

Foundation

ANNUAL REPORT 2011

VICTORIA UNIVERSITY OF WELLINGTON FOUNDATION



TE WHARE WĀNANGA O TE ŪPOKO O TE IKA A MĀUI

FOUNDATION



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Universities are unique in providing knowledge and leadership, critical comment and a conscience for society. In a world where sufficient government funding for universities is no longer assured, the Victoria University of Wellington Foundation exists to raise money for priority projects at Victoria University which would not otherwise be funded.





Message from the Chair

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The Victoria University Foundation had an outstanding year in 2011 with actual funds received increasing by \$1.9 million over 2010. In 2011 the Foundation changed the way it accounted for its fundraising with actual funds received being accounted for separately from pledges received. We received \$3.9 million in funds and also have confirmed pledges of \$14.45 million for the future.

This is an outstanding result, coming at a time of continued global recession when many private donors and corporate sponsors are reviewing their philanthropic support for a range of causes.

But education remains a priority for many, and rightly so. It is through high-quality teaching and research at universities like Victoria that New Zealand's future as a competitive economy and a progressive society are best assured. This increased level of funding from the Foundation is providing tangible assistance to the University achieving its strategic goals.

This is my first year as Chair of the Victoria University Foundation and I would like to acknowledge the wonderful support and commitment from the Board of Trustees of the Foundation. They all volunteer their time and experience in governing the Foundation. In particular I would like to thank John Greenwood, John Rowley and Gerard Curry who all finished their terms as Trustees and welcome Sahra Grinham, Steven Fyfe and Brian Roche as new Trustees in 2011.

Highlights for the Foundation in 2011 have been launching two new professorial chairs, the Chair in Business in Asia and the Chair in Public Finance. Both are excellent examples of Victoria building on its capital city location and forging, with the Foundation, tripartite relationships between the private and public sectors and the University. Other highlights include the establishment of the Stephen Turnovsky Visiting Scholar Programme in the School of Economics and Finance and the sponsorship of the Solar Decathlon Meridian First Light house by Meridian Energy. The Solar Decathlon competition, run by the US Department of Energy, challenges each team to design, build and operate a solar powered house that is cost effective, energy efficient and attractive. It was a two-year project by students and staff from Victoria University's School of Architecture, as well as from the School of Design and from across the University. The team from Victoria was the first ever from the Southern Hemisphere to make the finals of the competition held in Washington DC. They finished third overall, which was a very impressive effort.

Enormous work was undertaken in 2011 on developing the draft Case for Support for Victoria University. The draft Case for Support describes Victoria's achievements and the importance, relevance and contribution of the University to its immediate community, to Wellington, and to New Zealand more widely. It also outlines Victoria's vision for the future, and the projects and programmes that can best deliver this,



Elaine McCaw
*(Chair, Victoria University
Foundation)*

and which are also of relevance and interest to sponsors and individual donors.

Victoria University is constantly looking to the future to ensure that it is well-placed to continue to deliver the top quality teaching and research, and the positive student experience, on which its reputation has been built for well over 100 years.

This forward planning process will involve some major strategic decisions. One such decision is the feasibility of the University conducting a major fundraising campaign in conjunction with the Victoria University Foundation, that will help to secure the University's long-term financial future.

An important first step in this process is to consult with key people in our wider community about the feasibility and precise nature of such a campaign. This feasibility study, using the draft Case for Support, will be undertaken in 2012 to help us determine what major fundraising initiatives will be actioned in the future.

I would like to take this opportunity to remind donors of the generous tax benefits now available, with virtually no upper limit on the level of donations eligible for a one third charitable gift taxation rebate. I hope this incentive will encourage even more people to follow the generous example of those who already support the Foundation.

Finally, for those for whom a gift in their lifetime is not feasible, a bequest to Victoria as a gift in their will is an option that

allows donors to know they will have made a difference in an area of special interest to them, without impacting their financial circumstances in their lifetime.

Lifetime gifts and bequests, donations—large and small—are all welcomed by the Foundation, helping to build Victoria's future and its reputation as a university of quality and standing in both teaching and research. I hope there is no greater reward for our donors and sponsors than knowing of the difference their generosity has made to an individual student or to a particular discipline.

On behalf of the Foundation I wish to record our huge appreciation for the outstanding role that Shelagh Murray has performed as our new Executive Director, leading a talented and dedicated team in the Development Office. Tricia Walbridge, in her new position as Director of Development Strategy, continues to work closely with the Foundation, focusing on new fundraising initiatives and developing the draft Case for Support.

Lastly I wish to record my thanks to my fellow Trustees, including Chancellor Ian McKinnon and Vice-Chancellor Professor Pat Walsh, along with the highly professional and dedicated staff that have supported the Foundation during my time as Chair. It has been a pleasure and honour to work with you.



Elaine McCaw

The Trustees



Elaine McCaw (Chair)
Director/Consultant



Graham Archer
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*Council Member, Pro-Chancellor,
Victoria University*



Professor Pat Walsh
Vice-Chancellor, Victoria University

Bequest supports students at Weir House

An alumnus who looked back fondly on his time at hall of residence Weir House left a bequest in his will to support future generations of residents.

Ian Longstaff's legacy after he died in 2010 ensured that the Weir House Alumni Scholarship he set up in 2004 continued for the benefit of students around New Zealand. Writing of his life, Ian noted: "These years in Weir I value very highly for the fine people I met there and friendships that have lasted through the years."

The scholarship, established through the Victoria University Foundation, assists first-year students with accommodation costs, particularly those who might otherwise not be able to consider study at Victoria for financial reasons.

Hannah Borgas, a second-year Biomedical Science student from Te Kuiti and the 2010 recipient of the scholarship, describes the scholarship as a "blessing".

"I'd saved throughout my life because Mum and Dad weren't in the position to fund my living expenses, but the scholarship just helped so much," says Hannah.

"I really appreciate Ian Longstaff's generosity and loved my time at Weir House."

"I'D SAVED THROUGHOUT MY LIFE BECAUSE MUM AND DAD WEREN'T IN THE POSITION TO FUND MY LIVING EXPENSES, BUT THE SCHOLARSHIP JUST HELPED SO MUCH."—HANNAH BORGAS



Ian, who had a physical disability from birth, stayed at the hall of residence for four years in the 1950s. Malcolm McCaw, who was at Weir House with Ian, remembers a lively and likeable young man.

"He was very much a part of life at Weir House whether we were playing cards or out supporting the Hall's rugby team. We all made some wonderful long-term friendships."

Ian was a member of the Weir House committee in 1953 and 1954 and also coxed the Victoria University eight rowing team. He graduated with a Bachelor of Commerce and went on to become a chartered accountant. Despite his disability, Ian led a full and active life, enjoying boating and sailing in his free time.

Inaugural Chancellor's Lecture

—Professor Sir Paul Callaghan

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New Zealander of the Year in 2011 and renowned scientist the late Professor Sir Paul Callaghan delivered Victoria University's Inaugural Chancellor's Lecture on 14 September 2011 to a full house of 1,500 people at the Wellington Town Hall.

The Chancellor's Lecture is funded by an anonymous donor though the Victoria University Foundation.

The Victoria professor's lecture was titled—*A prosperous 21st century New Zealand: educating for the new 'Tiger Economy'*.

Drawing upon his excellence in science and wide-ranging experience generally, Sir Paul argued that New Zealand's decline in prosperity is largely a result of our own choosing and that we have the capacity, simply by thinking and acting differently, to rapidly move ahead.

University Chancellor Ian McKinnon said the lecture was an insightful and stimulating address that culminated with a standing ovation for Sir Paul.

"Professor Callaghan was a world-renowned scientist and someone committed to ensuring New Zealand is able to punch above its weight financially and internationally. I am very pleased that we were able to offer a speaker of his calibre for Victoria University's Inaugural Chancellor's Lecture."

"PROFESSOR CALLAGHAN WAS A WORLD-RENOWNED SCIENTIST AND SOMEONE COMMITTED TO ENSURING NEW ZEALAND IS ABLE TO PUNCH ABOVE ITS WEIGHT FINANCIALLY AND INTERNATIONALLY."—CHANCELLOR, IAN MCKINNON

Sir Paul was a world-leading physicist in his field at Victoria University and at the MacDiarmid Institute for Advanced Materials and Nanotechnology, a centre of Research Excellence on Victoria's campus of which he was the founding director.

He died in April 2012 following a long battle with cancer.





Left to right:
Vice-Chancellor, Professor Pat Walsh
Ian McKinnon, Chancellor
Professor Sir Paul Callaghan

Bank of New Zealand Chair in Business in Asia

8

Pick up the newspaper or chat to a business colleague and the subject of the booming Asian economies is bound to come up. Yet there are significant challenges to increasing New Zealand business success in the region.

Professor Bob Buckle, Pro-Vice Chancellor of the Faculty of Commerce and Administration, says that the Bank of New Zealand Chair in Business in Asia—established through the Victoria University Foundation in 2011—will help address this.

“The emergence of Asia is bringing the centre of global economic activity significantly closer to New Zealand. The Chair will conduct research and offer insight to help businesses understand the issues and engage more successfully in Asia.”

Stephen Mockett, former Chief Operating Officer at the Bank of New Zealand, says the Bank is proud to support this initiative to facilitate business success.

“By bringing together the academic expertise of Victoria University, policy and regulatory knowledge of government organisations and the Bank’s business experience, the Chair will help open new doors for New Zealand business.”

Specifically the role of the Chair is to lead high quality academic research on Asia with a business and policy focus,

“BY BRINGING TOGETHER THE ACADEMIC EXPERTISE OF VICTORIA UNIVERSITY, POLICY AND REGULATORY KNOWLEDGE OF GOVERNMENT ORGANISATIONS AND THE BANK’S BUSINESS EXPERIENCE, THE CHAIR WILL HELP OPEN NEW DOORS FOR NEW ZEALAND BUSINESS.”—STEPHEN MOCKETT

which will build knowledge of Asian markets and business culture and practice in the region; undertake executive education to build capability in the corporate and SME business sector, the public sector and the professions working with New Zealand clients on their commercial operations in Asia; and initiate graduate teaching and public education programmes about doing business in Asia.

The Chair is also supported by the Ministry of Foreign Affairs and Trade, the Ministry of Economic Development and New Zealand Trade and Enterprise.



Catching up with old friends

At the end of September/ beginning of October, alumni events were held in Indonesia, Thailand and Vietnam, with a further two events hosted in Malaysia and Singapore in November.

Some Thai alumni model the Victoria University fridge magnets.

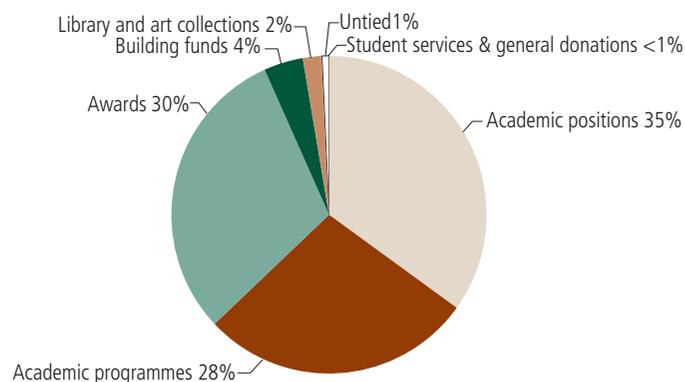
Left to right: Sanida Na Ranong, Jiraporn Tatiyapornsuk and Beli Taychamanoon.

Donations received

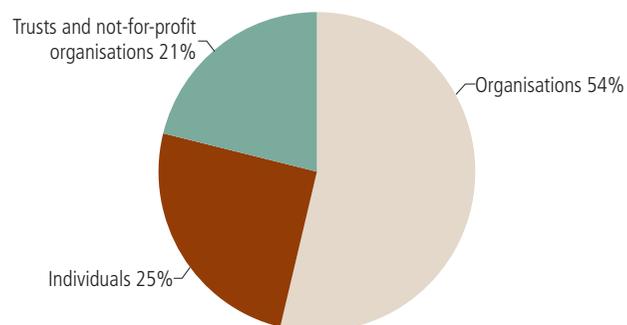
Total donations 2011—\$3,979,436

Members of the Victoria University Foundation

2011 Donations by Project Category



2011 Donations by Source



Individuals

- Gwendoline Angelo*
- Professor Tony Angelo ONZM
- Miles Armstrong
- Dr John Bailey*
- Paul Baines
- Thomas Ballinger*
- Professor Peter Barrett
- John Beaglehole
- Emeritus Professor Tim Beaglehole
- Lex Benson-Cooper
- Peter Biggs
- Tan Sri Datuk Halim Bin Saad
- Judge Ian Borrin
- Ian Boyd ONZM
- Karis Boyd*
- Daniel Bradshaw
- Richard Carlyon
- Colin Carruthers QC
- Danny Chan
- Joyce Chan
- Laywood Chan
- Yvonne Chan
- Dame Professor Margaret Clark DCNZM, CMG
- Professor Peter Coleman*
- Dr Robin Congreve
- The Right Honourable Sir Robin Cooke KBE, Kt, QC*
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- John Daish
- Edwin Davies*
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- Dr Robert Davies
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- Alan Eggers
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- Brian Hansen
- The Right Honourable Sir Michael Hardie Boys GNZM, GCMG, QSO
- Vivien Hirschfeld
- Emeritus Professor Sir Frank Holmes*
- Margot Hutchison
- Jack Ilott*
- The Right Honourable Sir John Jeffries
- Bryan Johnson

*Deceased

Sir Robert Jones
Brenda Joyce
Dr Lee Seng Tee
Margaret Lewisohn
Ian Longstaff*
Dr Gerard McCoy QC
Honourable Justice Sir John McGrath KNZM, QC
Mary McHardy
Sir Roy McKenzie ONZ, KBE*
John McKinnon
Erica McLean
John McLean
Professor Ken McNatty
Bob and Timi Morey
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David Newman
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Patsy Reddy
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Richard Scobie
Professor Shayle Searle
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Andrew Thomson
Sir John Todd KNZM, CNZM
Margaret, Lady Trotter
Sir Ronald Trotter*
Virginia Turner
John Upton QC
Professor Pat Walsh
Dr Ray Watters
Mary Weston
Justice Douglas White QC
Po Wong
**Deceased*

Organisations

1993 Suffrage Centennial Trust
Adam Foundation
Antarctica New Zealand
Asia:NZ Foundation
Bell Gully
BP Oil New Zealand Limited
Brierley Investments Limited
Buddle Findlay
Building Research Association of New Zealand
Cameron Family Trust
Cement & Concrete Association of New Zealand
Chapman Tripp
Chartwell Trust
Cisco NZ Ltd

Contact Energy Limited
Creative New Zealand
Datacom Group Limited
Deane Endowment Trust
Department of Internal Affairs
The Dominion Post
Ericsson Communications Ltd
Ernslaw One Limited
Fletcher Challenge Energy
FX Networks Ltd
Garfield Weston Foundation
Girls' Friendly Society
Health and Disability Intelligence
Holden Harper
Holdsworth Charitable Trust
IBM New Zealand Ltd
Independent Newspapers Limited
Industrial Research Ltd
International Rhino Foundation
InternetNZ
Izard Weston
J R McKenzie Trust - Deaf Development Fund
Jack Shallcrass Educational Trust
Jade Software Company
The Jordan Foundation
Les and Sonia Andrews' Cultural Foundation
Lion Foundation
Malaysian Government
Meridian Energy Ltd
Michael Hirschfeld Children's Trust
Microsoft New Zealand
Ministry of Defence
Ministry of Economic Development
Ministry of Foreign Affairs & Trade
Ministry of Social Development
Mitsubishi Motors NZ Ltd
National Bank
Natural Gas Corporation

New Zealand College of Management
New Zealand Community Trust
New Zealand Defence Force
New Zealand Federation of Graduate Women
(Wellington Branch)
New Zealand Law Foundation
New Zealand Lottery Grants Board
New Zealand Post Ltd
Powerco
PricewaterhouseCoopers
Renong Berhad
Roy McKenzie Foundation
Te Rūnanga o Ngāi Tahu
Saad Foundation
St John's in the City
Sound Investments International
South Pacific Pictures
Stewart Charitable Trust
Stout Trust
Sutherland Self Help Trust
Telecom New Zealand
TelstraClear Ltd
The Todd Foundation
The Treasury
Tower Corporation Holdings Ltd
Transpower New Zealand Ltd
Trinity Newman Foundation
Turnovsky Endowment Trust
US Fish and Wildlife Service
Vector Ltd
VicLink Ltd
W H (Bill) Vaughan Trust
Wellington City Council
Wellington Community Trust
Westpac Banking Corporation
Wigram Group
Wingnut Films Ltd
The Zoological Society of San Diego

Community spirit inspires family of donors

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On the wall of Laywood and Joyce Chan's home, in Chinese characters, hangs their family philosophy.

"Bear in mind benevolence and righteousness.

Act with devotion and steadiness.

Discipline yourself with modesty and diligence.

Be honest and tolerant towards others.

Devote yourself to your career and be one with the community."

That spirit, says Laywood, encouraged the Chans to support the work of Victoria University.

"I've always thought that education was essential for people. I never had the opportunity to attend high school, let alone university, but I knew it was important," says the businessman, who has shared the philosophy with his six children, several of whom graduated from Victoria.

In 2008, he established the Laywood Chan Charitable Trust Scholarship for the top student studying Chinese history, culture or language at Honours or Master's level.

"It is more rewarding to give than to receive," says Laywood, who was recognised with membership of the Victoria University Foundation, which honours the most significant donors.

In 2011, Laywood made a further generous donation to

**"I WOULDN'T BE HERE TODAY WITHOUT MY VICTORIA EDUCATION
—WHEN YOU GO OUT INTO THE WORLD, YOU APPRECIATE THAT THE
QUALITY OF EDUCATION IN NEW ZEALAND IS SO HIGH,"—YVONNE CHAN**

honour his wife Joyce with membership of the Foundation and the couple renamed the scholarship the Laywood and Joyce Chan Scholarship, enabling two scholarships to be awarded annually. Most recently, he gifted an apartment to the Foundation—the proceeds from which will support a new project.

Daughter Yvonne Chan, a partner in New York law firm Paul Weiss, has also been a very generous supporter of her alma mater.

"I wouldn't be here today without my Victoria education—when you go out into the world, you appreciate that the quality of education in New Zealand is so high," says Yvonne.

She supports a biennial conference in international economic law at the Law School and has established a Visiting Fellowship with Renmin University in China to bring legal scholars to Victoria.

"My parents always appreciated the value of education. Education is not only very important for social mobility; it's part of a person's wellbeing," she says.



Disbursements made

Total funds disbursed in 2011—\$2,753,705

\$100,000 and over

- Antarctic Climate and Ice Modelling
- Antarctic Research Fellowship
- Chair in e-Government
- Chair of Malay Studies
- IRL Postgraduate Scholarships
- Malaghan Institute Melanoma Programme
- Solar Decathlon Project

\$25,000 – \$99,999

- Curtis-Gordon Research Scholarships in Chemistry
- DeSForM Conference
- Girls' Friendly Society Scholarship
- International Institute of Modern Letters

- J D Stout Fellowship
- Lights over Victoria
- New Zealand Climate Change Research Institute Conference
- PhD Scholarship: Biodiversity and Restoration Ecology
- Poetry Anthology Award
- Postgraduate Diploma in Sign Language Interpreting Award
- Reserve Bank Professorial Fellowship in Monetary & Financial Economics
- Robert Bostock Scholarships
- St John's Associate Professorship in Christian Theology
- Sir Howard Kippenberger Chair in Strategic Studies
- Writer-in-Residence

\$10,000 – \$24,999

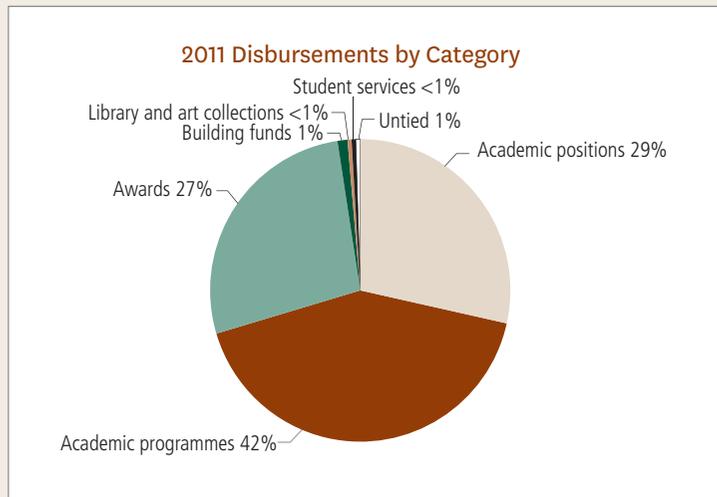
- Alumni Appeal Student Scholarships
- Antarctic Research Centre Development Fund Grants
- Barbara Finlayson Music Scholarship
- Chancellor's Lecture
- Dan F Jones Scholarship in Science
- David Beattie Trust
- Don Trow Visiting Fellowship in Accounting Research
- International Law Conference
- Jack Pearce Scholarship in New Zealand or English History
- J C Richards Postgraduate Music Scholarship
- JL and KM Stewart Postgraduate Research Experience Travel Awards
- Kathleen Stewart Scholarship
- Law School Students Mooting Project
- Laywood and Joyce Chan Scholarship
- Mainzeal Undergraduate Scholarships
- New Zealand School of Music Young Musicians' Programme Scholarships
- New Zealand Theatre Archive
- NZIA Graphisoft Student Design Award
- Postgraduate Scholarship in Classical Piano Performance
- TelstraClear Scholarship

\$5,000 – \$9,999

- Christian Theology Library
- CL Bailey Nursing Education Trust Project
- Clare Galambos-Winter Music Scholarships
- Critic/Curator-in-Residence
- Global Enterprise Experience
- Hunter Scholarships
- Ian Borrin Visiting Fellowship
- Ian Gordon Fellowship
- J L Stewart Scholarship
- Michael Hirschfeld Chair in Scriptwriting
- New Zealand Federation of Graduate Women (Wellington Branch) Master's by Thesis Scholarship
- S T Lee Antarctic Annual Lecture
- T J A Ballinger Scholarship
- Wellington Botanical Society Grant

Under \$5,000

- A M Campbell Bequest
- Adam Art Gallery Development Fund
- Adam Foundation Prize in Creative Writing
- Alex Scobie Research Scholarship
- Alison Morton Scholarship in Ecology and Marine Biology
- Andrea Brander Accommodation Bursary Fund
- Anonymous Music Grant
- Ariadne Danilow Prize in Music
- Asia Politics Prize
- Averil Brent Scholarship in Science
- BDO Spicers Scholarship
- Bernard Galvin Prize
- Bernard Randall Prize in Family Law
- Biggs Family Prize in Poetry
- Boyd-Wilson Field Upgrade Project
- Bridget Read Master's Scholarship in Ecology
- Certificate of University Preparation Scholarships
- Chartwell Trust Student Art Writing Prize
- Chris Pottinger Memorial Prize for English
- Christina Beal Memorial Prize
- Clare Galambos-Winter Prize in Holocaust Studies
- Coleman-Brown Memorial Award
- CPA Australia Prize in Accounting
- Cullen Employment Law Prizes
- D F McKenzie Prize Fund



Victoria Legacy Club members

Legacy

Datacom Scholarship in Computer Science
 David Carson-Parker Embassy Trust Prize in Scriptwriting
 Deane Endowment Trust Award
 Dr Reg Tye Prize in Victorian Literature
 Elaine Geering Scholarship in English Literature
 English-Speaking Union Award
 Gamelan Conference Fund
 Garrett Chinese Language and Literature Prize
 Hawkins Prize
 Henry Lang Fellowship
 Holmes Prize in Public Policy
 Humanist Society of New Zealand Eileen Bone Scholarship
 Ian Pollard Organ Scholarship
 Ilse B Steinberger Prize in Primary Teaching
 Information Systems Audit & Control Association (Wellington) Prize
 James E Worsfold Scholarship
 Jan Whitwell Scholarship in Economics
 Jenny Whitmarsh Award for Mathematics
 John F Kennedy Prize in American Government and Politics
 John F Kennedy Prize in American History
 John Fitzgerald Memorial Award
 John Gamble Geology Award
 John Miller Law Award

Kapiti Chorale Award in Vocal Performance
 Khanna Prize
 Te Kōrako Prizes
 Korean Ambassador's Prize
 KPMG Prize
 Laurie Cameron Scholarship
 Laywood Chan Charitable Trust Scholarship
 Les and Sonia Andrews' Cultural Foundation Music Scholarship
 Lord Cooke Prize
 Margaret Nielsen Music Scholarship
 Marsh Postgraduate Prize
 Mathematics and Science Education Centre
 Maurice Gee Prize in Children's Writing
 Maurice Goldsmith Prize in Philosophy
 Max Julian Prize in Ethnomusicology
 May Gordon Prize in English Literature
 Mike Moore Prize
 N N Danilow Memorial Prize
 N N Danilow Scholarship in Modern European Languages
 Native Land Court Publication
 New Zealand Business & Parliament Trust Prize
 New Zealand Federation of Graduate Women (Wellington Branch) Graduate Scholarship
 New Zealand Federation of Graduate Women (Wellington Branch) Second Year Scholarship

Nora Bateson Scholarship in Librarianship
 NZICA Prizes in Accounting
 PFM Burrows Scholarship
 Phillida Bunkle Prizes in Women's Studies
 Puertas Quartet Tour
 R W Steele Scholarship in Accounting
 Roderick Alley Prize in Human Rights
 Ross McQueen Memorial Award
 Rotary Club of Wellington Prizes for Science
 Saad Foundation Lecture
 Sand Dune Restoration Project
 Scholarship in Spirituality in Ageing
 Shayle Searle Prize in Statistics
 Sir Roy McKenzie Deaf Scholarship
 Story Inc Prize in Poetry
 Sustainable Futures Travel Award
 Swafford Family Scholarship
 Unlimited Potential Prize
 Val Gormly Memorial Prize
 Vis Moot Law Team
 Von der Oelsnitz Scholarship
 Weir House Alumni Accommodation Scholarship
 Wellington Women Lawyers Scholarships
 W H (Bill) Vaughan Trust Scholarship in Mathematics
 William Wallace Gibson Memorial Scholarship in Religious Studies
 Zander/Durden Families Prize

Graham and Mary Ansell
 Dr Margaret Bailey
 Professor Peter Barrett
 Ian Baumgart QSO and Nesta Baumgart
 Emeritus Professor Tim Beaglehole and Helen Beaglehole
 Phillip Beavon and Suzanne Wood
 Dr Marie Bell CNZM
 Judge Ian Borrin
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 Sahra Grinham and Dennis Chippindale
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 Graham Hill
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 John Hunter
 Erika Kremic
 David Lascelles
 Malcolm McCaw
 Doris and Peter Macdonald
 Dr Geraldine McDonald CNZM
 Juliet McKee QSO

Joy McNicoll
 Dr David Madle and Elizabeth Madle
 Emeritus Professor Athol Mann CMG
 Dr Angela Martin
 Dr Anne Meade CNZM
 Diana Meads
 Iris Mee
 Jim and Barbara Milburn
 Valerie Moreland
 Dr Ken Perszyk
 Kristelle Plimmer
 Vaughan and Gillian Preece
 Dame Alison Quentin-Baxter DNZM QSO
 Susan Rhind
 Yvonne Riddiford
 Dr Roger Ridley-Smith
 Emeritus Professor Roger Robinson
 Rod Ruddick
 Dr Glenn Swafford
 Monica Taylor
 Tricia Walbridge
 Professor Pat Walsh

New visiting fellow programme in economics

Victoria University alumnus Professor Stephen Turnovsky made a substantial donation to establish a Visiting Scholar Programme at Victoria's School of Economics and Finance.

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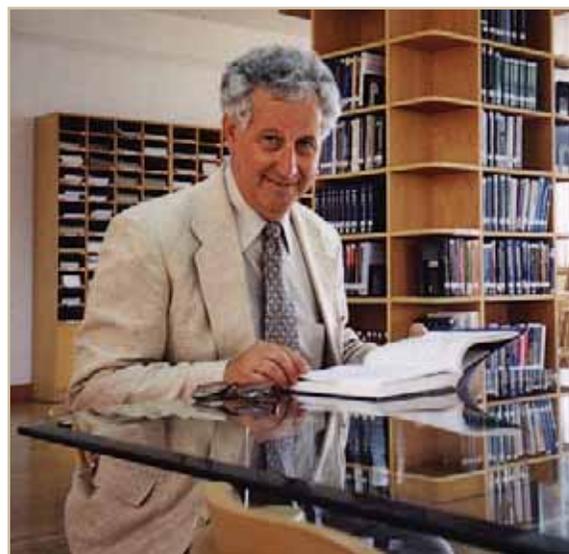
A distinguished international scholar and researcher in economics, Stephen completed a Bachelor of Arts in Mathematics at Victoria in 1962 and a Master of Arts with First Class Honours in Mathematics in 1963 before completing a PhD in Economics at Harvard.

"I have been fortunate to have a successful career and for that I owe a great debt to Victoria for the start that it gave me," Professor Turnovsky says.

"Much of my career has involved joint work, which is how the economics profession has been evolving over the past 20 years or so—and which I personally have found very rewarding. Part of my motivation is to facilitate that kind of development at Victoria.

"My hope is that Victoria will bring out interesting scholars from abroad resulting in some productive interactions, including collaborative research."

Professor Morris Altman, Head of the School of Economics and Finance, is excited about the research that will come out of the new programme. "The programme will contribute to the enrichment and intensity of research activity in our school," he says.



**"MY HOPE IS THAT VICTORIA WILL BRING OUT INTERESTING SCHOLARS FROM ABROAD RESULTING IN SOME PRODUCTIVE INTERACTIONS, INCLUDING COLLABORATIVE RESEARCH."
—PROFESSOR STEPHEN TURNOVSKY**

The programme has been established through the Victoria University Foundation. The first scholar will take up the position in mid-2012 for a period of one to two months. Funding will cover return airfares, accommodation and other expenses.

Professor Turnovsky has held academic appointments in the United States, Canada and Australia, as well as working extensively in a number of other countries. He currently holds the Castor Chair of Economics at the University of Washington in Seattle, where he has been for the past 24 years. His research focuses on the application of mathematical models and methods to the analysis of economic problems, particularly the dynamic aspects.

UK and US friends

United Kingdom Friends of Victoria University of Wellington

The UK Friends is a registered charity in England and Wales and can recover, under the UK Government's Gift Aid Scheme, the basic rate tax paid by any donor who is a UK taxpayer, at no extra cost to the donor or to the Friends.

The Trustees are:

James McArthur
Wayne Morgan
Shelagh Murray
Audley Sheppard



*View from
New Zealand House,
London*

United States Friends of Victoria University of Wellington

The US Friends is a 501(c)(3) tax exempt US non-profit organisation and donations are tax deductible to the full extent allowed by law. The Friends accept donations by check, appreciated stock, matching gifts and planned giving, including bequests. The US Friends can also accept tangible property.

The Directors are:

Professor Roger Clark (President)
Mark Cook (Treasurer)
Gerald Hensley (Secretary)
Alexander Blades
Peter Bryant
Yvonne Chan
James Genever
Erica McLean

Victoria team third in Solar Decathlon

As the teams in the 2011 Solar Decathlon packed into the main tent on West Potomac Park in Washington DC, there was silence as they waited for the announcement of the awards.

Minutes later, the Victoria team leapt in the air, ecstatic—they had finished third in the prestigious international competition.

The team's Meridian First Light house—inspired by the Kiwi bach—ended with a total of 919 points in the US Department of Energy Solar Decathlon, a competition run to promote solar technology. The winner of the competition, that involved 19 university teams from around the world, was the University of Maryland with 951 points.

“While we may not have won overall, we were incredibly proud to have represented New Zealand on the world stage. We had such an amazing response from the US public along with supporters back home,” says team member Nick Officer.

The team was the first ever from the Southern Hemisphere to make the finals of the competition, which challenges teams to design, build and operate solar-powered houses that are cost-effective, energy-efficient and attractive.

The competition is made up of 10 contests in a number of different areas including energy balance, home entertainment, architecture and engineering.

The Victoria University team had high scores in many of the contests, winning the Engineering contest, gaining first equal in Hot Water and Energy Balance, second for Architecture and third for Market Appeal.

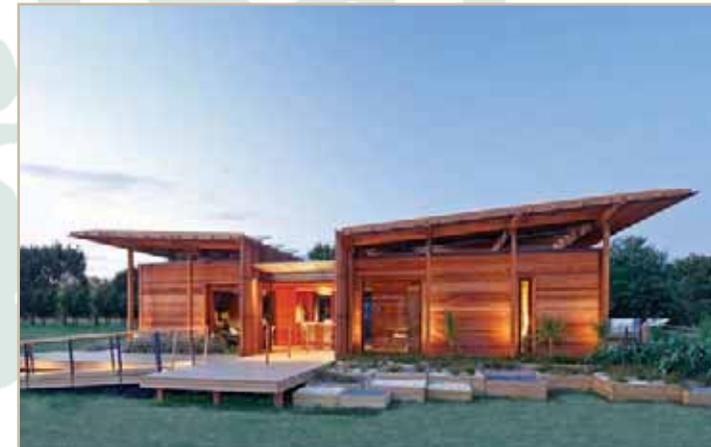
“Our house performed how we designed it, and it looked great too,” says Nick. “It managed to produce more energy than it consumed over the competition period, achieving net zero energy consumption, despite 10 days of undesirable weather.”

The house maximises the use of solar energy while minimising energy use. It has four layers of wool insulation, solar panels above the house that power all the electrical appliances (including the ventilation and heating systems) and the windows are triple glazed.

“The house is a result of two years of hard work by students and staff from Victoria, and the support of our amazing sponsors. What started out as a project in the School of Architecture expanded to include people from right across the University and beyond,” says Nick.

“The best part is that thousands of visitors to the Meridian First Light house came away learning about what makes the New Zealand lifestyle unique.”

The principal sponsor of the project was Meridian Energy, through the Victoria University Foundation. In addition, there were a large number of sponsors who donated in-kind goods and services through the Foundation.



“OUR HOUSE PERFORMED
HOW WE DESIGNED IT, AND
IT LOOKED GREAT TOO.”
—NICK OFFICER



Contributing to finance policy

20

What are the financial implications of an ageing population? Is government expenditure on welfare sustainable? And what does global public debt mean for New Zealand?

A new Chair in Public Finance at Victoria funded through the Victoria University Foundation will consider these issues and more. Professor Norman Gemmell joined the School of Accounting and Commercial Law in November 2011, as the first incumbent of the new Chair in Public Finance. Established by Victoria University, with sponsorship from the three New Zealand government departments (Inland Revenue, Ministry for Social Development and Treasury) and PricewaterhouseCoopers (PwC), the new Chair aims to bring together academic research on public finance with applications to tax policy in practice. Professor Gemmell comes to the role having previously been Chief Economist and Principal Adviser (Tax) at The New Zealand Treasury (2007-11), an Assistant Director of the UK Inland Revenue's Research Department (2003-06), and Professorial Research Fellow (1999-2007) and Professor of Development Economics (1996-99) at the University of Nottingham, UK. He also helped set up, and participated in, the recent VUW Tax Working Group which advised the Minister of Finance on the major tax reforms included in his 2010 Budget.

Along with research to generate a greater understanding of public finance, the Chair will undertake teaching within the Faculty and work with academics at Victoria and other universities in New Zealand as well as internationally.

“THE NEW CHAIR WILL REINFORCE THE LINKS BETWEEN RESEARCH AND PUBLIC POLICY BY FOCUSING ON CRITICAL FISCAL POLICY ISSUES FACING NEW ZEALAND.”—PROFESSOR BOB BUCKLE, PRO VICE-CHANCELLOR OF THE FACULTY.

“We have recently seen significant public contribution through the Tax Working Group, which combined Victoria's expertise through the Centre of Accounting, Governance and Taxation Research with that of the Treasury and the Inland Revenue Department, and through University staff participation on government advisory groups.

“I hope that the Chair in Public Finance can also make a significant contribution to public debate and discussion, and to rigorous academic research that can inform government policy,” says Professor Buckle.

Peter Hughes, former Chief Executive of the Ministry of Social Development (now Head of School, School of Government at Victoria), said that the Chair will address some big challenges facing New Zealand in the coming years.

“The state of public finances affects all New Zealanders, and joining up academia with the private sector and public sector gives us the best chance of addressing the really hard problems.”

“Improving our understanding of the distributional impacts of different types of taxes, public spending and welfare policies is vital if we are to develop and implement policies to make a real difference in the lives of New Zealanders.”



Left to right:

Peter Hughes, Chief Executive, Ministry of Social Development

John Shewan, Chairman, PricewaterhouseCoopers

Professor Pat Walsh, Vice-Chancellor

Andrew Kibblewhite, Deputy Chief Executive, Treasury

Bob Russell, Commissioner, Inland Revenue Department.

(Positions held as at 9 May 2011)



The 2011 Distinguished Alumni Awards gala dinner was held at the Wellington Town Hall and sponsored by *The Dominion Post* and the Wellington Convention Centre. The University presented six awards to graduates who now rank among New Zealand's most influential leaders, thinkers and creative talent. They are entrepreneur Rod Drury, lawyer Sir Thomas Gault, artist Piera McArthur, former Mayor of Wellington Kerry Prendergast, professional accountant John Shewan and film director Taika Waititi.

Left to right

Back row: Vice-Chancellor, Professor Pat Walsh; former Mayor of Wellington, Kerry Prendergast; film director, Taika Waititi; and lawyer, Sir Thomas Gault.

Front row: Chancellor, Ian McKinnon; entrepreneur, Rod Drury; professional accountant, John Shewan; and artist, Piera McArthur.

Financial Statements

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INDEPENDENT AUDITOR'S REPORT
TO THE READERS OF
VICTORIA UNIVERSITY OF WELLINGTON FOUNDATION'S
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

The Auditor-General is the auditor of Victoria University of Wellington Foundation (the Trust). The Auditor-General has appointed me, Stuart Mutch, using the staff and resources of Ernst & Young, to carry out the audit of the financial statements of the Trust on her behalf.

We have audited the financial statements of the Trust on pages 27 to 36, that comprise the statement of financial position as at 31 December 2011, the statement of comprehensive income and statement of movements in funds for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information.

Opinion

In our opinion, the financial statements of the Trust on pages 27 to 36:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect the Trust's:
 - financial position as at 31 December 2011; and
 - financial performance for the year ended on that date.

Our audit was completed on 13 April 2012. This 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 our responsibilities, and we explain our independence.

Basis of opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the Trust's preparation of financial statements that fairly reflect the matters to which they relate. We consider internal controls in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal controls.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Trustees;
- the adequacy of all disclosures in the financial statements; and
- the overall presentation of the financial statements.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements. We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Responsibilities of the Trustees

The Trustees are responsible for preparing financial statements that:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect the Trust's financial position and financial performance.

The Trustees are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Trustees' responsibilities arise from the Trust Deed.



Chartered Accountants

Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you based on our audit. Our 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 New Zealand Institute of Chartered Accountants.

Other than the audit, we have no relationship with or interests in the Trust.

A handwritten signature in black ink, appearing to read 'Stuart Mutch', written over a horizontal line.

Stuart Mutch
Ernst & Young
On behalf of the Auditor-General
Wellington, New Zealand

Victoria University of Wellington Foundation
Trustees' Review
For the year ended 31 December 2011

Financial position

	Trust \$
Net income	2,021,270
Retained earnings as at 1 January 2011	15,543,838
Retained earnings as at 31 December 2011	17,565,108
The state of the Trust's affairs as at 31 December 2011 was:	
Assets	17,856,472
These were financed by:	
Trust funds	17,565,108
Liabilities	291,364
	17,856,472

Principal activities

The principal activities of the Victoria University of Wellington Foundation (the "Foundation") during the year, were to raise funds from private parties for projects that promote academic excellence at Victoria University of Wellington (the "University").

Remuneration and other benefits

There is no remuneration and other benefits paid, or due and payable, to the Trustees of the Foundation for services as Trustees during the year ended 31 December 2011 (2010: \$Nil).

Audit fees

2011 Audit fees for the Foundation are paid by its parent the University, valued at \$11,760 (2010: \$10,800).
For and on behalf of the Trustees as at 13 April 2012:



Elaine McCaw
Trustee



Pat Walsh
Vice-Chancellor

Statement of Comprehensive Income
For the year ended 31 December 2011

	Notes	Trust funds	
		31-Dec-11	31-Dec-10
		\$	\$
Revenue			
Donations—External		3,907,672	1,965,331
Donations—Related parties		71,764	6,687
Rental Income		5,004	-
Interest		151,266	115,243
Realised gains / (losses)	2	-	(9,047)
Unrealised (losses) / gains	2	(209,705)	216,105
Dividends	2	904,126	549,855
Total revenue		4,830,127	2,844,174
Expenses			
Investment management fees		55,152	52,513
Grants made		2,753,705	2,055,181
Total expenses		2,808,857	2,107,693
Net surplus		2,021,270	736,481
Other comprehensive income		-	-
Total comprehensive income attributable to the Trust		2,021,270	736,481

The Statement of Accounting Policies and the Notes to the Financial Statements form part of and should be read in conjunction with this Statement.

Statement of Movements in Funds
For the year ended 31 December 2011

	Notes	Trust funds	
		31-Dec-11	31-Dec-10
		\$	\$
Funds at beginning of year		15,543,838	14,807,357
Total comprehensive income / (loss) attributable to the Trust		2,021,270	736,481
Trust funds at end of year		17,565,108	15,543,838

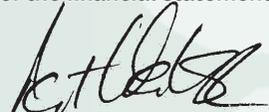
The Statement of Accounting Policies and the Notes to the Financial Statements form part of and should be read in conjunction with this Statement.

Statement of Financial Position
As at 31 December 2011

	Notes	Trust funds	
		31-Dec-11 \$	31-Dec-10 \$
Total accumulated funds	7	17,565,108	15,543,838
Current liabilities			
Accounts payable and accruals	6	188,733	176,620
Revenue received in advance		102,632	127,632
Total funds and liabilities		17,856,472	15,848,090
Non current assets			
Investments—Peter McIntyre painting		9,500	9,500
Investments—Property		205,000	-
Total non current assets		214,500	9,500
Current assets			
Accounts receivable		25,236	21,772
Receivable accrual		7,530	-
Cash and cash equivalents	4	3,884,390	2,786,422
Financial assets at fair value	5	13,724,816	13,030,396
Total current assets		17,641,972	15,838,590
Total assets		17,856,472	15,848,090

For and on behalf of the Trustees, who authorised the issue of the financial statements as at 13 April 2012:


Elaine McCaw
Trustee


Pat Walsh
Vice-Chancellor

The Statement of Accounting Policies and the Notes to the Financial Statements form part of and should be read in conjunction with this Statement.

Notes to the Financial Statements For the year ended 31 December 2011

1 Statement of accounting policies

A Corporate information

The financial statements of the Foundation for the year ended 31 December 2011 were authorised for issue in accordance with a resolution of the Trustees on 13 April 2012.

The Foundation is a Charitable Trust registered under the Charities Act 2005. The Foundation is a wholly owned controlled trust of its parent the University.

The Foundation was established on 1 October 1990 for the purpose of raising funds from sources external to the University—its parent—for use in University projects. Certain funds raised are donated for specific projects. The amount unexpended on these specific projects is held in trust funds. The Foundation is domiciled in New Zealand. Its registered office and principal place of business is in Wellington.

B Basis of reporting

The financial statements have been prepared in accordance with generally accepted accounting practices in New Zealand (NZ GAAP) and the requirements of the Crown Entities Act 2004 and the Charities Act 2005.

In applying the Foundation's accounting policies, management continually evaluates judgements, estimates and assumptions based on experience and other factors, including expectations of future events that may have an impact on the Foundation. All judgements, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. Significant judgements, estimates and assumptions made by the management in the preparation of these financial statements are outlined in the "Summary of Significant Accounting Policies".

The financial statements are presented in New Zealand Dollars and all values are rounded to the nearest dollar (\$).

Differential reporting

The Foundation qualifies for differential reporting as:

- a) the Foundation does not have public accountability;
- b) the Foundation is not considered large, as defined by the Framework.

The Foundation has taken advantage of all available differential reporting exemptions.

C Statement of compliance

The financial statements have been prepared in accordance with NZ GAAP. They comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), as appropriate for non-profit-oriented entities that qualify for and apply differential reporting concessions. The Foundation is a public benefit entity for the purposes of complying with NZ GAAP and all available Public Benefit Entity exemptions have been adopted.

D Accounting standards issued but not yet effective

The Trust has not elected to early adopt any new standards or interpretations that are issued but not yet effective, as they are not expected to have an impact on the Trust. The following amendments to standards are issued but not yet effective and apply to the Trust:

- Amendments to NZ IAS 1 - Presentation of Financial Statements - Presentation of Other Comprehensive Income, effective for the period beginning 1 January 2013.
- Amendments to NZ IFRS to Harmonise with IFRS and Australian Accounting Standards, effective for the period beginning 1 January 2012.

E Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

Accounts payable

Accounts payable are recognised upon receipt of the goods or when the service has been performed and are measured at the agreed purchase contract price, net of applicable trade and other discounts, being fair value of the transaction and then accounted for at amortised cost. Amounts owing are unsecured and are generally settled on 30 day terms.

Accounts receivable

Accounts receivable, which generally have a 30 day payment term, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

Cash and cash equivalents

Cash and cash equivalents include cash at bank and short term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial instruments

Non-derivative financial instruments comprises of units in managed funds, equities and fixed interest instruments, cash and cash equivalents, trade and other receivables and trade and other payables (as outlined within these accounting policies). These are classified in accordance with NZ IAS 39 as set out in Note 3 of the financial statements. Initial and subsequent measurement requirements for specific financial instruments are outlined in these accounting policies.

All financial instruments are recognised in the Statement of Financial Position when the Trust becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Trust's contractual rights to the cash flows from the financial assets expire or if the Trust transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Financial liabilities are derecognised if the Trust's obligations specified in the contract expire or are discharged or cancelled.

Loans and receivables and other financial liabilities

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market and which are not classified as available for sale or designated at fair value through income or loss within the Statement of Comprehensive Income. At initial recognition loans and receivables and other financial liabilities are measured at fair value on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition loans and receivables and other financial liabilities are recognised at amortised cost using the effective interest method. Loans and receivables are adjusted for impairment losses if impaired. Gains and losses are recognised through income or loss within the Statement of Comprehensive Income when loans and receivables and other financial liabilities are derecognised or when loans and receivables are impaired.

Fair value through Income or Loss

Fair value through income or loss within the Statement of Comprehensive Income, financial assets comprise of equity and debt securities held in managed portfolios. All purchases of securities are initially measured at fair value on trade date, when the related contractual rights or obligations exist, with transaction costs being recognised through income or loss within the Statement of Comprehensive Income immediately. Subsequent to initial recognition, these financial assets are periodically revalued to the current fair value. Fair value movements are recognised through income or loss within the Statement of Comprehensive Income.

Foreign currency

Both the functional and presentation currency of the Company is New Zealand dollars (\$). Foreign currency transactions have been recorded in the functional currency at the exchange rate prevailing at the date of the transaction. Exchange differences relating to amounts payable and receivable in foreign currencies are brought to account as exchange gains or losses through the income or loss within the Statement of Comprehensive Income.

Other Investments

Investments in paintings are recorded at cost without depreciation.

Investment property is held to earn rentals or capital appreciation or both. Investment in property is recognised at the market value at that time of ownership transfer in the Statement of Financial Position. Subsequent to initial recognition, investment property is carried at market value. The rental income and direct operating expenses arising from investment property are recognised through the income or loss within the Statement of Comprehensive Income.

GST

Revenue, expenses and assets are recognised net of the amount of GST.

All GST liability is transferred to the University Tax Group. The net amount of GST recoverable from, or payable to, the University is included as part of receivables or payables in the Statement of Financial Position. Commitments and contingencies are disclosed net of the amounts of GST recoverable from, or payable to the University.

Trust funds

The term “Trust Funds” relates to those funds for which control has passed to the Trust to fulfill the objectives of the Trust and that are held but not yet applied in accordance with donor requirements, or that are held as a capital sum, the interest from which is to be applied as directed by the donor.

Grants

Funds received from Donors are reflected in the Statement of Financial Position as “Revenue received in advance”, where fulfilment of any contractual obligation is yet to occur. When the contractual obligation has been fulfilled, grant revenue is recognised through income within the Statement of Comprehensive Income.

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Foundation and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

- a) Donations received by the Foundation for particular purposes are recorded as revenue on a cash basis or in kind, where a fair value is attributed to the donation through the income or loss within the Statement of Comprehensive Income. Donations received consist of both endowed and non-endowed fund. Endowed funds cannot be disbursed by the Trust, the capital must remain intact whereas non-endowed funds can be disbursed by the Trust at anytime in accordance with the donor’s wishes.
- b) Interest income is recognised as it accrues using the effective interest method taking into account the interest rates applicable to the financial asset.
- c) Dividend income is recognised when the right to receive payment is established.

Rental Income

Rental income from investment properties is accounted for on a straight-line basis over the lease term.

Taxation

The Inland Revenue Department treats the Foundation, for the purposes of income tax, as a charitable organisation. Accordingly no charges for income tax apply or have been provided for.

Changes in accounting policies

There have been no changes in accounting policies. All accounting policies have been applied on bases consistent for both years presented in these Financial Statements.

2 Unrealised gains / (losses) on investments

Investments held by the Foundation include investment in fixed interest and equity securities of various New Zealand and offshore entities. These investments are revalued to fair value at balance date.

All the listed investments are priced off the market whilst each unit of funds is valued by the Fund Manager. The investments are revalued monthly based on market price. For investments that are actively traded in organised financial markets, fair value is determined by reference to Stock Exchange quoted market bid prices at the close of business on the balance sheet date.

3 Financial instruments

	Note	Assets at fair value through income or loss \$	Loans and receivables at amortised cost \$	Other liabilities at amortised cost \$
31-Dec-11				
Cash and cash equivalents		-	3,884,390	-
Accounts receivable and other receivables		-	32,766	-
Investments		13,724,816	-	-
Accounts payable and other accruals		-	-	175,725
31-Dec-10				
Cash and cash equivalents		-	2,786,422	-
Accounts receivable and other receivables		-	21,772	-
Investments		13,030,396	-	-
Accounts payable and other accruals		-	-	167,513

All financial liabilities are expected to be paid in 0 to 6 months.

4 Cash and cash equivalents

	31-Dec-11 \$	31-Dec-10 \$
Cash at bank	2,315,593	733,657
Short term deposits	1,568,797	2,052,765
	<u>3,884,390</u>	<u>2,786,422</u>

From time to time during the year, cash which was surplus to immediate requirements was invested at call or on short term deposit. If required, the short term deposits can be converted to cash overnight.

5 Investments

Investments held by the Trust include investment in fixed interest and equity securities of various New Zealand and offshore entities. These investments are managed by Tyndall Investment Management New Zealand Limited.

	31-Dec-11	31-Dec-10
	\$	\$
International managed funds	2,495,355	2,664,344
Australian equity securities	3,123,837	3,176,540
Fixed interest securities funds	8,105,624	7,189,512
	13,724,816	13,030,396

6 Accounts payable and accruals

	31-Dec-11	31-Dec-10
	\$	\$
Accruals	62,446	13,059
Payables and Accruals to Related Parties	126,287	163,561
	188,733	176,620

7 Trust funds

By Category:	31-Dec-11	31-Dec-10
Academic Positions	5,021,106	4,227,057
Academic Programmes & Institutes	3,210,067	3,078,461
Awards	7,912,870	7,063,934
Building Funds	158,902	30,005
Library and Art Collections	252,284	181,862
Student Services	6,871	17,523
General Donations	1,003,008	944,996
	17,565,108	15,543,838
 By Type:	 31-Dec-11	 31-Dec-10
Endowed Capital	11,803,802	10,198,299
Non-Endowed Capital	5,761,306	5,345,539
	17,565,108	15,543,838

Endowed Capital are those funds which are held as a capital sum, the annual interest from which is to be applied as directed by the donor. Non-Endowed Capital are those funds which are held but not yet applied in accordance with donor requirements due to timing of projects.

8 Contingent liabilities

There are no contingent liabilities at balance date (2010: \$Nil).

9 Related party transactions

The Foundation exists to raise funds for the benefit of the University. It is a controlled entity of the University as the Trustees of the Foundation are appointed by the University Council.

The Foundation made grants to the University in 2011 of: \$773,839 (2010: \$979,740).

The Foundation made grants to the Research Trust of Victoria University of Wellington in 2011 of: \$1,319,751 (2010: \$846,824).

The Foundation received donations from key management personnel in 2011 of: \$900 (2010 : \$21,800). At the end of 2011 a new Trustee scholarship was established and donations for 2012 will reflect this.

10 Capital commitments

There are no amounts committed for future capital expenditure (2010: \$Nil).

11 Capital management policy

The Foundation actively manages its capital position. Management's objective is to ensure the Foundation continues as a going concern and has adequate funds for projects funded by private parties that promote academic excellence at the University.

12 Subsequent events

There were no events subsequent to balance date requiring disclosure in the financial statements (2010: None).



