



## PROMETHEUS PROFILE

*Issue No. 28, October 2003*

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### Matariki Kindergarten



The Rudolf Steiner School Trust (Manawatu) had been operating a successful kindergarten in Palmerston North for many years when they met a challenge that, with some good fortune and much hard work, they have successfully turned into a significant step forward.

The challenge came in the form of the news that the lease on the kindergarten's premises would not be renewed after March 2003 and that the kindergarten had to vacate the premises by that date. The good fortune came in the form of a very generous anonymous donation of \$100,000 to the Trust.

It was clear what had to happen next and that is where all the hard work came in. The prices of suitable existing properties were outside the Trust's ability to finance and the cost and availability of freehold land in reasonably accessible locations also seemed to put the option of building out of reach. However, the Trust came up with a novel solution that allowed it to establish its own kindergarten premises within its budget restrictions.

That solution involved the purchase and refurbishment of a second-hand double classroom unit which was relocated onto a corner section of the grounds of an existing primary school. A Property Occupancy Document was negotiated with the school and the Ministry of Education with a renewable lease arrangement. The land had been largely superfluous to the primary school's needs and gave the kindergarten an accessible location with ample outdoor play space.

Nevertheless, despite finding this relatively low cost way of establishing the new kindergarten the initial quotes for refurbishing the building up to the required standard to meet Early Childhood regulations considerably exceeded their available funds. At this stage they approached Prometheus to assess their borrowing capability and although we were happy to support the project we recommended they look for ways to bring the costs down further to avoid overburdening the kindergarten financially.

The project team started by asking the architect to simplify the design and leave some of the additions and extensions until a later stage. They renegotiated with their preferred builder who generously offered to donate his time as project manager along with a considerable number of second-hand fixtures and fittings. Other community members donated items such as toilets, hand basins and a fridge. Parent working bees were organised to strip paint from the windows, dig the sandpit, remove tree stumps, paint walls and generally pick up any tasks that didn't need to be done by the registered builder. The local Army base was approached and donated its time to build a storage shed and playground structures.

These efforts, together with a range of smaller grants and donations, brought the project within reach and Prometheus was happy to approve the residual loan facility needed to ensure the project could be completed. The project has been receiving considerable local press coverage and the Trust is confident that the new, higher

profile location will attract more families and boost kindergarten numbers. They are happy with their new building and feel it gives them the space to grow and develop for many years to come.

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## Windflow – further share issue

Windflow Technology Ltd, Christchurch-based wind turbine manufacturer, recently completed a successful \$5 million issue of shares. The company is now able to go ahead with the second phase of its development and start planning the production of the first five turbines for its initial wind farm project.



To date, the company has been involved in building and commissioning its prototype turbine which has been installed and operating at Gebbies Pass, outside Christchurch, for several months now. The Christchurch City Council has contracted to take all the power from the turbine for the first ten years of its life. Monitoring has seen the turbine exceeding performance expectations in the wind conditions experienced to date.

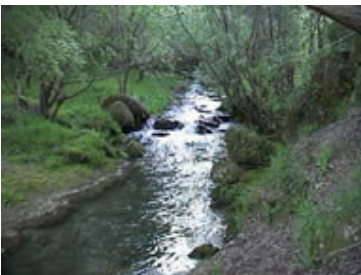
CEO Geoff Henderson, who had applied to Prometheus for development finance to cover the costs of the prospectus when Windflow was first being launched, approached Prometheus for further finance on this occasion for a range of purposes. Key amongst these was to allow his purchase of a portion of the shares in this “rights issue” on his own behalf. Additionally, he sought finance to fence and protect a QEII covenanted section of native bush on a potential Windfarm site owned by his Aeolian Property Company near the existing Tararua windfarm in the ranges between Woodville and Palmerston North.

Prometheus was pleased to be able to approve finance for these purposes and we were happy to support Geoff in the ongoing development of this exciting renewable energy project.

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## Clean Stream Northland

Two years ago Prometheus made a loan to newly established refuse and recycling company, Clean Stream Waiheke Ltd, a joint venture between the Waiheke Waste Resource Trust and a Northland co-operative with considerable experience in waste recovery and recycling. That co-operative was the Community Business and Environment Centre Co-op Ltd (CBEC), a community owned company with a focus on developing and operating businesses to create employment, stimulate local economic development and enhance the environment.



CBEC approached Prometheus again this year for finance to establish another waste recovery and recycling joint venture, this time on its home turf in Northland, with local organisation Te Rununga O Te Rarawa (TROTR). These two organisations have much in common as both have strong community links in the Far North and similar roles in fostering local economic development and protecting the environment.

As with the Waiheke partnership, this is seen as a strong combination of waste recovery expertise and long experience, with strong community networks and relationships. Community links are seen as critical for the success of a waste recovery and waste reduction initiative. The involvement and participation of the community is vital when attempting to transform attitudes and behaviour to establish a culture of waste reduction and recycling.

Clean Stream Northland had made a successful application to the Far North District Council (FNDC) to win the tender for the Northern Area waste management contract. A key factor in their success was their intention to extend CBEC’s recycling operation in Kaitaia to other transfer stations in the far north. That service had been

operating essentially as a pilot program for many years and had been subsidised by CBEC's other waste collection contracts in an endeavour to convince the council of the viability of this approach. The winning of this tender is testament to the success of those efforts.

Other main elements of the tender were a focus on achieving a high recovery rate from the waste stream, community-based education to reduce waste, and the development of local employment opportunities that would flow from their wider range of services. Although the tender ties them to a 50% resource recovery target within the contract period, they are confident from their experience both in Kaitia and on Waiheke Island that they can achieve a result around 70% and, with time, could build on that towards a zero waste to landfill outcome.

Clean Stream Northland's aim to provide a quality service, while at the same time aiming for full cost recovery for the range of services offered, resulted in their tender being the highest priced of all competing bids. That they were still successful is testament to the change in climate in favour of a resource recovery and waste minimisation approach. It would seem that this change has been hastened by the potential impact of the proposed closure of the existing landfill at Ahipara within the next few years. That would impose significant costs on the council if they had to transport growing volumes of waste to landfills outside the region.

One of the major barriers for CBEC has always been access to capital financing. The operation on Waiheke has shown that when community operations are well resourced and adequately financed they can perform to a high standard and achieve a reasonable profit margin, which allows them to develop rather than just survive. In light of this, Prometheus was pleased to approve their application for capital financing to enable them to meet their commitments under this contract and show what can be achieved in waste management with a positive vision for the future.

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## Titirangi Organic Market



The Rudolf Steiner School in Titirangi approached Prometheus late last year with an application to finance their proposed new organic market. The project was inspired by parents' experience of similar community markets overseas, in particular a community market that was run on weekends in the grounds of a Steiner School in Johannesburg. It was, in turn, motivated by a strong demand for an organic market of this sort from the Titirangi School community. The school saw the potential in this project as a steady on-going fundraising source.

For its implementation this project required a purpose-built storage and retail facility that would meet food hygiene regulations, as well as a substantial cooler to properly store perishable produce. The plan was for the market to be open on Saturdays initially and be run by three part-time paid staff - a manager, a bookkeeper and a produce manager. Much of the preparatory work and staffing of the market was to be voluntary by members of the school community. Goods were to be sourced initially through Chantal Foods of Napier and Ceres Enterprises of Auckland, with the aim of building up contacts with local organic growers over time.

The organising group had done considerable work in surveying parent demand for the market and in reducing costs as much as possible initially, to improve the prospect of success for this venture. As a result of that work and the strong community support evidenced by the number of people involved with developing this project, Prometheus was satisfied that the market had good prospects and approved the necessary loan.

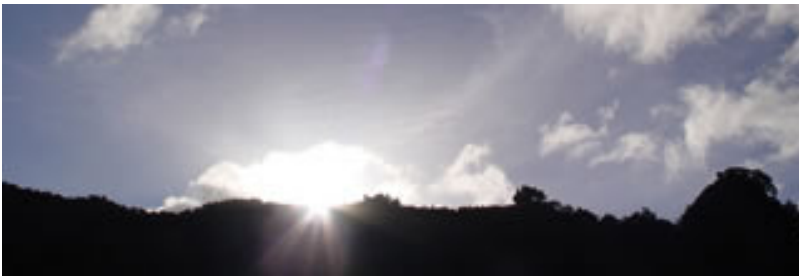
Since its start-up several months ago, the Saturday market has built up a strong following and is now open on Friday afternoons as well. It is only returning modest profits to date as much of the income is going into further development and repaying smaller start-up loans. However, it has spun-off an organic café that runs alongside and is doing well. The market has also proven to be a very successful way of strengthening the whole school community.

## Career development



Under the auspices of the Education & Art Fund, Prometheus occasionally makes loans for individual career development and training where the individual concerned shows strong dedication and drive to achieve their career goals. The single-mindedness and focus needed to achieve key goals, despite any obstacles, is seen as a demonstration of an individual's "destiny" or "vocation" and is something that Prometheus feels motivated to support.

Recently we received a loan application from a young man, Nicholas Te'o, who displayed exactly those qualities of determination, perseverance and application in his quest to become a fully qualified airline pilot. Nico had already passed his private pilot's licence at 17, funding the training and airtime largely through his own efforts. He has since gone on to pass his commercial pilot's licence and has sat and passed a range of other papers and qualifications all before his 20th birthday.



Nico has been employed as a pilot for the past two years, flying light aircraft on scenic tours and tourist flights. However, his main ambition is to continue doing the training courses needed to build his experience and skills and ultimately achieve his goal. He approached Prometheus earlier this year for finance to undertake a one-month training

course aimed at achieving his multi-engine instrument rating that would then allow him to fly twin-engine planes.

Given his dedication to his long-term goal and the diligence he has shown in both pursuing and working to fund that along the way, Prometheus was pleased to be able to support this next step on Nico's career path. We wish him all the best in his further career development and hope that he achieves all he aspires to.

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## Solar Water Heating

We reported in the last issue of Profile that Prometheus, in partnership with Synergex systems, the distributor of Solahart solar water heating systems, had been successful in the tender process for the Energy Wise Solar Water Heating Grants scheme 2003. The grant, offered by the Energy Efficiency and Conservation Authority (EECA) a government agency, allowed Prometheus to provide interest-free loans to 100 households wishing to convert to solar water heating.



These solar units make good economic, as well as environmental, sense. Savings on the electricity bill of up to 40-50%, (depending on the number of members in the household), soon make a significant contribution to repaying the initial capital cost. This option makes even more sense in these times of growing uncertainty over electricity supply and price. This was reflected in the very rapid take-up of the available interest-free loans, which were fully subscribed within two months of the offer opening.

It is our hope that this type of grant funding to promote the up-take of solar and other renewable energy technologies will become more widespread in future. Prometheus would welcome the opportunity to be even more involved in facilitating and promoting the shift toward renewables that needs to happen in response to concerns over both energy security and global warming.

## PROMETHEUS RESTRUCTURING

In the “Prometheus News” section of our last Profile (April 2003), we reported on our restricted ability to increase deposits and loans due to our current legal structure and the requirement to restrict total assets in relation to our level of reserves. We have completed a lengthy study, exploring various options for building the reserves required under our Trust Deed so that Prometheus’ growth need not be inhibited. After professional advice and consultation with our statutory supervisor Perpetual Trust, it has been recommended that Prometheus change its legal status from a Credit Union to a Finance Company to be named “Prometheus Finance Limited”. It is intended that the Prometheus Foundation, a registered charitable trust, would be the only shareholder of that company, and it is also intended that the role of statutory trustee in respect of members’ deposits would continue to be performed by Perpetual Trust Limited.

Under our common bond, all members of the Credit Union are also members of Prometheus Foundation, so there will effectively be no change from a member’s perspective. This proposed change would not effect the way members operate their accounts or how we go about our ethical banking activities. What we do will remain the same. The structural change is designed to improve our ability to attract equity and build required reserves and so continue growing steadily, as we have over the past 20 years. This will enable Prometheus to provide more people in New Zealand with the option to invest ethically in a financially secure way or to borrow for social and environmental projects.

We are now at a stage where we have to make decisions and this involves our members’ cooperation, as the proposed change requires the approval of members of Prometheus Credit Union.

Our initial advice on the required procedure to gain this approval suggested it would be quite a cumbersome process as was reported in our June letter to members. However, since then we have been able to obtain approval to follow a simpler procedure.

Consequently, we are now required to have a special Credit Union Members’ meeting, which will be held on 5 November 2003 to vote on a Rule change, which simplifies the procedure for dissolving the Credit Union. Seventy five percent of the members present at that meeting, which has a quorum of 10, will need to be in favour of this Rule change for it, and the proposed restructuring, to proceed.

If that Rule change is approved, on 3 December a second meeting will be held, at which it will be decided whether or not to dissolve the Credit Union. If that vote is in favour of dissolution it will allow us to transfer the reserves from the Credit Union to the Prometheus Foundation and to use these funds to set up Prometheus Ethical Finance as a Company. Again, seventy five percent of members present at that meeting will need to be in favour of this resolution for the restructuring of Prometheus Credit Union into a company to proceed.

After that the way will be clear for members to transfer their accounts from Prometheus Credit Union to the new Prometheus Ethical Finance! If all goes well, in about the second week of December we will send account holders an invitation, together with an investment statement and application form, to reinvest with Prometheus Ethical Finance. You will also have the option to withdraw your funds.

It is very important that you reply to our letter so that your funds can stay with Prometheus. If we do not receive a reply, we will have to repay your investments, and will send you a cheque for your money on 31 March 2004, which is the proposed date on which the business of Prometheus Credit Union will be taken over by the new company, Prometheus Finance Limited.

This restructuring will set Prometheus on a firm basis so it can deal with the growing interest in ethical investing in New Zealand.

If you have any questions, please feel free to call us on 0800 776 648.

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## Organic Tofu Burgers



In the October 2002 Profile, we reported a loan to The Organic Soy Company to expand their tofu-producing capacity to meet steadily growing demand for their range of plain and flavoured organic tofu. The loan was also in part to facilitate the next step in their business plan – the manufacture of organic tofu burgers. This part of the loan covered costs of the required production equipment and packaging of the burgers to a standard that would make them presentable in mainstream retail outlets.

Manager, Lippy Chalmers and her team report that demand for their products has continued to increase steadily over the past year since that first loan. While the earlier loan from Prometheus had increased their tofu manufacturing capacity more than sufficiently to cope with that increase in sales the established capacity for burger production was quickly proving to be insufficient. The steady increase in demand for their burgers, together with pending orders from larger retail outlets, pointed to likely production bottlenecks in the near future.

When Lippy heard about a second-hand patty former becoming available at a very reasonable price, she was keen to secure the finance she needed to acquire that. After the application and assessment process, Prometheus approved an extension to the company's existing loan. We continue to watch this company with interest as it develops and hope that some of the more exciting enquiries they have received from larger potential customers bear fruit in the near future.

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## Spiritual Transformation Conference

Healer Helen White-Wolf was successful in being selected to attend a Spiritual Transformation Research Programme Conference at Villanova University, just outside Philadelphia, earlier this year. The conference aimed to develop research programs into the nature of spiritual transformation, with research to be funded by the Templeton Foundation and conducted in mainstream universities and medical schools throughout the United States.

The inaugural conference last year attracted 470 applicants, of whom 60 were selected to present research proposals in this field. The conference provided the opportunity for those researchers to meet with each other and brainstorm ideas for research design and orientation.

Helen's aim in attending this year's conference was to contribute from her seventeen years of work in this field to increase the collective understanding of the processes of healing and spiritual awakening. She believes it is time for study of the processes of spiritual transformation to be integrated into mainstream health education and included in the training of psychologists, counsellors and medical practitioners and sees this conference as a leading edge tool for advancing that.



Prometheus was approached for modest funding towards travel and conference costs and although conference attendance is not something we would normally lend for, we found the motivation behind this one intriguing. Consequently, we approved the loan and supported Helen to attend. On her return she reported back on the success of the conference, the marvellous contacts that had been made and her excitement at the possibility that she would be working on research with two neuroscientists from Montreal who were studying the neuropsychology of mystical experience.

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## Prometheus 21st Anniversary

*You are  
Invited...*

*Prometheus  
21st  
Birthday  
Celebrations*



This is an open notice for all members, old friends, supporters and guarantors to join with us in celebrating Prometheus' 21st anniversary. There will be a preview performance of Michael Burton's play "Being Beethoven" in the Century Theatre, Marine Parade, Napier on Saturday 14th February 2004.

Entry will be by invitation only, so if you want to attend please send for your complimentary invitation to Prometheus Ethical Finance, P O Box 969, Freepost 142, Napier, call 0800 776 648, or email [invite@prometheus.co.nz](mailto:invite@prometheus.co.nz)

If you're coming from well out of town please be aware that the following weekend is Napier's fabulous Art Deco weekend, so if you are able to stay longer it could be well worth coming for the week.

### ***Being Beethoven***

The play is set on the night of the first performance of Beethoven's Ninth Symphony and contains some thirty recorded excerpts from his music. It will be accompanied by live performance of some of Beethoven's music by the Ponticelli String Quartet, led by Stephen Gibbs.

Beethoven was a personality all can feel for – he was so gifted in his music and yet was a terribly tragic and handicapped human being in relation to the normal functions of daily life. This play juxtaposes these two aspects of his life and, with the wonderful music running throughout, takes the audience on a journey of many emotions.

This play has been chosen to help celebrate Prometheus' 21st as both a way of supporting the production company, Lightweight Theatre, and because of the strong connection Beethoven himself felt to the Prometheus of legend. As Beethoven is reported to have said:

"I am Prometheus! I take fire from the gods and bring it to earth! Creatures of clay, my music will set you free, able yourselves to create like gods! He who understands my music will be freed by it from the miseries which others drag about within themselves!"

### ***Lightweight Theatre***

Shortly after his return to the Hawkes Bay from ten years living and working in the UK, professional actor Michael Burton, founded Lightweight Theatre last year. Michael's aim is to establish a professional theatre company with the following mission:

"To present to the New Zealand public live theatre that is of a professional standard and which earns the right to be seen at major NZ venues but is at the same time small, versatile and able to go to places where this art-form is not normally seen.

To present the kind of live performance art that, through its content and the way that it is artistically conveyed, promotes the renewal of culture and of the spiritual life."

Lightweight Theatre's inaugural production last year was the one-man show, Gunner Inglorious, which has toured the country very successfully, presenting some 64 performances to date. It is hoped that this two-person play, Being Beethoven, enjoys similar success. Prometheus has supported this play with a loan to help with production costs and is very pleased to sponsor the preview performance in celebration of our own 21st anniversary.

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