



2010

Annual

Report



“ Learning from tutors and other apprentices on block courses is really important... You hear other stories and you share ideas and you can take those back when you're on the tools. **”**

A black and white photograph of a person's hands working on an electrical panel. The person is using a digital multimeter to test a component. The panel is filled with wires, switches, and other electrical components. The background shows a building's exterior with horizontal siding.

Contents

- 02 Chairman's Message
- 04 CEO's Report
- 06 Initiatives 2010
- 10 Industry Training Statistics
- 12 Plans for 2011-2013
- 15 Financial Situation
- 16 Financial Statements
 - Summary Income Statement
 - Summary Statement of Movements in Equity
 - Summary Balance Sheet
 - Auditor's Letter
- 20 List of Board Members & Staff

Chairman's Message



Although at the beginning of the year many 'experts' were predicting that the economy would improve significantly in 2010, the recession has continued to plague the economy generally and the building sector has certainly been badly affected.

The earthquake in Christchurch in September on its own would have had a mayor impact, but with the much more devastating quake on 22 February 2011, the whole country is now facing some very big challenges. The

PGDR ITO is working with the other building sector ITOs to determine how we can collectively contribute to meeting the challenges facing the whole country, and Canterbury in particular, during the difficult times ahead.

Because of the ongoing recession, the number of new apprentices being taken on by employers over the past year is the lowest we have seen for many years. I would encourage employers to think hard about the importance of training to the long term viability of their businesses – and to invest in training now to position themselves well for future growth.

Despite the ongoing financial impact of low sign-up numbers, thanks to sound financial management the PGDR ITO has sufficient reserves to continue to provide a high level of service to industry. We will continue to invest to ensure the long term needs of industry and consumers are met.


Over the past year a huge effort has been focused on improving trainee progression through their training – and completion of their qualifications. Over 450 trainees completed their qualifications in 2010 which was a 23% increase on 2009 and over 70% up on the average for the previous 5 years. We expect this performance to continue to improve in 2011.

A number of other very significant achievements are outlined in this annual report and I would like to take this opportunity to thank my fellow directors, Ian Elliott, the CEO, and all the staff and stakeholders of the organisation who have contributed to a very sound performance in 2010.

I also want to recognise the exceptional contribution John Simmiss has made in establishing the PGDR ITO in 2005, and as Chairman of the Board from 2005 to 2010. John intends to retire from the Board in 2011. John's passion for our industry has been critical to the success of the PGDR ITO – and I'm sure he will continue to contribute in other ways after retiring from our Board.

A handwritten signature in black ink, appearing to read 'Trevor Helm'. The signature is fluid and cursive.

Trevor Helm, Chairman



“ Sometimes the boss will be able to explain in a really easy way... whereas when you're learning from a book... it can be quite complicated... it can be easier to see it work in action ”

CEO's Report



During 2010 we have focused considerable effort on getting trainees who had fallen behind in their study to catch up and complete their qualifications. The self paced learning model, where trainees continued on no matter how long their study took them, had been in place for many years. This model did little to motivate trainees to focus on completing. The recent change to funding policy, combined with our efforts to help trainees and employers see the benefit completing their qualifications

within the expected time, has resulted in big improvements to completion rates.

We will be continuing work on improving trainee progression and completions in 2011. A recent research project is one initiative that has helped us to identify factors that contribute to trainee success that we can focus on. This research highlights the importance of employer engagement and commitment to apprentice training and this is an area we will be working on in the coming year. (A summary of the findings is on the facing page).

In parallel with this major effort to manage the legacy of slow completions, we have undertaken several other major initiatives in 2010. Some of the most important initiatives include:

- Update of Metal Roofing and Wall Cladding learning resources
- Publication of new text books for plumbing and gasfitting

- Examination workshops in partnership with Plumbers, Gasfitters and Drainlayers Board
- Trial of the 12 term model with induction workshops for plumbing and gasfitting
- Increased support in the field for trainees and employers
- Improved literacy and numeracy support
- Information systems improvements

Further information on these other initiatives and achievements is included in the following section of this report.

Although the work on improved achievement and completions for existing trainees is very important, we also believe it is vital that we keep a strong focus on understanding industry and consumer needs, and continuing to enhance the qualifications, learning materials and training delivery systems. This annual report, therefore, also outlines our other key areas of strategic focus for 2011 and beyond.

We have had a challenging and rewarding year and I would like to thank our Board, staff and all the training providers, employers, trainees and other stakeholders who have contributed. I trust, like me, you all look forward to the challenges ahead.

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

Ian Elliott, CEO

Study of apprentice views of learning opportunities

This study was commissioned to get a better understanding of the key factors that contribute to apprentices succeeding in their training.

It involved focus group interviews with three groups of plumbing and gasfitting apprentices who were close to completing their apprenticeships.

The study found:

- Apprentice motivation was a key factor influencing their learning of new skills and knowledge
- The nature and quality of the support they received, particularly from their direct supervisor, had a major influence on their motivation
- Motivation of apprentices was dependent on them feeling included, valued and respected in their workplace
- They were motivated by learning that is meaningful to them and relevant and able to be applied in the workplace

Some typical apprentice comments

"You have to ask someone... if you're not sure of what you are doing... you might understand how to do it from the text book, but on the tools you have to know how it works... so it's better if you are working with others"

"Sometimes you go out and some of us do the same work day in and day out... We need a variety of work and more chances to learn new things on the job... when you're just doing the same thing time and again... you're not really learning"

"One good idea would be to have an exchange system... have an intercompany exchange of apprentices... it adds to your skills and your knowledge... So that you're exposed to other types of work"

"It is easier when your boss trusts you... he has patience and he listens. He is interested in what I think and my ideas, what I am learning on the course but he has good knowledge too. He is patient with me and you can have a laugh with him"

Conclusions

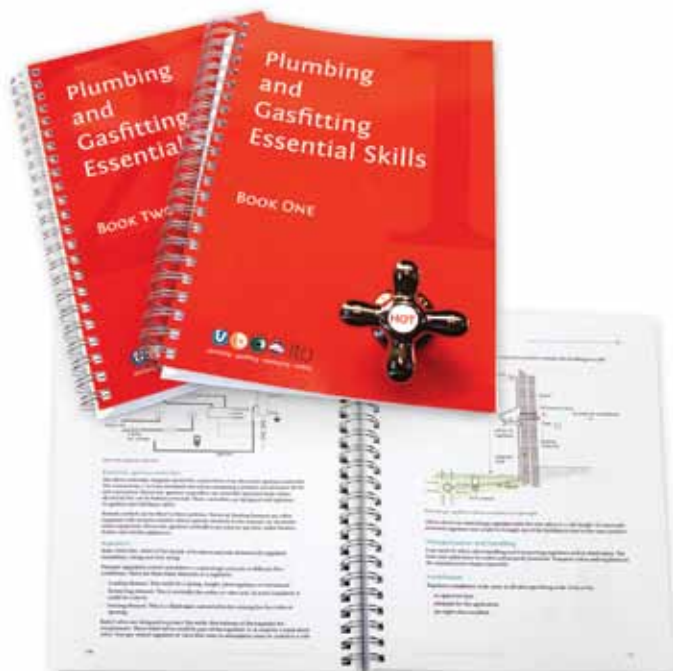
One of the main conclusions reached was that the role of the apprentice supervisor was critical to the motivation and success of the apprentice. The study also raised questions about the support supervisors receive and their level of understanding about their roles and responsibilities in training the apprentice. This will be a key area of focus for the PGDRITO moving forward.

Key Initiatives 2010

Update of Metal Roofing and Wall Cladding learning resources

All metal roofing and wall cladding learning resources were reviewed in 2010 and streamlined to make the study easier to follow and complete within the expected time. Assessment processes were also standardised and rationalised to better align them with the study programme. As a result, trainees attainment of credits is more evenly spread, with credits being achieved regularly throughout their training. This initiative is expected to result in more trainees completing their qualifications within the expected normal time.

Publication of new text books for plumbing and gasfitting



Comprehensive new text books for plumbing and gasfitting were published in 2010. These texts provide an additional resource for trainees to give them a better understanding of the content of the study guides that are the primary distance learning resource. The scope of these texts has been extended to cover all the areas required for registration and licensing. This is a very important step towards integration of the National Certificate qualifications and registration and licensing requirements.

Examination workshops



In partnership with the PGD Board, a comprehensive programme to assist those sitting the PGD Board examinations was put in place prior to the November 2010 examinations. The programme involved an initial workshop that was run in ten locations around the country. This was followed by a series of mock questions emailed out weekly with model answers provided in the following week. After this ten week email programme a second workshop was held to complete the exam preparation assistance. Over 400 examination candidates participated in the programme. The examination pass rate for the November exams was the best ever at around 70% compared to less than 50% in many of the previous examinations.

New 12 term model for plumbing and gasfitting

Since the middle of 2010 a new format for plumbing and gasfitting block course delivery has been trialled at Waikato and Southland Institutes of Technology (WINTEC and SIT). This new format splits the four years training into 12 'terms', with a one week block course at the end of each term. The number of weeks of block courses is the same, they are just more frequent, and one week rather than two or three weeks long.

Feedback from the trial has been extremely positive. Benefits identified include:

- Breaking training into smaller more manageable chunks makes it easier to keep on track

- Trainees achieve credits on every block course
- Block course dates can be fixed for the full year making it easier to plan ahead
- Having a trainee away for just a week at a time is easier to plan for
- The induction block course at the start helps trainees to understand what they need to do to succeed
- Credits gained at the induction block course give them an early taste of success



Analysis indicates that travel and accommodation costs in most cases are similar, and if anything likely to be a bit less with the new format.

Having successfully trialled this new format, and consulted widely with all training providers and other stakeholders, the new model is being introduced across the country during 2011.

Induction workshops

Another change associated with the new 12 term model has been the introduction of a one week induction workshop. New trainees are generally able to complete this workshop within 8 weeks of starting their training. It gives them a great understanding of how their training works and what they and their employer need to do to ensure success. They also gain some credits on this workshop so get a very early taste of success. The workshops include:

- Introduction to distance learning materials and other resources available to them

Block course improvements

Since the middle of 2010 Waikato and Southland Institutes of Technology (WINTERC and SIT) have been trialling running one week block courses every 17 weeks or so, rather than the traditional two to three week block courses less frequently.

WINTERC tutor Adam Cunningham had this to say about the new delivery model. *“These trials have been very successful. We are seeing much better trainee involvement and believe this will greatly improve chances of success and of trainees finishing on time. To increase trainee’s chances of succeeding support from their employer is essential. With the longer block courses we find that towards the end the trainees just want to get home and aren’t focused”*

“The new model also makes scheduling of block courses easier and has allowed us to lock in block course well in advance. This makes it easier for us as training providers and also easier for employers to work around having their trainee away”

The trainees themselves are also enthusiastic about the shorter block courses. Some comments from them include

“It was great that the first block course was so soon after I signed up for my apprenticeship, I now have a much better idea about what’s involved”

“It is quite hard having written and practical assessments in the one week, but you feel stoked when you leave the block course with credits achieved”

Adam summed up his view with his comment “There is no way we would want to go back to the old delivery model, the new system is better for us, better for trainees and employers, so it’s a no brainer”

- Fall arrest and confined spaces training
- Assessment of literacy and numeracy skills and identification of anyone who needs additional assistance
- Opportunity to build a relationship with their training providers and their ITO Regional Training Advisor early on in their apprenticeship.
- Explanation about workplace verification requirements.



Improved moderation process

A combined moderation process involving all training providers in a workshop type setting was introduced in 2010. This supplements separate moderation for each training provider. Combined moderation is not only very efficient, it also enables much more effective standard setting, and therefore a much more consistent approach across the whole country. The opportunity for providers to share ideas and discuss issues is resulting in a much better outcomes than could be achieved without that level of collaboration.

Review of plumbing and gasfitting learning materials

A quality assurance review of the plumbing and gasfitting learning materials that were introduced in 2009 was undertaken to check that they were working well and identify any opportunities for improvement. This process resulted in some fine tuning of materials and delivery mechanisms, but generally found the new materials are working very well.

Development of certifying qualifications

In response to industry need, we have, over the past 18 months, been developing new certifying qualifications. These qualifications will provide licensed practitioners with a structured learning pathway that will enable them to become registered as a certifying practitioner. These certifying qualifications are expected to be available for all trades by the end of 2011.

ITOs working together to support trainees and employers



Over the past 18 months we have increased the number of regional training advisors from six to eight. This has been made possible partly through an arrangement with the Joinery ITO who have contracted us to provide regional support to their trainees and employers in the South Island. Going from two to three regional training advisors in the South Island has greatly increased the level of service we can provide to our customers and is a significant benefit gained from this collaboration with the Joinery ITO. This is one example of increased collaboration between ITOs that is being encouraged by Government and other stakeholders.

Delivery development improvement

A range of initiatives have been introduced during the past 18 months to improve the efficiency and effectiveness of delivery of off-job training including:

- Two-day workshops involving plumbing, gasfitting and drainlaying tutors from all the training providers sharing best practice ideas and developing standardised approaches to ensure consistent delivery across the country

- Tutor travel and study awards, exchanges and secondments to facilitate skills development and enable sharing of best practice ideas

Literacy and numeracy support

During 2010 we have developed profiles of the literacy and numeracy skills needed for roofing, plumbing, gasfitting and drainlaying. Based on these profiles, literacy and numeracy guidance was embedded in the plumbing and gasfitting training materials.

We have also introduced literacy and numeracy skills assessment for all new plumbing and gasfitting trainees. Matching industry skills needs with trainee skill levels not only allows identification of individuals who need extra assistance, but also enables tutors to tailor their teaching to the strengths and weaknesses of the groups of trainees they work with. In 2010 over 300 trainees were assessed and 10 are receiving literacy or numeracy tutoring from Literacy Aotearoa branches throughout New Zealand.

Our Regional Training Advisers have also continued to work with individual trainees and employers to identify any extra literacy and numeracy support that is needed, and to assist trainees to access this support.

Information systems improvements

The Tertiary Education Commission (TEC), the organisation which funds ITOs, has introduced a new database to enable better monitoring of ITO activity and performance. TEC requires all ITOs to have systems that will be able to 'talk' to their database. To enable this, the PGDRITO has introduced a new customer relationship management (CRM) database.

As well as meeting TEC's requirements the new CRM will result in improvements to our own efficiency and effectiveness and will also enable us to provide employers and trainees with a greater level of service and availability of information.

Recognising excellence in roofing

We have always worked closely with RANZ to develop qualifications and learning and training delivery resources to meet industry and consumer needs. This close partnership was strengthened in 2010 by our joint provision of 'Trainee Of The Year' and 'Training Company Of The Year' awards.

These awards are part of an ongoing effort to recognise the professionalism of the roofing industry and the effort and commitment of those training and being trained.

Built Environment Training Alliance (BETA)

We actively participate in a network of building sector ITOs (BETA). The strategic goal of this alliance is to ensure 'a highly productive building and construction sector with a workforce with the right skills, and with employers able to make best use of those skills'. The work programme includes the following:

- Clearly defining industry skills and qualifications requirements
- Skills development capability aligned with industry needs
- Development of clear pathways from school through to senior industry roles
- Development of capability in the industry to attract, develop and retain skilled people

This cluster approach ensures coordination in skills development and reduces potential for fragmentation and duplication of effort. BETA is developing a skills strategy for the built environment which will be implemented from 2011. This strategy will be part of the Construction Industry Productivity agenda lead by Department of Building and Housing.

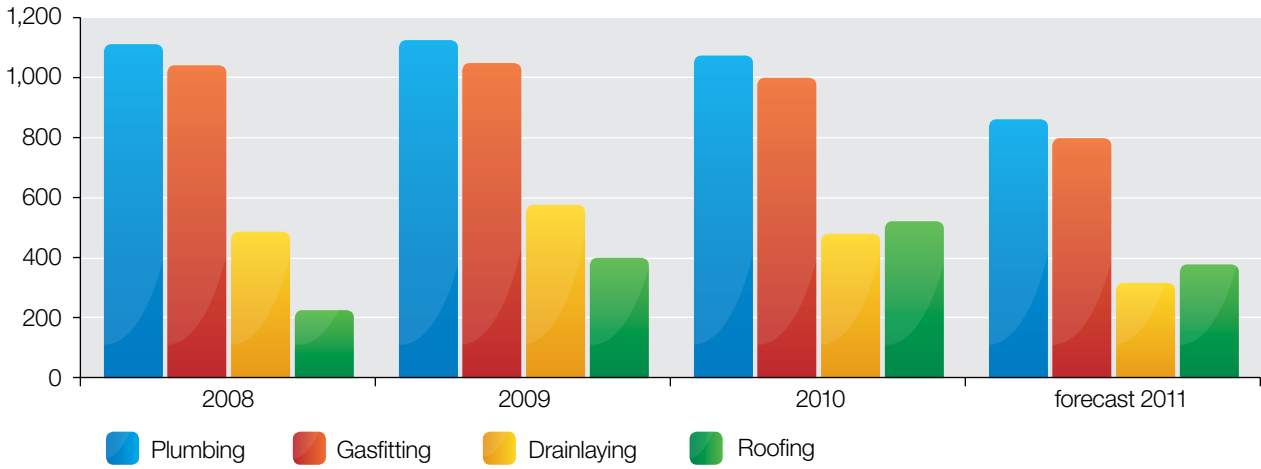
Accreditation of professional development programmes

In response to a request from the PGD Board, in 2010 we began providing them with a service evaluating continuing professional development programmes. These programmes for plumbers, gasfitters and drainlayers are offered by a wide range of training providers. We now evaluate the programmes that are submitted and make recommendations to the PGD Board on how well each programme matches the PGD Board's competency requirements and recommend how many 'points' each programme should be allocated.

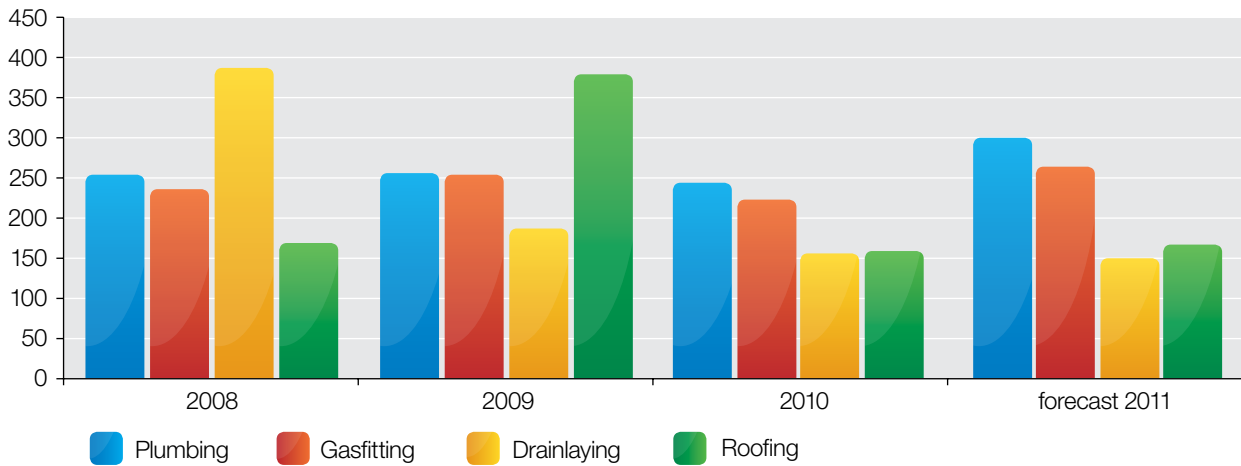


Industry Training Statistics

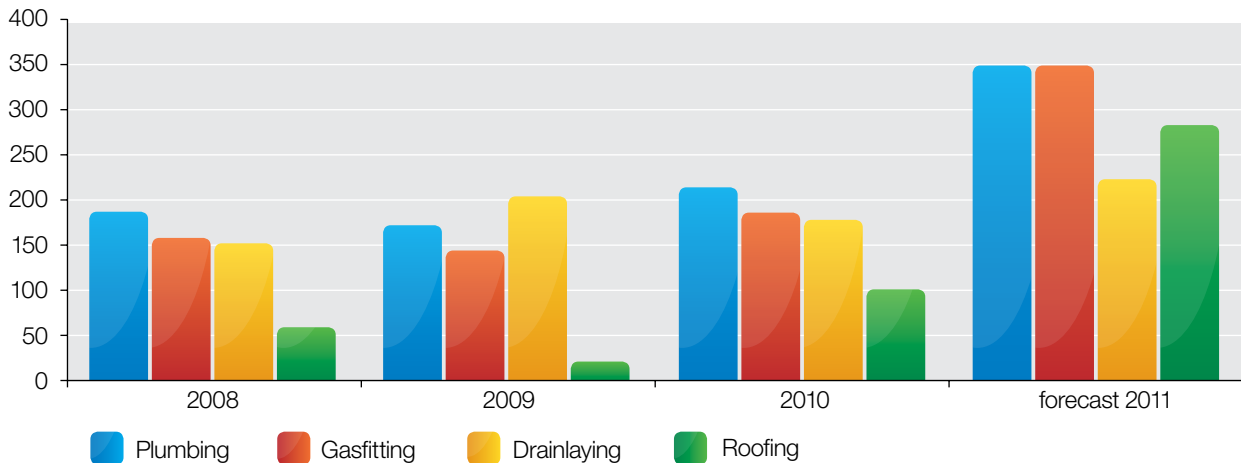
Trainee Numbers



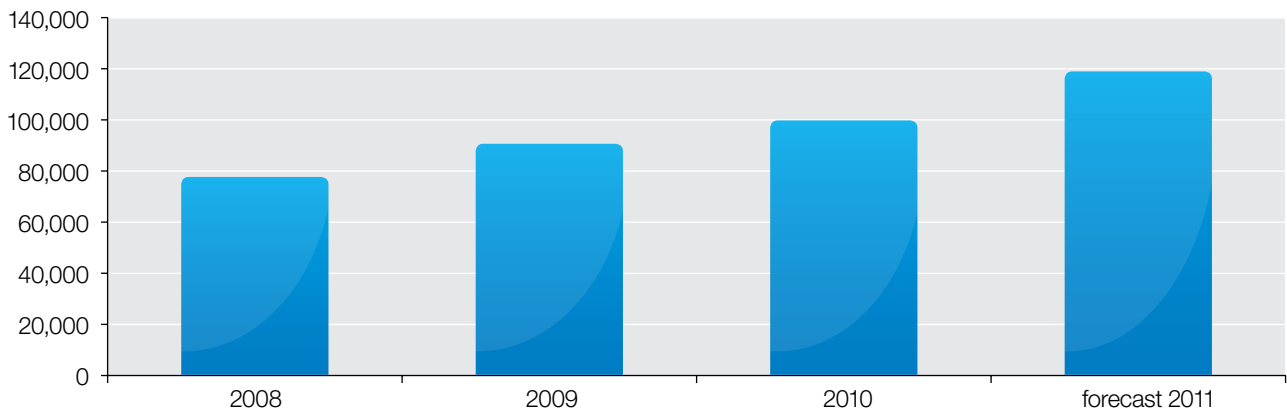
New Trainee Sign-ups



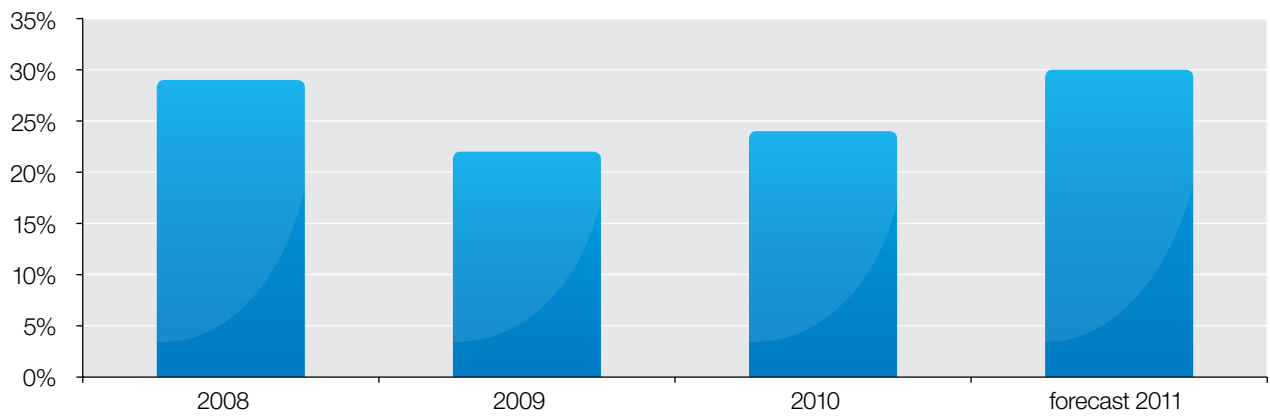
Trainees Completing Qualifications



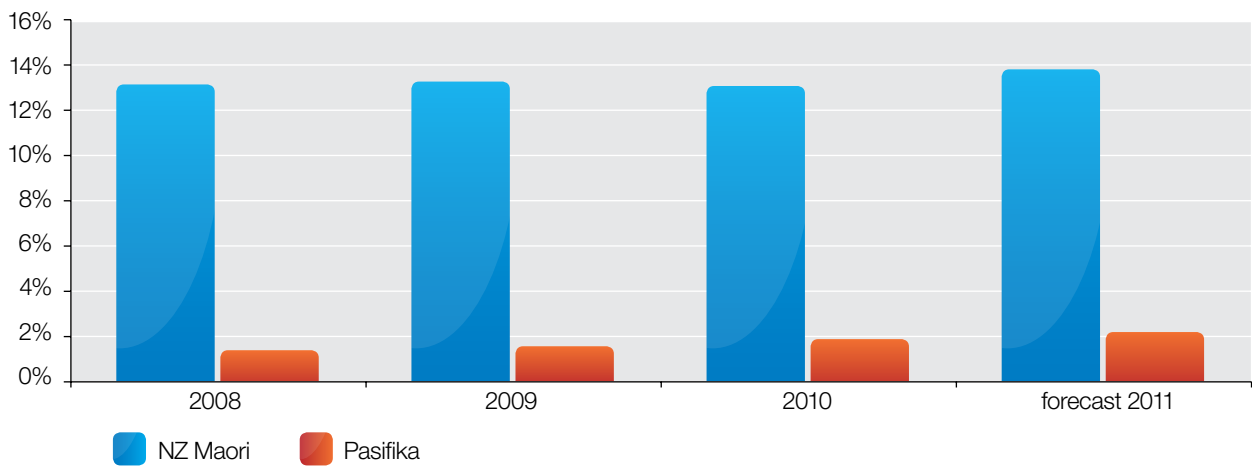
Total Credits Achieved



Industry Cash Contribution



NZ Maori and Pasifika Trainees



Plans for 2011-2013

As with all ITOs, our core responsibilities are defined in the Industry Training Act (1992) as follows:

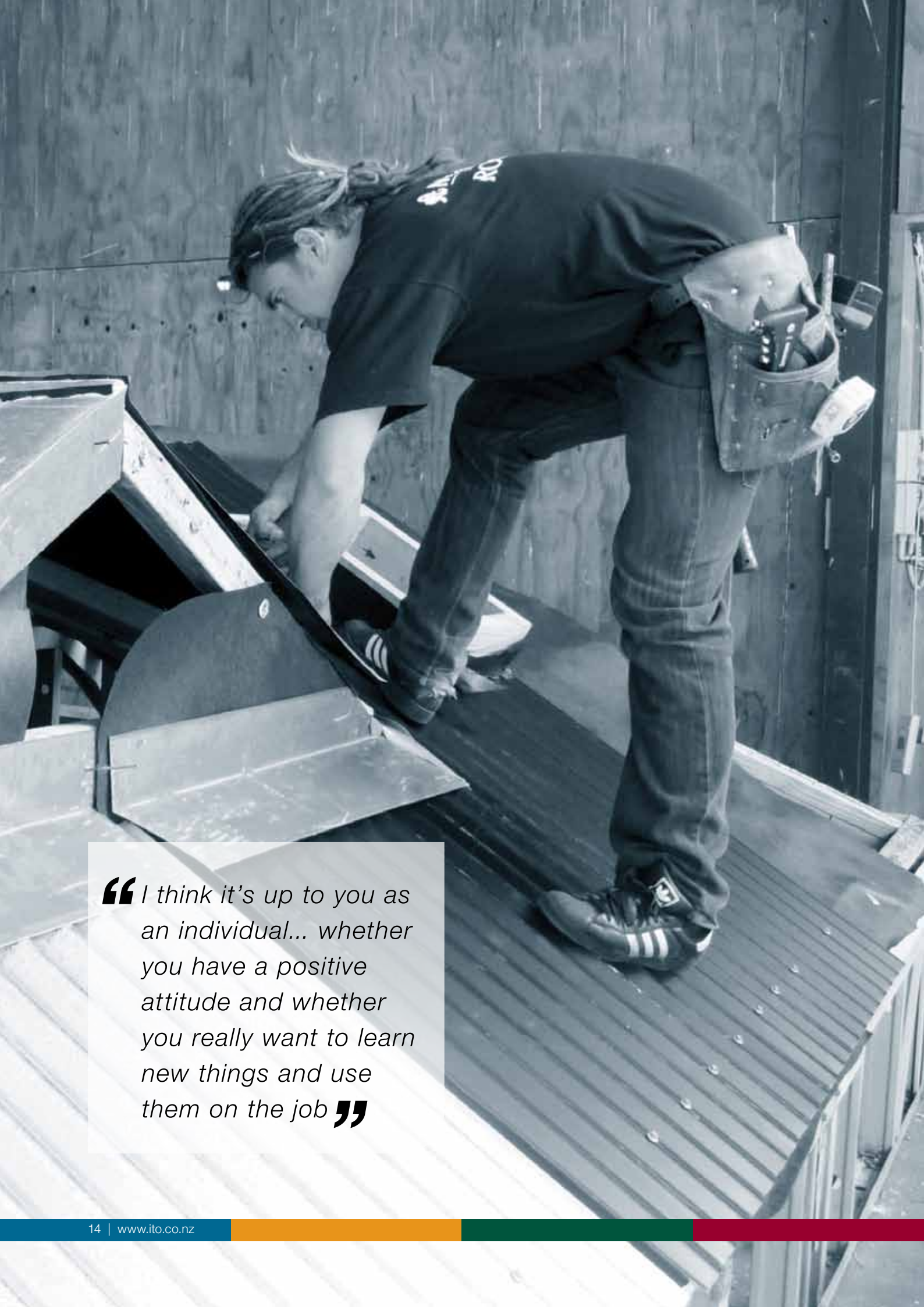
- To design national qualifications and run moderation systems to ensure fair, valid and consistent assessment against national standards.
- To arrange for the delivery of industry training that enables trainees to attain these standards.
- To provide leadership to our industries on skill and training matters, identify current and future skill needs, and work with employers and employees to meet those needs.

Our key strategic initiatives relating to these responsibilities are outlined below.

ITO Responsibility	ITO Plans 2011 - 2013
Qualifications development	<ul style="list-style-type: none"> • Review plumbing, gasfitting and drainlaying qualifications to ensure the National Certificate meets the requirements for registration. (National certificate = registration) • Develop certifying qualifications for plumbing, gasfitting and drainlaying that meet the requirements for a certifying licence. • Revise the recognition of current competency process (RCC) so that it will meet National qualification requirements • Develop Gateway programme for roofing in conjunction with RANZ • Introduce qualifications relating to business skills development
Training delivery	<ul style="list-style-type: none"> • Facilitate improvements to off-job training delivery <ul style="list-style-type: none"> - Arrange tutor workshops, travel and study awards, exchanges and secondments - Ensure National adoption of 12 term model for plumbing and gasfitting - Arrange additional night sessions at block courses as required • Enhance employer and trainee support <ul style="list-style-type: none"> - Introduce new training database to enhance employer and trainee support - Increase Regional Training Advisor support for employers and trainees - Develop plain English guides for apprentices and employers to provide better understanding of the training and licensing system • Achieve greater employer understanding and commitment to their training role <ul style="list-style-type: none"> - Enhance employer role in assessment and verification - Provide mechanisms for sharing of best practice ideas • Help trainees who are slow to progress and complete <ul style="list-style-type: none"> - Provide Regional Training Advisor advice and support - Introduce new fees structure that encourages and rewards on time completion - Develop new training database (CRM) to help identify trainees who need extra help • Increase the uptake of Bconstructive and Gateway programmes at secondary schools to encourage new entrants to the industry • Increase Maori, Pasifika and female participating in training
Industry leadership	<ul style="list-style-type: none"> • Actively engage with stakeholders to better understand current and future needs <ul style="list-style-type: none"> - Utilise National Industry Advisory Groups (NIAGs) - Increase engagement with employers and trainees - Conduct stakeholder surveys - Participate in BETA and Department of Building and Housing skills strategy projects • Work with other ITOs to gain efficiencies and share ideas <ul style="list-style-type: none"> - Explore collaboration opportunities with other ITOs

“ Learning on the job with others is easier than book work... It's more practical and motivating... it's more meaningful that just reading through books **”**





“ I think it’s up to you as an individual... whether you have a positive attitude and whether you really want to learn new things and use them on the job ”

Financial Situation

The audited summary financial reports are provided on pages 16-19 of this annual report. Further to the formal accounts, some additional information is provided below.

Both revenue and expenses were slightly up on 2009 and a net surplus of \$487K was achieved. For the 2011 financial year we have budgeted for a \$455K loss. This reflects our expectation that new sign-ups will continue to be relatively low due to the ongoing weak economy, combined with the change to Government funding policy that will result in a reduction in revenue from Government. To reduce the financial impact we have increased new trainee fees from April 2011. From 2012 we will also require trainees who take too long to complete to pay a monthly fee until they complete. Full details of the new fees structure are available on our website.

Distance learning fees, on-job assessment, and credits and certificate costs were all higher in 2010 because of the emphasis on encouraging trainees to progress and complete their qualifications - and a resulting increase in assessment and completion costs. Materials and publications costs were also higher due to the publication and uptake of the new text books for plumbing and gasfitting, and development of new assessment schedules and guidance documents.

Increase in personnel costs reflects an increase in the number of Regional Training Advisors and changing from contract accountancy support to an internal accountancy capability.

Much higher than expected recovery of doubtful debt in 2009 more than off-set the provision for 2010 and therefore resulted in a net gain in 2010.

The increase in fixed assets on the summary balance sheet relates to the purchase of a new customer management system. This investment was driven by new TEC reporting requirements. Significant business efficiency gains are expected to be realised from this investment. Trade and other receivables increased significantly, primarily due to introduction and wide uptake of direct debit facilities, allowing trainees to pay their annual fee by monthly payment throughout the year.

Financial Statements

Plumbing, Gasfitting and Drainlaying Industry Training Organisation Limited

Summary Income Statement for the year ended 31 December 2010

	Note	2010	2009
		\$	\$
OPERATING REVENUE			
Government Grants		5,227,365	5,380,445
Industry Contributions		1,554,485	1,477,535
Other Income		194,987	154,196
Interest Received		266,908	221,536
		<u>7,243,745</u>	<u>7,233,712</u>
OPERATING EXPENSES			
Off-job Training		1,764,227	1,948,808
Distance Learning Fees		992,062	827,262
On-Job Assessment		113,670	74,745
Credits and Certificates Costs		150,899	113,404
Board and Travel Subsidy		25,876	50,956
Materials and Publications		285,416	167,429
Quality Costs		37,175	71,503
Qualifications Development and Review		314,781	347,880
Personnel Expenses		1,704,433	1,477,818
Site Rental Expenses		186,238	178,694
Marketing and Advertising		154,960	185,988
Professional Fees		28,586	119,030
Administration Expenses		885,076	873,636
Depreciation		113,126	89,065
Provision for Doubtful Debts		(26,407)	161,196
Other Expenses		8,889	20,549
		<u>6,759,007</u>	<u>6,707,963</u>
SURPLUS BEFORE NON-OPERATING ACTIVITIES		484,738	525,749
NON-OPERATING INCOME			
BETA Income	2	56,182	-
Other Non-operating Income		7,926	14,385
		<u>64,108</u>	<u>14,385</u>
NON-OPERATING EXPENSES			
BETA Expenses	2	56,182	-
Other Non-operating Expenses		5,582	5,679
		<u>61,764</u>	<u>5,679</u>
NET SURPLUS		<u>487,082</u>	<u>534,455</u>

Financial Statements

Plumbing, Gasfitting and Drainlaying Industry Training Organisation Limited Summary Statement of Movements in Equity for the year ended 31 December 2010

Note	2010	2009
	\$	\$
Equity at the start of the period	2,376,024	1,841,569
Net surplus for the year	487,082	534,455
EQUITY AT THE END OF THE PERIOD	2,863,106	2,376,024

Plumbing, Gasfitting and Drainlaying Industry Training Organisation Limited Summary Balance Sheet as at 31 December 2010

Note	2010	2009
	\$	\$
CURRENT ASSETS		
Cash	49,718	36,646
Short-Term Deposits	5,009,417	4,248,601
Trade and other Receivables	676,426	568,215
Inventory	33,391	27,939
GST Receivable	16,045	-
Shareholders Current Account	8,471	4,300
	5,793,468	4,885,701
NON-CURRENT ASSETS		
Fixed Assets	353,760	226,553
	353,760	226,553
TOTAL ASSETS	6,147,228	5,112,254
CURRENT LIABILITIES		
Trade Creditors	866,701	355,456
GST Payable	-	84,120
Other Creditors and Accruals	766,732	554,578
Income Received in Advance	1,412,536	1,487,721
	3,045,969	2,481,875
NON-CURRENT LIABILITIES		
Income Received in Advance	238,153	254,355
	238,153	254,355
TOTAL LIABILITIES	3,284,212	2,736,230
NET ASSETS	2,863,106	2,376,024
Represented by:		
EQUITY		
Share Capital	-	-
Retained Earnings	2,863,106	2,376,024
TOTAL EQUITY	2,863,106	2,376,024

Financial Statements

Plumbing, Gasfitting and Drainlaying Industry Training Organisation Limited

1. The summary financial statements have been extracted from the full financial statements for the reporting entity, Plumbing Gasfitting & Drainlaying Industry Training Organisation Limited, a registered company under the Companies Act 1993. The full financial statements have been prepared in accordance with generally accepted accounting principles, in accordance with New Zealand Financial Reporting Standards. The company satisfies the Accounting Standards Review Board criteria for small to medium size businesses and has not been required to apply NZ IFRS.

The full financial statements have been audited and issued with an unmodified opinion from Grant Thornton.

The summary financial statements cannot be expected to provide as complete an understanding as provided in the full financial statements. The summary financial statements have been examined for consistency with the full financial statements. The full financial statements are available on request and can be obtained from the CEO, Plumbing Gasfitting Drainlaying Industry Training Organisation Limited, Level 8, 142 Lambton Quay,

Wellington 6011. The full financial statements have been subject to audit and an unqualified audit report was issued on 21 April 2010.

There were no contingent liabilities at balance date and there are no post balance date events that need to be disclosed.

There has been no change in accounting policies. All policies are consistent with previous periods.

2. BETA account

The BETA account is derived from funding received from the Tertiary Education Commission for a cluster of built environment industry training organisations to develop a strategic training plan together. The industry training organisations included in the cluster are BCITO, InfraTrain, ETITO, PGDR ITO, Flooring ITO, Joinery ITO and BSCITO. As this money relates to the cluster and not specifically to this entity it has been separately disclosed as a note here and represented as non-operating income and expenditure.

	Note	2010	2009
		\$	\$
Income received		190,000	-
Income received in advance		(133,818)	-
Net Income		56,182	-
		-	-
Expenditure		(56,182)	-
		-	-

Auditor's Report



Report of the Independent Auditor on the Summary Financial Statements

Audit
Grant Thornton New Zealand Audit Partnership
 L13, AXA Centre
 80 The Terrace
 PO Box 10712
 Wellington 6143
 T +64 (0)4 474 8500
 F +64 (0)4 474 8509
 www.grantthornton.co.nz

To the Shareholders of the Plumbing, Gasfitting and Drainlaying Industry Training Organisation Ltd

The accompanying summary financial statements, which comprise a summary balance sheet as at 31 December 2010, a summary income statement and summary statement of changes in equity for the year then ended, and related notes, are derived from the audited financial statements of the Plumbing, Gasfitting and Drainlaying Industry Training Organisation for the year ended 31 December 2010. We expressed an unmodified audit opinion on those financial statements in our report dated 14 April 2011.

The summary financial statements do not contain all the disclosures required for full financial statements under generally accepted accounting practice in New Zealand. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of the Plumbing, Gasfitting and Drainlaying Industry Training Organisation.

Board's Responsibility for the Summary Financial Statements

The Board is responsible for the preparation of a summary of the audited financial statements in accordance with FRS-43: *Summary Financial Statements*.

Auditor's Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures which were conducted in accordance with International Standards on Auditing (New Zealand) (ISA (NZ)) 810, *Engagements to Report on Summary Financial Statements*.

Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the summary financial statements are free from material misstatement.

Other than in our capacity as auditor we have no relationship with, or interests in, the Plumbing, Gasfitting and Drainlaying Industry Training Organisation

Opinion

In our opinion, the summary financial statements derived from the audited financial statements of the Plumbing, Gasfitting and Drainlaying Industry Training Organisation for the year ended 31 December 2010 are consistent, in all material respects, with those financial statements in accordance with FRS-43.

Grant Thornton New Zealand Audit Partnership
Wellington, New Zealand
14 April 2011

Chartered Accountants
 Member of Grant Thornton International Ltd

List of Board Members & Staff

The PGDR ITO Board

Trevor Helm - Chairman
Rod De Spong - Director

John Simmiss - Director
John Duncan - Director

John DeBernardo - Director
Dr David Cullwick - Director

PGDR ITO Management

Ian Elliott - Chief Executive
Craig Cochrane - National Operations Manager

Sally Evers - Qualifications & Quality Systems Manager
Scott Bitchener - Finance and Business Services Manager

PGDR ITO Staff

Gillian Abbott
Lagi Asi
John Bartlett
Stephen Bocock
Robyn Brown
Lynn Dick
Jak Elliott
Peter Gembitsky

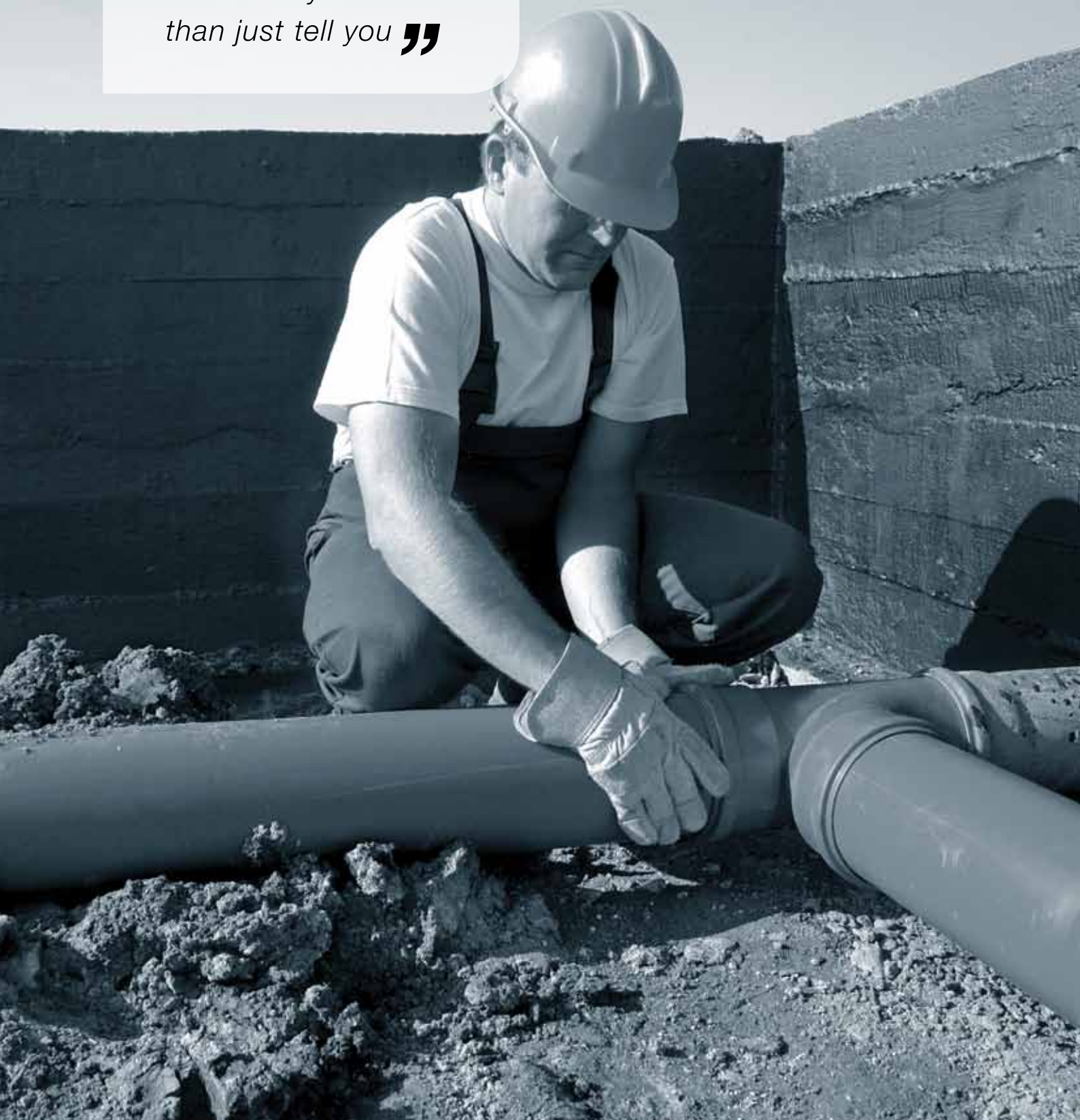
Sam Gilmour
May Khaing
Kierion Lloyd
Sue McGarry
Karyn McKenna
Julie McPherson
Lani Nesbit
Belinda Penny

Peter Reilly
Alice Rogers
Kellie Shanahan
Adriann Smith



From left to right PGDR ITO Board and Senior Executive: John DeBernardo - Director, Trevor Helm - Chairman, Rod De Spong - Director, John Simmiss - Director, Ian Elliott - Chief Executive Officer, Dr David Cullwick - Director, John Duncan - Director

“ Learning with the boss is the best way... you can ask questions, he can show you rather than just tell you **”**





Plumbing, Gasfitting, Drainlaying and Roofing ITO
Level 8, 142 Lambton Quay, Wellington 6011
PO Box 9951, Wellington 6141
0800 277 736