed Janet Derham as full-time Regional Training Coordinator for the South Island and we opened our regional office in Christchurch. This has increased our ability to service stakeholders down south and is paying dividends in increasing satisfaction and growing trainee numbers. We now have over 3,500 trainees nationally. 701 national qualifications have been achieved by trainees in 2009. Of these 107 were National Diplomas and 594 National Certificates. This is a fantastic accomplishment.

Another major focus for 2009 has been the bedding-in of our new Quality Management System. Leigh Maddock, our newly appointed moderator and Martin MacLean spent a considerable amount of time conducting meetings with assessors so that they were all aware of new requirements. All of our providers had signed moderation agreements with us and all underwent some moderation. For most, this has meant moderation visits. Many have commented on the value of this and the partnership approach taken by the Quality team. The focus is clearly on utilising professional judgement and progressive improvement rather than policing.

We have expanded our international contacts this year. I was fortunate enough to attend the FEMA Higher Education conference at the Emergency Management Institute in the USA in June and was privileged to host the Superintendent of that institute as one of the keynote speakers at the FRSITO conference in October. Staff members attended a number of Australian and New Zealand conferences and presented papers at several. We also continued to build our relationship with AFAC and Government Skills Australia (GSA).

Not only have we expanded international contacts but we have continued to build our profile with different emergency management agencies in New Zealand. We have assisted both the Ministry of Civil Defence and Emergency Management and the Search and Rescue Council with the development of competency frameworks and role descriptions. We have invited a number of organisations involved in the broader emergency management and public safety industries to join FRSITO, with some success.

In the second half of the year we were successful in securing substantial funding for another embedded literacy pilot project. We have employed Teresa Quin, a literacy specialist, to help us with this work which will continue through 2010 and 2011.

I would like to thank my team at FRSITO for their dedication and hard work in 2009. I would also like to thank our Board members who give up so much of their own time to steer the organisation, particularly our Chairman David Guard. The FRSITO governance review has demanded considerable time and effort from Board members but we are confident the end result will be worthwhile with a robust governance structure to carry us forward.

Finally I would like to thank our many stakeholders, particularly our students, without whom FRSITO could not exist.



Bill Robertson  
Chief Executive Officer

## FRSITO BOARD 2009

**Bill Robertson**  
*(Chief Executive Officer, Board Secretary)*  
Fire & Rescue Services Industry Training Organisation

**Stephen Taylor**  
Local Government New Zealand (replaced by Blair King during the year)

**Blair King**  
Local Government New Zealand

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

**Rick Eng**  
United Fire Brigades' Association

**Mike Gibson**  
Auckland International Airport (replaced by John Barnden Wellington International Airport during the year)

**John Barnden**  
Wellington International Airport

**Kerry Hilliard**  
Department of Conservation

**Kevin Kennedy**  
Fire Protection Association NZ

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

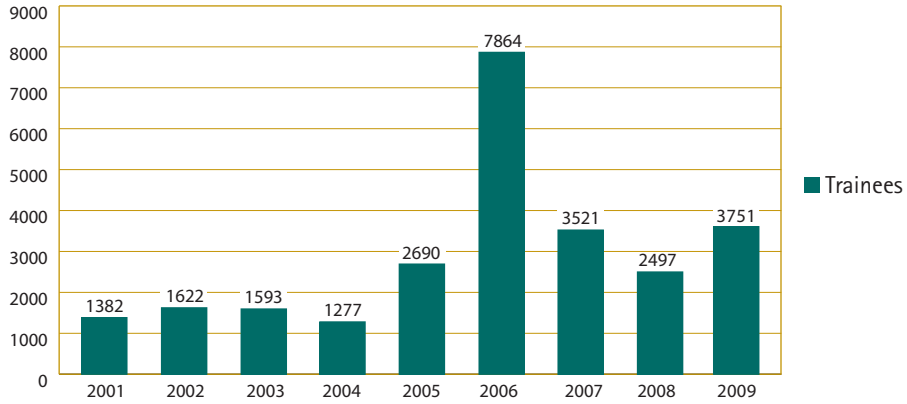
**Gary Lockyer**  
National Rural Fire Authority

**Piki Thomas**  
Under Represented Groups

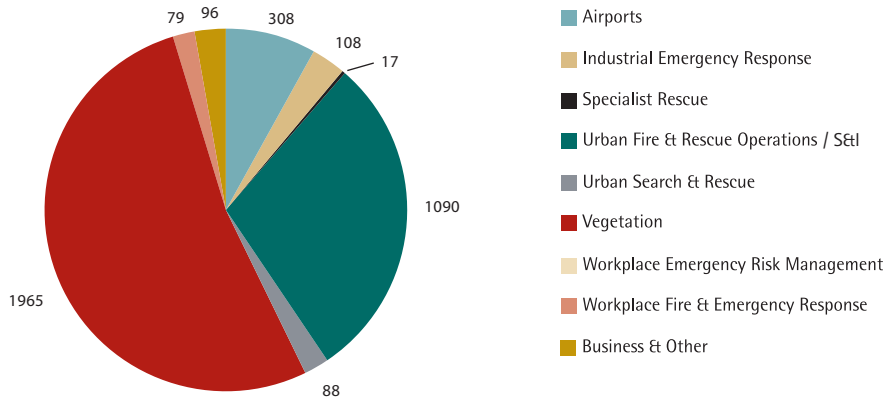
**Keith Marshall**  
Employee Representative

**Derek Best**  
NZFS Paid Employees

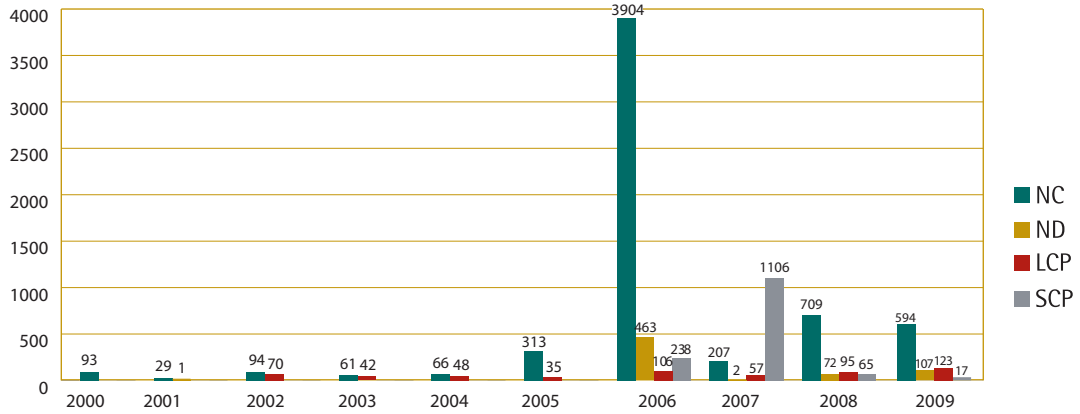
CURRENT TRAINING AGREEMENTS BY YEAR



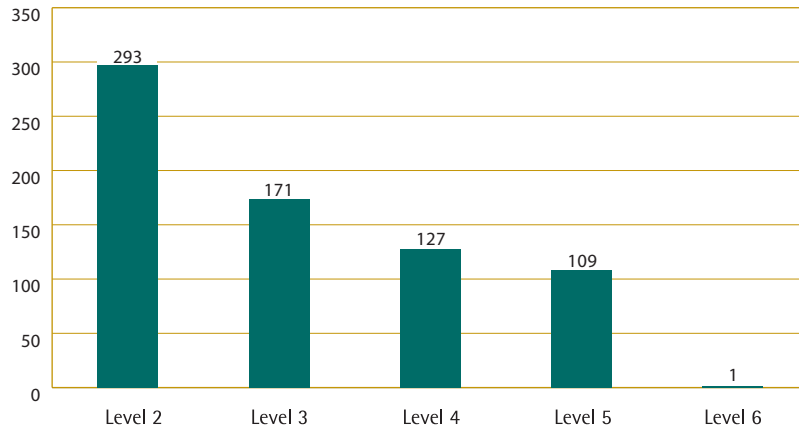
2009 CURRENT TRAINING AGREEMENTS BY QUALIFICATION



COMPLETED TRAINING AGREEMENTS BY YEAR

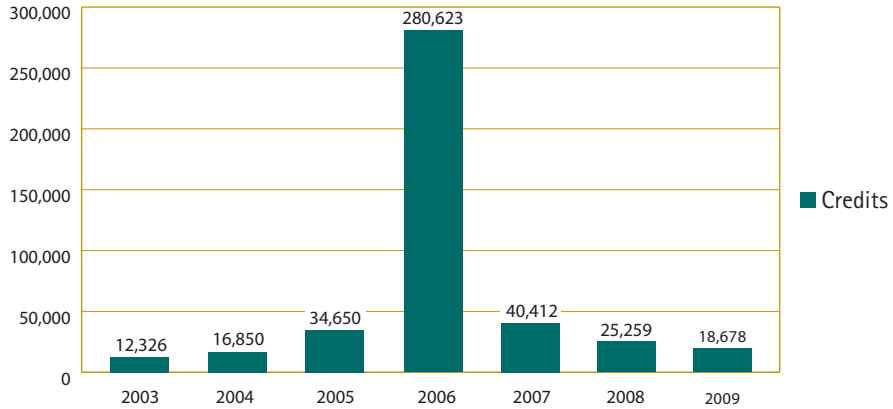


2009 COMPLETED NATIONAL QUALIFICATIONS BY LEVEL

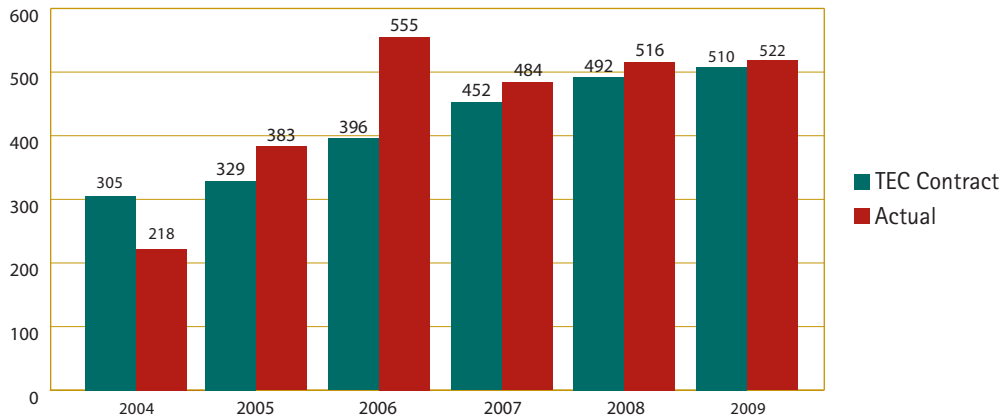


Comprised of National Certificates (594) and National Diplomas (107)

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 2009. 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 2009 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.

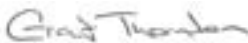
Other than in our capacity as auditors, we have no relationship with, or interests in, the Fire and Rescue Services Industry Training Organisation Incorporated.

#### 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 2009 and the results of its operations for the year ended on that date.

Our audit was completed on 8 March 2010 and our unqualified opinion is expressed as at that date.



Grant Thornton  
Wellington

## STATEMENT OF FINANCIAL PERFORMANCE FOR YEAR ENDED 31 DECEMBER 2009

2008			2009
1,884,526	Operating Revenues	Note 3	1,963,228
<u>1,987,476</u>	Operating Expenses	Note 4	<u>2,181,206</u>
<u>-102,950</u>	Excess of Income over Expenditure		<u>-217,978</u>

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2009

2008			2009
	<b>CURRENT ASSETS</b>		
267,451	Cash & Bank		269,005
775,308	Fixed Term Deposits		845,285
65,276	NZ Government Stock		29,841
9,534	Interest Due		10,883
4,764	Accounts Receivable		12,638
41,734	TEC Funding Due		-
500	Bond Paid		500
1,980	Prepayments		<u>5,023</u>
<u>1,166,547</u>	<b>TOTAL CURRENT ASSETS</b>		<u>1,173,175</u>

	<b>CURRENT LIABILITIES</b>		
6,000	Audit Fee Accrued		6,050
6,861	GST Payable		19,052
5,749	National Bank Visa		3,594
65,049	Accounts Payable		66,657
47,934	Income in Advance		128,047
22,521	PAYE Tax Payable		45,126
51,539	Accrued Expenses		74,966
39,794	Provision for Holiday Pay		75,600
<u>245,447</u>	<b>TOTAL CURRENT LIABILITIES</b>		<u>419,092</u>

	<b>FIXED ASSETS</b>		
163,084	Fixed Assets	Note 5	112,123
<u>1,084,184</u>	<b>EQUITY</b>		<u>866,206</u>
	Represented by		
1,187,134	Retained Earnings at 31/12/08		1,084,184
<u>-102,950</u>	Operating Surplus for year		<u>-217,978</u>
<u>1,084,184</u>	<b>TOTAL EQUITY</b>		<u>866,206</u>

## STATEMENT OF MOVEMENT IN EQUITY

2008			2009
1,187,134	Retained Earnings from previous year		1,084,184
<u>-102,950</u>	Operating Surplus for year		<u>-217,978</u>
<u>1,084,184</u>	<b>TOTAL EQUITY</b>		<u>866,206</u>

## NOTES FORMING PART OF THE ANNUAL REPORT FOR YEAR ENDED 31 DECEMBER 2009

## 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. 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 as 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 2009.

(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 2010.

(vii) *Income Tax* – Fire & Rescue Services Industry Training Organisation is registered under the Charities Act 2005 and has been granted an exemption under the Income Tax Act.


## d. Changes in Accounting Policies

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

## NOTE 2: Related Party Transactions

There were no related party transactions during the year ended 31 December 2009 (2008; Nil)

Signed



David Guard *Chairperson*

## NOTES FORMING PART OF THE ANNUAL REPORT FOR YEAR ENDED 31 DECEMBER 2009

## NOTE 3: Operating Revenues

2008	Operating Revenues	2009
1,571,312	Tertiary Education Commission	1,707,690
95,811	Industry Levies & Other Fees	95,981
39,859	Hook-on & Credit Fees	33,671
20,502	NZQA Moderation Rebate	26,633
107,534	Interest Received	50,173
1,570	Other Training Income	2,013
24,940	Learning Resource Books	47,067
408	Gain on Sale of Fixed Assets	-
22,590	Doubtful Debts Recovered	-
<u>1,884,526</u>	<b>TOTAL OPERATING REVENUES</b>	<u>1,963,228</u>

## NOTE 4: Operating Expenses

2008	Operating Expenses	2009
114,871	Governance	54,002
399,276	Operations	350,602
29,293	Quality Management	64,936
154,707	Development	210,404
698,147		679,944
1,289,329	Overhead Costs	1,501,262
<u>1,987,476</u>	<b>TOTAL OPERATING EXPENSES</b>	<u>2,181,206</u>

Note 6

## NOTE 5: Fixed Assets

	Depreciation Rate	Cost	Acc Depn	Depn	NBV	Cost	Acc Depn	Depn	NBV
		31/12/2008	31/12/2008	2,008	31/12/2008	31/12/2009	31/12/2009	2,009	31/12/2009
Plant & Equipment	20% to 48%	138,838	81,867	27,904	56,971	136,217	97,571	1,653	38,646
Furniture & Fittings	14% to 48%	59,641	32,264	9,812	27,377	62,247	39,161	6,897	23,086
Motor Vehicles	36%	93,289	14,553	14,553	78,736	93,289	42,898	28,345	50,391
		<u>291,768</u>	<u>128,684</u>	<u>52,269</u>	<u>163,084</u>	<u>291,753</u>	<u>179,630</u>	<u>36,895</u>	<u>112,123</u>

## NOTES FORMING PART OF THE ANNUAL REPORT FOR YEAR ENDED 31 DECEMBER 2009

## NOTE 6: Overhead Costs

		2009
<b>2008</b>		
3,155	ACC Levies	3,975
6,764	Accounting	-
9,509	Audit Fees	7,000
841	Bank Charges	678
11,679	Consultancy Fees	2,150
39,099	Contractors	200
52,271	Depreciation	61,508
4,272	Electricity	5,310
140	Fringe Benefit Tax	-140
7,172	General Expenses	15,572
59,402	Information Technology	48,985
10,618	Insurance	13,537
8,984	Leases	7,278
2,338	Legal Expenses	-
-	Loss on Sale of Fixed Assets	850
7,124	Postage & Courier	4,777
84,299	Printing & Stationery	27,749
89,683	Rent	108,965
7,057	Repairs & Maintenance	2,958
724,498	Salaries & Wages	1,029,184
982	Sponsorship	911
26,717	Staff Training	42,527
30,453	Staff Recruitment	4,900
16,932	Staff Kiwisaver Contribution	40,418
11,479	Staff Other	8,780
22,397	Subscriptions	18,789
37,028	Telephone	43,224
14,436	Travel	1,176
<u>1,289,329</u>	<b>TOTAL</b>	<u>1,501,261</u>

## NOTE 7: Contingent Liabilities

There is a commitment of \$468,765.08 in respect of ITF training contracts entered at 31 December 2009 and due to be assessed before 31 December 2011. (2008: \$549,685.29)

## NOTE 8: Statement of Commitment

As at balance date, Fire & Rescue Services Industry Training Organisation had the following Lease commitments in respect of the premises located at 181 Vivian Street, Wellington.

2008		2009
67,791	Current	68,843
<u>208,878</u>	Non-Current	<u>149,526</u>
<u>276,669</u>		<u>218,369</u>



FRSITO is proud to represent an industry that protects the safety of New Zealanders,  
their property, communities, and our environment.

[www.frsito.org.nz](http://www.frsito.org.nz)

