

Financial Statements

Central Economic Development Agency Ltd (CEDA)
For the year ended 30 June 2021

Contents

3	Company Directory
4	Chairperson Report
6	Chief Executive Report
8	Corporate Report
14	Group Statement of Comprehensive Revenue and Expense
16	Group Statement of Financial Position
17	Group Statement of Changes in Equity
18	Group Statement of Cash Flows
19	Notes to Accounts
29	Statement of Service Performance

Company Directory

Central Economic Development Agency Ltd (CEDA) For the year ended 30 June 2021

Central Economic Development Agency Limited

Level 1, TSB Tower, 1-19 Fitzherbert Ave, Palmerston North, 4410

Phone: 06 3501830 Website: www.ceda.nz

Directors

Malcolm Bailey (Chairperson)
Arthur Chin (from 1 April 2021)
Susan Foley (to 31 March 2021)
Margharita (Margy) Mare (from 1 April 2021)
Robyn (Bobbie) O'Fee
Blair O'Keeffe (to 31 March 2021)
Robbie Pickford
Francene Wineti

Management

at 30 June 2021
David Wright - Interim Chief Executive
Jacqui Middleton - Finance and Operations Manager
Janet Reynolds - Marketing and Communications Manager
Nats Subramanian - Business Development Manager
Sara Towers - Talent and Skills Manager

Chartered Accountant

Morrison Creed Advisory Limited
236 Broadway Avenue
Palmerston North, 4410

Registered Office

Morrison Creed Advisory Limited
236 Broadway Avenue
Palmerston North, 4410

Bankers

Westpac New Zealand Limited

Legal Advisors

Fitzherbert Rowe
Levels 7 and 8
65 Rangitikei Street
Palmerston North 4410

Auditor

Audit New Zealand (on behalf of the Office of the Auditor General)

Chairperson Report

Central Economic Development Agency Ltd (CEDA) For the year ended 30 June 2021

Tēnā koutou katoa

New Zealand's economic activity continues to follow an optimistic route and generally remains resilient in the face of the COVID-19 pandemic. We have been fortunate to have had less restrictions compared to the rest of the world, and we are starting to see the economic and social activity advantages of this.

Although regional economies face the challenge of a spiralling housing market and lack of international tourism, economic indicators generally project a steady path ahead for the year ahead for all of Aotearoa which is something many of us struggled to imagine as we faced the swift impacts of COVID-19 in 2020.

Infometrics indicate that the Manawatū's economy continues to recover and build from the effects of the COVID-19 pandemic. Gross Domestic Product (GDP) in Manawatū and Palmerston North city was provisionally up 0.2% for the year to March 2021 compared to a year earlier, while New Zealand saw a 3% decline, reinforcing the rapid rate of recovery and growth here.

Non-residential building consents hit a record breaking \$223.3 million equating to an 81.9% increase from the same period last year. So too did consumer spending, with a 0.2% increase next to a 3.8% fall nationally, and despite 2020 being such a difficult year, the region's unemployment rate continues to edge down, reaching 4.0% in the year to March 2021 compared with the national average sitting at 4.7%.

So, overall, our region has performed extraordinarily well in the last year with economic activity outperforming national averages across almost every indicator. We have our diversified economy to thank, with strong economic performance from the food and agribusiness sectors in particular. The distribution hub and the defence sector have also been strong.

Despite ongoing COVID-19 uncertainty, our resilient sectors coupled with low unemployment and our strong domestic visitor market give a confidence that the regional economy will continue to do well. After adding in the \$7 billion infrastructure and construction boom, we expect that our trades and personnel resources will continue to be stretched.

Although the region has exceeded expectations, we do not want to become complacent, and we need to continue our strategic work to ensure we have future economic growth drivers in place. Our work to address talent and skills gaps is increasingly important as almost every business is faced with shortages that are limiting their growth.

We are proud to have led the development of the Central New Zealand Distribution Hub Strategy, leveraging our role in central New Zealand and accelerating the long-held ambition that will see economic, social, and environmental benefits for Manawatū and beyond. With freight volumes expected to increase significantly and increasing competition in the logistics market, it is vital that we continue to focus on future proofing the strengths of our region.

Cementing our regions place as a top three global agrifood hub is also making headway, with the award-winning Manawatū Agritech Strategy in year three of delivery. This has seen \$12.4million of capital invested into local agritech companies, \$1.6million in research and development invested in Manawatū agritech companies during the 2019/20 financial year, partnering with the Technology Investment Network's National Agritech Insight Report and Finistere's new \$40m Aotearoa Fund based out of Palmy.

CEDA itself is facing some uncertainty as our shareholders work through the options following a reduction in our funding. Unfortunately, while we have lost some key staff because of this uncertainty, we remain committed to doing the best we can with the resources we have to help grow the region.

This past year has reinforced the value of continuity in approach and a shared vision and strategy, and we welcome the opportunity to collaborate and strengthen our partnerships in the future.

I would also like to take the opportunity to thank outgoing CEO Linda Stewart for her leadership, commitment and drive over this past year. She has set CEDA up in good stead to go forth into what is an exciting period of growth and opportunity.

On behalf of the Board and the team at CEDA we would like to thank our shareholders and regional partners such as Sprout, The Factory, FoodHQ, Iwi, and our business community, for your ongoing support, guidance, and desire to work together for the benefit of our region.

He tirohanga me te rautaki tiritahi ma te katoa - With shared vision and strategy for everyone

Ngā mihi nui ki a koutou katoua,

Malcolm Bailey

Chief Executive Report

Central Economic Development Agency Ltd (CEDA) For the year ended 30 June 2021

Tēnā koutou katoa

Through the uncertainty and unparalleled challenges of the last year, the CEDA team have been committed to supporting local businesses and raising our regional profile, motivated by the strong progress we are making towards achieving our ambitious vision and goals for the region.

One of the ongoing challenges we face as a region is our ability to attract and retain enough talent, with our 2019 research indicating that lack of talent and skills remains the biggest barrier to business growth in Manawatū. This is not a unique challenge to our region, and with border closures over the past 14 months competition with our regional counterparts has increased significantly. This means we need to work smarter, together, which is why we have formalised strong partnerships with Central Skills Hub, Talent Central and the National Driver Training Centre to enable a strategic approach to build the talent pipeline and develop employment pathways within our region.

We continue to seek and secure robust investment in the region with an emphasis on positioning Manawatū as a magnet for investment, business, and talent by leveraging our sectors of strength. Two examples of successes underway include the relocation of Australian Defence Apparel to Palmerston North, and Hiringa Energy selecting the region for a green hydrogen fuelling facility one of the very first in an initial eight sites across New Zealand.

One of our three big goals for the region of becoming a top three global agrihub is progressing well. Our partnerships with Sprout and The Factory, as well as the facilitation of events such as New Zealand AgriFood Week, AgTech Hackathon and Sort It Careers – Food & Fibre Edition, are building on the strengths we have in this sector and placing our region on the map nationally and globally. The partnership approach ensuring key partners in the region are working together for common objectives is key to this success.

In total, 779 businesses received support and \$2,087,329 was invested into their capability development via the Regional Business Partner Programme. Active management of research and development offered over \$750,000 of grants into local projects and placement of 31 tertiary students into businesses to support their research and development aspirations.

Our ongoing stream of marketing and Public Relations activity has reached new heights, thanks to the focus on domestic tourism driving significant interest and engagement in our regional offerings. Our partnership with Tourism New Zealand has provided significant opportunities for our region and visitor sector businesses, with a dedicated feature on the Breakfast Show, as well as partnerships with NZ Herald and Stuff Travel showcasing some of the best our region has to offer.

Leveraging central governments' \$700,000 investment into the recovery of Manawatū's visitor sector has enabled us to support more than 170 businesses to lift their digital footprint, partner with Rangitāne o Manawatū to develop the Māori Tourism Strategy and enabled our largest campaign to date over spring and summer reaching more than 3.5 million people.

Our strategic approach to support the visitor sector through the impacts of COVID-19 is reinforced by the latest results from Tourism Industry Aotearoa's latest Domestic Visitor Satisfaction survey, showing Palmerston North and Manawatū as one of the top visited destinations, alongside Canterbury and Queenstown.

The main theme and enabler of these regional achievements comes down to people and partnerships in particular our shareholders, iwi partners, and stakeholders. It is the passion, willingness, and relationships that has enabled our region to deliver and will continue to be critical to our future successes.

Whiria te tangata -weave the people together

Ngā mihi nui ki a koutou katoa,

David Wright, Interim CEO

Corporate Report

Central Economic Development Agency Ltd (CEDA) For the year ended 30 June 2021

Ownership

Central Economic Development Agency Limited ("CEDA") is a Limited Liability Company incorporated and registered under the Companies Act 1993.

CEDA is a council-controlled organisation as defined in section 6 of the Local Government Act 2002. The shareholders of CEDA are Palmerston North City Council (50%) and Manawatū District Council (50%).

CEDA's Mission and Principal Activities

The primary objective of CEDA is to drive and facilitate the creation and growth of economic wealth for Manawatū and beyond.

CEDA's principal activities during the year to 30 June 2021 were directed by the Statement of Intent 2020/21 under the key strategic objectives of; inward investment, both national and international, retention and expansion of business in the Manawatū region, and developing a talent pipeline.

Company's Affairs

The Directors regard the state of the Company's affairs to be satisfactory. Details of the year under review are included in the Chairman's and Chief Executive's Reports and the statutory accounts of the Company published herewith.

The Directors are responsible for the preparation of CEDA's financial statements, and statement of service performance, which give a true and fair view of the financial position of CEDA as at 30 June 2021 and the results of its operations and cash flows for the 12 months ended on that date.

The Directors consider that to the best of their knowledge and belief the financial statements have been prepared using accounting policies appropriate to CEDA's circumstances, consistently applied and supported by reasonable and prudent judgments and estimates.

The Directors have the responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of financial reporting. The Directors consider that to the best of their knowledge and belief adequate steps have been taken to safeguard the assets of CEDA and to prevent and detect fraud and other irregularities.

In our opinion, these financial statements and statement of performance fairly reflect the financial position and operations of CEDA for the year ended 30 June 2021.

Directors

Retirements

During the 2020/2021 financial year the following Directors retired from the Board:

- Susan Foley retired effective 31 March 2021
- Blair O'Keeffe retired effective 31 March 2021

Appointments

During the 2020/2021 financial year the following Directors were appointed to the Board:

- Margharita Mare, 1 April 2021
- Arthur Chin, 1 April 2021

Directors remuneration

The amount of \$180,000 per annum to 30 June 2021 and \$180,139 to 30 June 2020 was paid, or due and payable, to members of the Board as authorised by the shareholders as follows:

	2020/2021	2019/2020
Malcolm Bailey	55,000	55,000
Robyn O'Fee	25,000	6,250
Robbie Pickford	25,000	6,250
Francene Wineti	25,000	6,250
Susan Foley	19,722	25,000
Blair O'Keeffe	19,722	25,000
Arthur Chin	5,347	0
Margarita Mare	5,347	0
Shamubeel Equb	0	18,750
John Fowke	0	18,750
Lucy Griffiths	0	18,750
Total	180,139	180,000

No other remuneration or benefits other than reimbursement of expenses has been paid or given to Directors.

Directors indemnity and insurance

The Company is responsible for the payment of Directors indemnity insurance premiums.

Use of company information by Directors

There were no notices from Directors of the Company requesting to use company information received in their capacity as Directors that would not otherwise have been available to them.

Shareholding by Directors

During the year there were no shareholding transactions involving Directors.

Directors interests

During the course of the year to 30 June 2021, Directors declared interest in the following entities:

M G Bailey

Director/shareholder	Bailey Agriculture Ltd	None
Director/shareholder	Bailey Family Properties Ltd	None
Director/shareholder	Embryo Technologies Ltd	None

Director	Westpac NZ Ltd	Supplier and Westpac sponsor the Manawatu Business Awards
Director	Red Meat Profit Partnership Ltd	None
Director/shareholder	Gleneig Holdings Ltd	None
Director/shareholder	Etech NZ Ltd	Has received business support from CEDA in the form of training vouchers
Director/shareholder	BBD Industrial Properties Ltd	None
Director/shareholder	RMI NZ Ltd	None
Chairman	Dairy Companies Association NZ	None
Chairman	NZ International Business forum	None
Trustee	Bailey Trust	None
Shareholder	AGInvest Holdings Ltd	Has received business support from CEDA in the form of training vouchers
Shareholder	Nutrimix NZ Ltd	Has received business support from CEDA in the form of training vouchers
Chairman/shareholder via Tadpole	Frog Parking Ltd	Has received a Callaghan Innovation grant
Director/shareholder	Tadpole NZ Ltd	None
Director/shareholder	Greentech NZ Ltd	Greentech Robotics has received a Callaghan Innovation grant
Director	Etech Engineering Services Ltd	None

S P Foley

Interest	Nature of interest	Relationship to CEDA
Director	Meole Brace Investments Ltd	None
Director External Relations	Westpac Banking Corporation	Supplier and Westpac sponsor the Manawatu Business Awards
Chairperson	Food HQ	CEDA provides funding support to FoodHQ
Trustee	ISport	None
Board member	Huntley Prep School	None
Committee member	Rangitikei Racing Club	None

B A O'Keeffe

Interest	Nature of interest	Relationship to CEDA
Trustee	K & B Trust (family trust)	None
Managing Director	Endzone Commercial Limited, consults for both HBRIC and HBRC	None
Acting CEO (to 31 Dec 19)	HBRIC	None

Trustee - Chairperson	Hawkes Bay Rescue Helicopter Trust	None
Director	Z Energy	None
Director	Port of Napier Limited and Napier Port Holdings Limited	None
Board Director	Central Air Ambulance Rescue Limited	None

F Y Wineti

Interest	Nature of interest	Relationship to CEDA
Director	Ngāti Tuwharetoa Fisheries Limited	None
Director	Awariki Limited	None
Independent Director	Bioprocessing Resource Alliance	None
Trustee	Te Huarahi Tika Trust	None

R A Pickford

Interest	Nature of interest	Relationship to CEDA
Daughter is an employee	Nelson Regional Development Agency	CEDA and Nelson RDA both deliver services under the Regional Business Partner Programme
Director/shareholder	Robbie Pickford Consulting	None
Shareholder	Epic M-Sport Ltd	None

R R O'Fee

Interest	Nature of interest	Relationship to CEDA
Shareholder	O'Fee and Associates Ltd	Service Provider for the Regional Business Partner Programme that CEDA delivers
Shareholder/Director	AE & R McGregor Trustee Service Limited	None
Director	Amorini NZ Limited	None
Shareholder/Director	AMQ Trustee Services Limited	None
Shareholder/Director	At Home Childcare Trustee Services Limited	None
Shareholder/Director	Bendall Trustee Services Limited	None
Shareholder/Director	Bly Holdings	None
Shareholder/Director	Cafee Limited	None
Director	Carpenters Dental (2012) Limited	None
Shareholder/Director	Christina McNeill Trustee Services Limited	None
Shareholder/Director	CSM Trustee Services Limited	None

Shareholder/Director	DJ & GS Dench Trustee Company Limited	None
Shareholder/Director	DJ & JP Bridges Trustee Services Limited	None
Shareholder/Director	Doyle & O'Fee Trustee Services Limited	None
Shareholder/Director	GKFT Trustee Co Limited	None
Shareholder/Director	Gone West Now Limited	None
Shareholder/Director	GR & LM Tattle Trustee Services Limited	None
Shareholder/Director	HTK Liu Trustee Services Limited	None
Board Member	Himatangi Beach Community Trust	None
Shareholder	Instep Trust Limited	None
Shareholder/Director	Jagan Trustee Services Limited	None
Shareholder/Director	Jondannic Trustee Services Limited	None
Shareholder/Director	JS & KL Barber Trustee Services Limited	None
Shareholder	KBMR Trustee Services Limited	None
Shareholder	KN2NZ Limited	None
Shareholder/Director	Lakasa Trustee Company Limited	None
Shareholder/Director	Lake Taupo Motor Inn Limited	None
Shareholder/Director	Lowland Trustee Services Limited	None
Shareholder/Director	Manxy Trustees Limited	None
Shareholder/Director	Maratak Trustee Services Limited	None
Shareholder/Director	Mellor Trustee Services Limited	None
Shareholder/Director	Nichol Nominees Limited	None
Trustee	M E & R R O'Fee Family Trust	None
Shareholder/Director	O'Fee Pringle Trustee Services Limited	None
Shareholder/Director	O'Fee Trustees 2010 Limited	None
Shareholder/Director	O'HFT Trustee Services Limited	None
Shareholder/Director	Omega Corporate Trustee Limited	Has received business support from CEDA in the form of training vouchers
Shareholder/Director	Palmer-Chrystall Trustee Limited	None
Shareholder/Director	RH Polson Trustee Services Limited	None
Shareholder	SBF Trustee Services Limited	None
Shareholder/Director	Skinner Trustee Services Limited	None
Board Member	SPCA	None
Shareholder	TBF Trustee Services Limited	None
Director	WJO Investments Limited	None
Shareholder/Director	Worthington Trustee Services Limited	None

Shareholder/Director	W&J Jensen Trustee Services Limited	None
Shareholder/Director	T A Trustee Services Limited	None

A I S Chin

Owner	Curation	Service Provider for the Regional Business Partner Programme that CEDA delivers
Shareholder/Director	New Zealand Nature Highlights Limited	Has accessed capability development support through the Regional Business Partner Programme
Shareholder/Director	Chin-Lin Investments Limited	None
Shareholder/Director	New Zealand Education Indicator Limited	None
Shareholder/Director	Karo Ridge Limited	None
Shareholder/Director	Simply Works Limited	None

M A Mare

Director	DKSH New Zealand Limited	None
Director	DKSH Services New Zealand Limited	None
Director	Loaded Drinks Limited	None

All directors are indemnified under the Directors and Officers Liability Insurance policy.

Details of related party transactions made during the year are shown in note 16 of the Notes to the Financial Statements.

Remuneration of employees

The number of employees, who are not Directors, whose total remuneration and benefits exceeded \$100,000 in the financial year were:

	2020/2021	2019/2020
\$100,000 - \$199,999	3	2

Auditors

Auditor's remuneration of \$26,755 (exclusive of GST) for the 2021 audit is reflected in the financial statements as due and payable.

Group Statement of Comprehensive Revenue and Expense

Central Economic Development Agency Ltd (CEDA) For the year ended 30 June 2021

	NOTES	ACTUAL 2021	BUDGET 2021	ACTUAL 2020
Revenue				
Council Funding	4	2,513,472	2,492,980	2,469,382
Other Services Revenue		1,170,765	630,928	731,594
Project Revenue		304,120	321,591	169,992
Total Revenue		3,988,356	3,445,499	3,370,968
Cost of Sales				
Other Services Expenses		1,466,097	1,084,978	1,328,158
Project Expenses		422,242	306,591	112,108
Total Cost of Sales		1,888,339	1,391,569	1,440,266
Gross Surplus (Deficit)		2,100,018	2,053,930	1,930,702
Other Revenue				
Interest Revenue		3,155	6,000	7,349
Sundry Revenue		-	-	2,847
Total Other Revenue		3,155	6,000	10,196
Expenses				
Depreciation		7,510	9,469	14,218
Directors' Fees		177,467	180,000	180,000
Employee Expense	5	1,565,613	1,703,854	1,474,969
Financing Expenses		117	500	470
Loss on Sale of Property, Plant and Equipment		15,250	-	3,876
Other Operating Expenses	6	520,693	348,968	458,026
Total Expenses		2,286,651	2,242,791	2,131,559
Surplus (Deficit) Before Taxation		(183,478)	(182,861)	(190,662)
Taxation				
Income Tax Expense	7	-	-	-
Total Taxation		-	-	-
Surplus (Deficit) after tax		(183,478)	(182,861)	(190,662)
Other comprehensive revenue and expense				
Items that could be reclassified to surplus (deficit)		-	-	-
Total Other comprehensive revenue and expense		-	-	-

The accompanying accounting policies and notes form part of and are to be read in conjunction with these financial statements. Explanations of major variances against budget are provided in note 17.

	NOTES	ACTUAL 2021	BUDGET 2021	ACTUAL 2020
Total comprehensive revenue and expense				
Total comprehensive revenue and expense		(183,478)	(182,861)	(190,662)

	NOTES	ACTUAL 2021	BUDGET 2021	ACTUAL 2020
Total comprehensive revenue and expense attributable to:				
Palmerston North City Council		(91,739)	(91,431)	(95,331)
Manawatu District Council		(91,739)	(91,431)	(95,331)
Total comprehensive revenue and expenses		(183,478)	(182,861)	(190,662)

The accompanying accounting policies and notes form part of and are to be read in conjunction with these financial statements. Explanations of major variances against budget are provided in note 17.

Group Statement of Financial Position

Central Economic Development Agency Ltd (CEDA)

As at 30 June 2021

	NOTES	ACTUAL 2021	BUDGET 2021	ACTUAL 2020
Assets				
Current Assets				
Cash and Cash Equivalents	8	1,515,833	722,802	878,163
Receivables and Accruals	9	29,690	366,571	151,459
Prepayments		7,268	17,211	49,907
Total Current Assets		1,552,792	1,106,584	1,079,530
Non-Current Assets				
Property, Plant and Equipment	11	31,508	22,202	48,962
Total Non-Current Assets		31,508	22,202	48,962
Total Assets		1,584,299	1,128,786	1,128,492
Liabilities				
Current Liabilities				
Payables and Deferred Revenue	12	963,057	578,446	306,231
Employee Entitlements		63,699	56,745	81,240
Total Current Liabilities		1,026,756	635,191	387,471
Total Liabilities		1,026,756	635,191	387,471
Net Assets		557,543	493,595	741,021
Equity				
Contributed Capital	14	1,000	1,000	1,000
Retained Earnings	14	556,543	492,595	740,021
Total Equity		557,543	493,595	741,021

For and on behalf of the Board

Malcolm Bailey, Director

Robyn O'Fee, Director

dated:

The accompanying accounting policies and notes form part of and are to be read in conjunction with these financial statements.

Group Statement of Changes in Equity

Central Economic Development Agency Ltd (CEDA)

For the year ended 30 June 2021

	ACTUAL 2021	BUDGET 2021	ACTUAL 2020
Equity			
Opening Balance	741,021	676,456	931,683
Increases			
Total comprehensive revenue and expense for the period	(183,478)	(182,861)	(190,662)
Total Increases	(183,478)	(182,861)	(190,662)
Total Equity	557,543	493,595	741,021
	ACTUAL 2021	ACTUAL 2021	ACTUAL 2020
Total comprehensive revenue and expense attributable to:			
Palmerston North City Council	(91,739)	(91,431)	(95,331)
Manawatu District Council	(91,739)	(91,431)	(95,331)
Total comprehensive revenue and expense	(183,478)	(182,861)	(190,662)

The accompanying accounting policies and notes form part of and are to be read in conjunction with these financial statements.

Group Statement of Cash Flows

Central Economic Development Agency Ltd (CEDA)

For the year ended 30 June 2021

	ACTUAL 2021	BUDGET 2021	ACTUAL 2020
Cash Flows from Operating Activities			
Receipts of council funding	2,729,368	2,607,918	2,584,982
Interest received	2,270	6,000	5,450
Receipts from other operating activities	1,965,453	1,089,173	992,581
Income tax refunded/(paid)	2,035	52,465	35,897
GST	15,845	(246,714)	3,470
Payments to suppliers and employees	(4,071,879)	(3,742,462)	(4,050,222)
Finance costs		(500)	(470)
Total Cash Flows from Operating Activities	642,976	(204,120)	(428,312)
Cash Flows from Investing Activities			
Proceeds from sales of property, plant and equipment	722	-	28,157
Payment for property, plant and equipment	(6,027)	-	(16,583)
Total Cash Flows from Investing Activities	(5,306)	-	11,574
Net Cash Flows	637,670	(204,120)	(416,738)
Cash Balances			
Cash and cash equivalents at beginning of period	878,163	691,953	1,294,901
Cash and cash equivalents at end of period	1,515,833	487,833	878,163
Net change in cash for period	637,670	(204,120)	(416,738)

The accompanying accounting policies and notes form part of and are to be read in conjunction with these financial statements.

Notes to Accounts

Central Economic Development Agency Ltd (CEDA) For the year ended 30 June 2021

1. Reporting Entity

Central Economic Development Agency Ltd (CEDA) was established and commenced operations in New Zealand on 15 October 2015 under the Companies Act 1993 (NZBN 9429042001096). As the shareholders of CEDA are Palmerston North City Council (50%) and Manawatu District Council (50%) CEDA is a council-controlled organisation as defined in section 6 of the Local Government Act 2002.

CEDA has designated itself as a public benefit entity (PBE) for financial reporting purposes.

The financial statements of CEDA are for the year ended 30 June 2021 .

2. Statement of Accounting Policies

Basis of Preparation

The financial statements are prepared on the going concern basis, and the accounting policies have been applied consistently throughout the period, unless otherwise stated.

Statement of Compliance

The financial statements of CEDA have been prepared in accordance with the requirements of the Local Government Act 2002, the Companies Act 1993, and the Financial Reporting Act 2013. This includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

These financial statements comply with Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS) Reduced Disclosure Regime (RDR). CEDA is eligible and has elected to report in accordance with Tier 2 PBE standards RDR on the basis the entity has no public accountability and has expenses > \$2m and < \$30m.

Presentation Currency

The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$, except when otherwise indicated.

Historical Cost

These financial statements have been prepared on a historical cost basis.

Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period. New group standards have been applied but have resulted in no impact to the financial statements.

Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and services, excluding goods and services tax rebates and discounts, to the extent it is probable that the economic benefits will flow to the entity and revenue can be reliably measured. Specific accounting policies for significant revenue items are explained below:

Sales of goods are recognised when the goods are sold to the customer.

Sales of services are recognised in the period by reference to the stage of completion of the services delivered at balance date as a percentage of the total services to be provided.

Interest received is recognised using the effective interest method. Interest revenue on an impaired financial asset is recognised using the original effective interest method.

Grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

Donated assets. Where a physical asset is gifted to or acquired by CEDA for nil consideration or at a subsidised cost, the asset is recognised at fair value. The difference between the consideration provided and fair value of the asset is recognised as revenue. The fair value of donated assets is determined as follows:

- For new assets, fair value is usually determined by reference to the retail price of the same or similar assets at the time the asset was received.
- For used assets, fair value is usually determined by reference to market information for assets of a similar type, condition, and age.

Inventories

Inventories held for use in the provision of goods and services on a commercial basis are valued at the lower of cost and net realisable value.

The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the surplus (deficit) in the period of the write-down.

Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less any accumulated depreciation and impairment losses. Historical cost includes expenditure directly attributable to the acquisition of assets, and includes the cost of replacements that are eligible for capitalisation when these are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

Depreciation

Account	Method	Rate
Leasehold Improvements	Diminishing Value	10% - 20%
Office Furniture & Equipment	Diminishing Value	0% - 50%
Office Furniture & Equipment	Straight Line	8.5 - 10.5%
Vehicles	Diminishing Value	30%
Websites	Straight Line	40%

Income Tax

Income tax expense includes components relating to current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, and any adjustments to income tax payable in respect of prior years.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that affects neither accounting profit nor taxable profit.

Current tax and deferred tax are measured using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Current and deferred tax is recognised against the profit or loss for the period, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

Receivables

Receivables are recorded at their face value, less any provision for impairment.

Impairment of financial assets

Financial assets are assessed for evidence of impairment at each balance date. Impairment losses are recognised in the surplus or deficit.

Loans and receivables

Impairment is established when there is evidence CEDA will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership, or liquidation and default in payments are indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectable, it is written-off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due). Impairment in term deposits or bonds are recognised directly against the instrument's carrying amount.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets.

After initial recognition, they are measured at amortised cost, using the effective interest method, less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

Payables

Short-term creditors and other payables are recorded at their face value.

Equity

Equity is the shareholders' interest in CEDA and is measured as the difference between total assets and total liabilities.

Good and Services Tax

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are presented on a GST inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of related asset or expense.

The net amount of GST recoverable from, or payable to, the IRD is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as operating cash flow in the statement of cashflows.

Commitments and contingencies are disclosed exclusive of GST.

Employee Entitlements

Employer contributions to KiwiSaver are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

Short-term employee entitlements - Employee benefits that are due to be settled within 12 months after the end of the year in which the employee provides the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, and annual leave earned but not yet taken at balance date, and sick leave. These are classified as a current liability.

A liability and an expense are recognised for bonuses where there is a contractual obligation or where there is past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

CEDA does not provide for long service or retirement leave entitlements.

Provisions

A provision is recognised for future expenditure of uncertain amount or timing when there is a obligation (either legal or constructive) as a result of a past event, it is probable that an outflow of future economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expenses and is included in 'finance costs'.

Leases - Where CEDA is the Lessee

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

Critical accounting estimates and assumptions

In preparing these financial statements CEDA has made judgements, estimates and assumptions concerning the future. These judgement, estimates and assumptions may differ from the subsequent actual results. Judgements, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

- Useful lives and residual values of property, plant, and equipment – refer to Note 11.

Critical judgements in applying accounting policies

The Board has exercised the following critical judgements in applying accounting policies:

- Funding received – refer to Note 4.

3. Subsidiaries

CEDA consolidates in the group financial statements all entities where CEDA has the capacity to control their financing and operating policies so as to obtain benefits from the activities of the subsidiary. This power exists where CEDA controls the majority voting power on the governing body or where such policies have been irreversibly predetermined by CEDA or where the determination of such policies is unable to materially affect the level of potential ownership benefits that arise from the activities of the subsidiary.

CEDA has the power to appoint 100% of trustees of the Events Manawatu Trust. The consolidation of the Events Manawatu Trust into CEDA's financial statements has resulted in no change to the reported financial statements as the Trust is dormant and did not trade during the year.

	2021	2020
4. Council Funding		
Palmerston North City Council	(1,901,481)	(1,877,470)
Manawatu District Council	(611,991)	(591,912)
Total Council Funding	(2,513,472)	(2,469,382)

Project income, as disclosed in the Statement of Comprehensive Revenue and Expense, includes income from Council's specifically received for project delivery. This income is not included in Council Funding income.

	2021	2020
Council Funding included in Project Revenue		
Palmerston North City Council	106,563	102,267
Manawatu District Council	17,833	13,333
Total Council Funding included in Project Revenue	124,396	115,600

Critical judgements in applying accounting policies - funding received

CEDA must exercise judgement when recognising project revenue to determine when conditions of the funding contract have been satisfied. As at 30 June 2021 \$634,138 (2020:\$32,078) has been recognised as a liability as the conditions attached to the receipt of this funding have not yet been met.

	2021	2020
5. Employee Expenses		
Salaries and wages	1,543,768	1,409,448
Employer contribution to Kiwisaver	39,386	34,158
Movement in employee entitlements	(17,541)	31,363
Total Employee Expenses	1,565,613	1,474,969

	2021	2020
6. Other Operating Expenses		
Fees to Audit New Zealand for the audit of the financial statements	26,755	25,976
Consultants and legal fees	14,779	11,887
Operating lease expense	25,900	27,312
Other operating expenses	453,259	392,852
Total Other Operating Expenses	520,693	458,026

	2021	2020
7. Income Tax Expense		
Net Profit (Loss) Before Tax	(183,478)	(190,662)
Tax at 28%	(51,374)	(53,385)
Plus (less) tax effect of:		
Non deductible expenditure	1,165	807
Non-taxable income	-	-
Tax loss not recognised	53,542	61,410
Deferred tax adjustment	(3,333)	(8,832)
Tax expense	-	-

A deferred tax asset has not been recognised in relation to tax losses of \$420,302 (2020:\$229,087) and temporary differences of \$72,818 (2020:\$84,723).

	2021	2020
Components of tax expense		
Current year	-	-
Deferred tax	-	-
Tax expense	-	-

	2021	2020
8. Cash and Cash equivalents		
CEDA Current Account	414,833	77,163
CEDA Money Market Account	1,100,000	800,000
CEDA Trust Account	1,000	1,000
Total Cash and Cash equivalents	1,515,833	878,163

	2021	2020
9. Receivables and Accruals		
Accounts Receivable	23,332	149,419
Less: Provision for impairment	-	-
Accrued Interest	8	5
Funding Accruals	5,468	-
GST	-	-
Income Tax	883	2,035
Total Receivables and Accruals	29,690	151,459

	2021	2020
Total Receivables and Accruals Comprise		
Receivables from exchange transactions	11,558	253
Receivables from non-exchange transactions	18,133	151,206
Total Total Receivables and Accruals Comprise	29,690	151,459

10. Inventory

The write-down of inventories held for distribution amounted to nil (2020:\$1,379). There have been no reversals of write-downs. No inventories are pledged as security for liabilities (2020:\$nil).

11. Property, Plant & Equipment

	Opening Value	Accum Depn	Carrying Amount	Additions	Disposals	Depn	Closing Value	Accum Depn	Carrying Amount
Leasehold Equipment	13,372	(7,022)	6,351	6,027	(6,351)	(553)	13,049	(7,574)	5,475
Office Furniture & Equipment	80,675	(45,706)	34,969	0	(9,621)	(2,984)	71,054	(48,691)	22,363
Vehicles	20,382	(15,139)	5,243	0	0	(1,573)	20,382	(16,712)	3,670
Websites	17,725	(15,325)	2,400	0	0	-2,400	17,725	(17,725)	0
Total	132,154	(83,192)	48,962	6,027	-15,972	(7,510)	122,210	(90,702)	31,508

There are no restrictions on title of CEDA's property, plant and equipment. No property, plant and equipment has been pledged as securities for liabilities.

	2021	2020
12. Payables and Deferred Income		
Accounts Payable	287,852	183,623
Accruals General	32,067	61,339
Funding in Advance	285,000	78
Funding in Advance - Sector Development	349,138	-
Funding in Advance - International Education	-	17,000
Funding in Advance - NZ AgriWeek	-	15,000
GST	3,918	21,441
Income Tax	-	-
Operations Credit Card	5,082	7,750
Total Payables and Deferred Income	963,057	306,231
	2021	2020

Total Payables and Deferred Income Comprise

Payables under exchange transactions	327,346	267,097
Payables under non-exchange transactions	635,711	39,134
Total Total Payables and Deferred Income Comprise	963,057	306,231

13. Provisions

Restructuring

On 20 May 2019 the Palmerston North City Council (PNCC) proposed to transfer the Palmerston North City i-SITE operations from the operations of CEDA to the control of PNCC. CEDA agreed and the transition of this service was effected on 1 September 2019.

CEDA commenced a proposal for a formal restructure on 5 June 2019. The restructuring was completed in October 2019. A provision was made for redundancies at year end 30 June 2019. This provision was used during the 2019-20 financial year.

	2021	2020
Movement in provisions		
Balance at 1 July 2020	-	60,000
Amounts used	-	(60,000)
Balance at 30 June 2021	-	-
	2021	2020

14. Equity

Share Capital

Opening Balance	1,000	1,000
Total Share Capital	1,000	1,000

Retained Earnings

Opening Balance	740,021	930,683
Current Year Earnings	(183,478)	(190,662)
Total Retained Earnings	556,543	740,021

Total Equity	557,543	741,021
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Each fully paid ordinary share confers on the holder one vote at a meeting of the company, a share in distributions approved by the Directors, and a share in distribution of the surplus assets of the company on dissolution.

At balance date there were 1,000 shares on issue.

15. Key personnel compensation

Directors	2021	2020
Remuneration	180,139	180,000
Full-time equivalent members	6	6
Senior Management Team		
Remuneration	663,115	619,518
Full-time equivalent members	5	5

Due to the difficulty in determining the full time equivalent for Directors the full time equivalent figure is taken as the number of Directors.

During the year ended 30 June 2021, 1 (2020:3) employees received compensation and other benefits in relation to cessation totaling \$15,000 (2020:\$60,705).

16. Related Parties

CEDA is a council-controlled organisation as defined in section 6 of the Local Government Act 2002. As per the constitution the shareholders of CEDA being Palmerston North City Council and Manawatu District Council, are responsible for the appointment of the Board of Directors.

Related party disclosures have not been made for transactions with related parties that are:

- within a normal supplier or client/recipient relationship; and
- on terms and conditions no more or less favourable than those that it is reasonable to expect CEDA and the group would have adopted in dealing with the party at arm's length in the same circumstances.

17. Major Variances Explained

Account	Actual	Budget/SOI	Variance	Notes
Other Services Revenue	1,170,765	607,928	562,837	Variance due to additional funding received through the Regional Business Partner Programme for COVID-19 business support, and Strategic Tourism Asset Protection Programme for tourism sector support
Other Services Expenses	1,466,097	1,003,978	462,119	Variance due to partial subcontracting of Regional Business Partner programme and additional resource for COVID-19 business support, and Strategic Tourism Asset Protection Programme fund spend
Employee Expenses	1,568,290	1,703,854	-135,564	Savings in employee expenses due to staff vacancies
Other Operating Expenses	520,693	348,968	171,725	Variance mainly due to additional office and IT costs due to relocation and staff costs in relation to recruitment costs

2021 2020

18. Financial Instruments

Financial Assets

Loans and Receivables

Accounts Receivable

Accounts Receivable	23,332	149,419
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Total Accounts Receivable	23,332	149,419
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Accrued Interest	8	5
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Cash and cash equivalents	1,515,833	878,163
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Funding Accruals	5,468	-
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Total Loans and Receivables	1,544,641	1,027,587
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Total Financial Assets	1,544,641	1,027,587
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	2021	2020
Financial Liabilities		
Financial Liabilities at amortised cost		
Payables	(319,919)	(244,962)
Total Financial Liabilities at amortised cost	(319,919)	(244,962)
Total Financial Liabilities	(319,919)	(244,962)

19. Operating leases as lessee

The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:

	2021	2020
Operating leases as lessee		
Not later than one year	126,905	134,479
Later than one year and not later than five years	245,568	358,021
Later than five years	-	-
Total non-cancellable operating leases	372,473	492,500

The office space located at Level 1, 478 Main Street, Palmerston North, had a lease term to June 2020. 3 months notice was given as per the lease conditions and the lease is ceased on 8 July 2020.

In April 2020 a lease agreement was signed for premises located at Level 1, TSB Towers, 1-19 Fitzherbert Avenue, Palmerston North. The lease is commenced 1 July 2020, and has a lease term of four years to 30 June 2024, with two rights of renewal of three years each. This disclosure has included lease payments up to the end of the term, being 30 June 2024, as it is uncertain whether CEDA will exercise the option to renew the lease.

20. Events after balance date

There are no significant events after balance date.

21. COVID-19 impact

COVID-19 has had an impact to CEDA in relation to its non financial performance and impact on its financial performance mostly by way of Events and programmes unable to be held or in their usual format due to Alert Level requirements. CEDA also received additional funding support through the Strategic Tourism Asset Protection Programme and the Regional Business Partner Programme for COVID affected tourism sector support, business support and additional resource. There has been no impact to core funding and council grants, or to the ability for CEDA to continue its operations.

Statement of Service Performance

Central Economic Development Agency Ltd (CEDA)

For the year ended 30 June 2021

CEDA's performance measure framework identifies quantifiable measures of our programmes and activities aligned to our key strategic outcomes. Performance measures and outcomes July 2020 to June 2021:

1. Attract, retain and develop talent in the region

Service Level Statement	Performance Measure	2020/21 SOI*	Outcomes to Jun 21
Develop the talent pipeline to grow a skilled workforce, and better utilise the existing labour market	Understanding of the future of work in the region and how best to prepare the region for change	Develop a Manawatū future of work project, in collaboration with Massey, UCOL, employers and Infometrics	The Future of Work project is underway, focusing on the Food and Fibre (including Beef and Sheep, Dairy, Horticulture, Agrifood, Agribusiness and Agritech) and Infrastructure and Construction sectors. Initial research and data collection has been completed including Infometrics and trend analysis on the Future of Work along with specific sector trends relating to these two key sectors of strength. Key industry, business and relevant stakeholders have been identified for further qualitative research.
	Implementation of the talent attraction and retention strategy	Talent attraction campaign delivered in partnership with sector stakeholders	<p>A talent outreach programme was commenced to connect employers, human resource professionals, real estate agents, and recruitment agencies to the Manawatū Toolkit, which CEDA created to support the collective work in attracting talent to the region. The online information was sent to 14,000 people with an open rate of 32.8% and 230 people linking to the toolkit.</p> <p>CEDA led the implementation of a multi-region partnership to support the NZ Defence Force with the relocation of their Whenuapai workforce to Ohakea. This included the creation of a micro-website and collateral (including video) to provide the Defence Force with key information and compelling lifestyle messaging to support their people relocating here. 100 impacted personnel attended a Civic Visit at Whenuapai, with 181 visits to OperationAsmp.co.nz.</p> <p>Led a review of the Manawatū and Taranaki Talent and Skills Working Group which resulted in the formation of the Central Region Talent and Skills Advisory Group, created to have a more strategic role for the region and as a mechanism to report on the actions and outcomes of the regions Talent and Skills strategy. The group has formulated an Annual Work Plan that includes outputs such as Employer and Workplace Development that includes Te Titiriti o Waitangi, Sustainable Development Goals,</p>

		<p>Grow career opportunity engagement aligned to recommendations of the review of ManawatūNXT Step</p> <p>Deliver the Te Aho Tāmaka 3-year strategy year one action plan including 6 leader engagements</p>	<p>Global Competencies and Workplace Readiness for Employing Youth and Migrants.</p> <p>Review of the pilot programme with NXT Step and the impact and outcomes achieved to date has resulted in a move away from this programme and into a partnership with MyMahi, a work ready platform that gets students 'work ready' and connects them with businesses. Nine Schools in the Manawatu region are using MyMahi and nearly 100 job roles have been advertised. The job roles are a mix of part and full time and include roles in the services sector and infrastructure and construction.</p> <p>13 engagements with Te Aho Tāmaka leaders have been achieved including the induction of Dr David Kirk MBE into the programme, to support raising global recognition of the programme and the region. Other engagements included:</p> <ul style="list-style-type: none"> • Celebration of the UN's Sustainable Development Goals in partnership with PNCC, and four leaders • Vanisa Dhiru was a keynote speaker for IPU's 30th Graduation Celebration • two leaders webinars • A mentoring relationship built between a leader and a local business • In collaboration with UCOL we celebrated International Women's Day with Farah Palmer and Vanisa Dhiru on a panel of inspirational leaders. • Massey Student Enterprise Club engaged Linda Jenkinson in to give advice to budding entrepreneurs. • partnered with Te Manawa Museum and Vanisa Dhiru for two Suffrage in Stitches engagements, • Simon Moutter delivered the Westpac Choose Manawatū Business Awards 'Prize Package' workshop • Hon Steve Maharey was keynote speaker at the New Zealand AgriFood Week event – Whakawhanaungatanga, Celebrating Connections and Partnership. <p>As well as the engagements eight leader videos and seven inspirational leader Q&A articles have been developed, and regular social media posts were pushed out to ensure an ongoing national presence of the region.</p>
	Driving the development of skills in the region and supporting	Support Special Projects Skills Hub in developing pathways for employment	CEDA has secured formal agreements with Central Skills Hub (formerly Special Projects Skills Hub), Talent Central and the National Driver Training Centre, to enable facilitation

	linkages to job opportunities		<p>across the region in partnership to build an integrated and coordinated approach to the talent pipeline for the region, and development of pathways to employment. All these organisations form part of the Central Region Talent and Skills Advisory Group. CEDA has met with each entity individually on a quarterly basis and with them collectively once a month.</p> <p>Sort It Expo Careers Expo 3-Year strategy and action plan developed and implemented for 2021</p> <p>Following on from the in-depth review of Sort It Careers Expos in consultation with schools, tertiary providers, key stakeholders, students, and parents, Sort It Careers – Food and Fibre Edition was established for 2021. Held on the 7 May at the Palmerston North Conference and Function Centre, 18 exhibitors, 12 guest speakers participated in the Sort It Careers – Food and Fibre Edition as part of New Zealand AgriFood Week, with a key objective being to highlight the career opportunities from food tech to farming in the region, along with those industries that provide support to this important sector.</p>
	Implementation of the action plan as a result of the primary sector skills gaps analysis	<p>Development of talent pathways to employment for the primary sector</p> <p>Increase the employability of migrants in the region through improvement of employer capability</p>	<p>Talent Central has co-developed with industry Pathways to Employment for the; Primary Sector; Dairy, Beef and Sheep and Horticulture and Logistics, Distribution and Transport, with industry. These are on the Talent Central website to be used by individuals and secondary schools.</p> <p>The Connecting Migrant Employees and International Students to employers webinar was delivered for prospective migrant employees and international students, and employers, to help in 'Getting Work Ready' with 42 people attending on-line. The webinar along with other employability resources were also provided to six organisations and are online at ManawatuNZ.co.nz.</p> <p>The migrant community organisations were provided details of Sort It Careers – Food and Fibre Edition with approximately 15 attending.</p>
Lead and develop programmes and initiatives to attract more international students to the region	Increase the value of international students in the region	Lead the review and refresh of the regional strategy, and the development and implementation of the annual workplan with a focus on stabilising the existing international student market	<p>A new regional International Education Strategy to 2024 has been completed with industry partners with the aspiration to create a resilient International Education Sector that helps Manawatū thrive, through a diverse community, rich international connections and a strong global network. The Strategy sets out the key objectives for the next four years and was adopted at the June 2021 International Education Leadership Group Meeting. A new terms of reference has been finalised for the Leadership Group to assist in delivery of the strategy.</p>

			<p>CEDA led the coordination and delivery of an Agent Event hosted in Auckland with international education agents. Secondary schools and tertiary providers were able to connect with over 60 agents at the event. In a follow up to this event 100% of these agents said they would promote Manawatū as a study destination.</p> <p>CEDA organised a familiarisation trip to the region for 9 international education agents from Auckland. This included visits to tertiary institutes and secondary schools in the region as well as a Mayoral Meet and Greet, attending a school production and visits to places of interest within the region.</p> <p>CEDA and PNCC secured \$125,000 of Education New Zealand funding for the 2021-22 Financial Year. CEDA led the development of the business case supported by the International Education Lead Group.</p> <p>CEDA coordinated the Manawatu International Education Market Development Working Group to attend an Educational New Zealand Agent Mini-Fair in Auckland in June. The Working Group got to interact with approx. 70 international agents. Agent information has been provided to the regional secondary schools and tertiary providers as a result.</p>
	<p>Enhance the experience of international students while they are here</p>	<p>Deliver 6 cross institutional engagement activities with tertiary sector partners</p>	<p>CEDA has delivered the following student engagement activities to enhance the experience of students while they are in the region:</p> <ul style="list-style-type: none"> • Mayoral Welcome hosted in Palmerston North City Council Chambers in October with over 50 registrations. • Specialised tour of Massey University's Engineering and Food Technology facilities for international students aged years 11 to 13 studying appropriate courses was attended by 19 students. • Summer programme of activity launched online at www.ManawatuNZ.co.nz. This was promoted at Education New Zealand's Summer Fair on Saturday 31st October. 10 events organised by CEDA and two we supported MUSA as part of the regions Summer Programme of activities and events. • 25 students from secondary schools graduated from a virtual certificate course on Global competencies which they completed with peer students in Vietnam. This led to a Memorandum of Understanding being signed between the secondary schools in Vietnam and the Manawatū region to work collaboratively on future activities, including study pathways.

	<p>Increase the employability of international students</p>	<p>Assist students into employment opportunities in essential sectors including delivery of 4 webinars and development of employability resources, linking students with employers or industry</p>	<p>A webinar was delivered for prospective students and international students to the region showing, tertiary education options available, reasons to study here, student experiences and pathways to employment. It was also provided as a resource along with other employability resources to six organisations and on-line at ManawatuNZ.co.nz.</p> <p>The employability resources have also been provided to tertiary providers, Manawatū Network of Skilled Migrants, English Teaching College, Tertiary Providers, English Language Partners and Welcoming Communities.</p>
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*These objectives or outcomes may have been impacted by CEDA’s requirements to be adaptable and responsive to the needs of the regional economy due to the impact of COVID-19, and additional Regional Business Partner Programme and Strategic Tourism Asset Protection Programme funding received to support regional recovery efforts.

2. Attract, retain and develop business and investment in the region

Service Level Statement	Performance Measure	2020/21 SOI*	Outcomes to Jun 21
Support our sectors of strength to grow through targeted business development and retention initiatives and activities	Assess and support opportunities for growth through key business engagement, cluster development and sector strategies and relationships with M ori	<p>Implementation of the Destination Management Plan year one actions, including operator capability and product development</p> <p>Implement year three of the Agritech Strategy 3-year action plan</p> <p>Implement year two of the New Zealand AgriFood Week Foundational Strategy</p>	<p>Year two implementation of the Manawatū Destination Management Plan included:</p> <ul style="list-style-type: none"> • Secured \$700,000 from MBIE's Strategic Tourism Asset Protection Programme (STAPP) to accelerate the implementation of the Manawatū Destination Management Plan. • Funded a Google Destination Management programme to lift the city and regions digital footprint and assist visitor sector businesses, with more than 110 businesses receiving support in the year to date via workshops and one to one sessions. Generated more than 917,000 views on imagery uploaded to Google Maps. • Coastal Arts Trail development in partnership with Whanganui and Taranaki to create a multi-region itinerary and touring route. • Secured \$375,000 from the Ministry of Business, Innovation and Employment from the Regional Events Fund for the purpose of stimulating domestic tourism. NZ AgriFood Week and Sentinel Homes Trans-Tasman International Hockey tournament were funded for 2020-21. • Finalised the Regional Identity with shareholder and partner endorsement. • New data and insights secured, and curated. Provided to visitor sector businesses to leverage through marketing and to inform long term decisions. <p>The implementation of year three of the ManawatuūAgritech Strategy included funding for Sprout Agritech, with the Quarterly Roaming Networker reports capturing regional agritech activity and insights. Further funding support was provided to the Sprout Accelerator, and The Factory Innovate programmes (see below). CEDA also partnered with a public relations agency to promote the regions strengths in agritech and agrifood. A review of the Strategy in conjunction with Sprout has been commenced with a view to refreshing for the next three years to ensure a sustained integrated approach for the region.</p> <p>New Zealand AgriFood Week (NZAFW) Collaboration Lunch held in November with 40 senior leaders across the agri value chain, focusing on traceability in the agrifood sector to identify actionable outcomes for the</p>

		<p>region. As a result, key private sector companies were invited to join the NZAFW 2021 Steering Committee to strengthen private sector participation.</p> <p>New Zealand AgriFood Week 2021 was successfully delivered from 3-9 May. There were 17 events of various sizes, attended by over 1200 people.</p> <p>CEDA delivered three key events across the Week:</p> <ul style="list-style-type: none"> • opening Powhiri • AgResearch Our Food Our Future panel discussion • Whakawhanaungatanga – Celebrating Connections & Partnerships <p>We also partnered with The Factory, on the AgTech Hackathon, and supported key events such as Ngā kai Whakatō Whenua – emerging proteins dinner, Beef + Lamb NZ AgInnovation Conference, and the Emerging Proteins in NZ launch.</p> <p>Digital and marketing campaigns to support and promote the Week generated over 1.3 million impressions and 17 media features across print, radio and digital.</p>
Retain businesses in the region through engagement and identification of barriers to growth	Business Retention Strategy developed and implemented	Development of the regional Business Retention, Expansion and Attraction Strategy is underway. The strategy will ensure structured and regular engagement with existing investors in the region to identify blockages to investments and facilitate attraction, retention and business expansion. Research on best practice has been completed and key industry, businesses and stakeholders identified, with qualitative research underway.
Develop and grow businesses by delivering information, advice, and support	550 businesses supported through CEDA business development and support activities including the Regional Business Partner Programme.	<p>779 unique businesses received support through engagement with CEDA including (86 Māori owned 538 businesses impacted by COVID-19, and 19 businesses supported through the government Tourism Transitions Fund. This also includes 37 Businesses who were matched with a Business Mentor through the NZ Business Mentor programme, facilitated by CEDA.</p> <p>\$2,087,329 vouchers issued through COVID-19, Tourism and Regional Business Partner Capability funding.</p> <p>Four Navigating COVID-19 webinars were delivered with 53 people attending the online webinars and 113 views on CEDA.nz</p> <p>Westpac Choose Manawatū Business Awards were successfully delivered in December. The awards recognised business resilience especially through the impacts of</p>
	Celebrate and showcase business success in the region	

		through a business awards programme	COVID-19. There were 81 entries from businesses across a number of the region's priority sectors with 24 finalists selected and 10 winners announced at an awards dinner of 330 attendees.
	Facilitate access to specialist innovation, business development and startup expertise	<p>Provide support to the Factory including the Innovate Programme</p> <p>Partner with the Global Sprout Accelerator</p> <p>Facilitate access to grants and research and development support through Callaghan Innovation for 35 managed businesses</p> <p>30 student opportunities to support business research and development through Callaghan Innovation student grants</p>	<p>The Factory attracted 61 entries to Innovate 20. With CEDA as a major sponsor, seven finalists were selected, and underwent a 12-week mentorship programme with The Factory, cumulating in an awards night held in November.</p> <p>Partnership agreement with Sprout Agritech including funding for the Sprout Accelerator Programme, to support profiling the capability and expertise within the region to attract talent and investment. CEDA was part of the 2021 cohorts' selection processes, along with partners such as Callaghan Innovation, Gallagher, Livestock Improvement Corporation and Fonterra, shortlisting 43 applicants from entries from New Zealand, UK, USA, Canada, Ghana, India, Argentina and Jordan across a range of agritech disciplines. CEDA was also in the selection panel to shortlist 12 teams for the Accelerator program.</p> <p>Callaghan Innovation portfolio of managed companies: 40 as at 30 June 2021</p> <p>Regional Callaghan Research and Development funding support to businesses totaling \$863,081 made up of the following:</p> <ul style="list-style-type: none"> • 2 x Getting Started Grants • 2 x Project Grants • 5 x Student Fellowship Grants • 3 x Student Career Grants (see below) • 28 x Student Experience Grants (see below) <p>In addition, CEDA supported 13 businesses in receiving research and development loans from Callaghan Innovation totaling \$3,734,129 in response to COVID-19.</p> <p>31 Student Grants facilitated, linking tertiary students directly to businesses, resulting in increased research and development capacity for 15 businesses.</p>

Attract business and investment to the region	Implementation of Inward Investment strategy with regional partners, targeting the Agriculture, and Distribution and Logistics sectors	<p>Investment profile for the region developed and investment ready opportunities identified</p> <p>Support the development of the PNCC Transport and Logistics Master Plan, by development of roadmap and plan for strategy execution.</p> <p>Te Āpiti – Manawatū Gorge tourism investment profile and business case developed.</p>	<p>A suite of investment prospectuses for the region have been created, through engaging with sector leaders, landowners and our shareholders. Final design is confirmed, with the new Regional Identity applied and ready for launch in the new financial year. Seven investment opportunities for the region are being supported or led by CEDA including the Australian Defense Apparel relocation from Auckland to Palmerston North, e-waste processing, hydrogen heavy vehicle refueling, potential investments in bioforestry plants within the wider region, an e-Scooter rental company, a hi-tech audio business looking to setup in Palmerston North, and Te Āpiti Tourism Potential</p> <p>The final draft Central New Zealand Distribution Hub Strategy has been completed and socialised with central and local government and stakeholders. The final Strategy is set for launch in the first quarter of 2021-22. Terms of reference for the Reference and Steering Committee have also been completed, with implementation to commence in July. Throughout the year a communications plan was developed in partnership with Palmerston North City Council to support information sharing and profile of the Hub. Work on the Regional Freight Ring Road was also undertaken following KiwiRail's notice of requirement to for the acquisition of land for the planned site for the freight hub, with stakeholder workshops held.</p> <p>Following the successful Provincial Growth Fund application earlier this calendar year, CEDA undertook the development of an extensive business case for investment in Te Āpiti's tourism potential, which identified two anchor attractions in Te Āpiti Master Plan. A high-level funding scope has been prepared to identify investment opportunities including public private partnerships, trusts and central government funding.</p>
	Attraction of Conference and Business Events that bring economic benefit to the region	Targeted conference attraction strategy for region implemented, including development of a local to local initiative to re-establish the conference sector	<p>Targeted conference attraction activities included:</p> <ul style="list-style-type: none"> • Meet in Manawatū local to local initiative, targeting businesses and conference organisers within a three-hour drive time, delivered through a partnership with Meeting Newz with a readership of 20,095. • Attended the BE Reconnected Conventions and Incentives NZ event in Auckland. • Two bids submitted to attract conferences to the region. • Attended MEETINGS 2021 in Auckland and successfully completed 20 pre-

			<p>scheduled appointments and 2 walk-ins over 2 days</p> <p>A regional Conference and Business Events Strategy was developed in consultation with stakeholders and industry, which defines the strategic regional value proposition and the key initiatives needed for business conference attraction over the next three years. The Strategy was formally launched in May at a gathering of Business Events industry stakeholders. Lisa Hopkins, CEO of Business Events Industry Aotearoa spoke at the event, emphasizing the need for the industry to work collaboratively.</p>
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3. Profile the region to attract people, business and investment

Service Level Statement	Performance Measure	2020/21 SOI*	Outcomes to Jun 21
Profile Manawatū locally, nationally and globally	Lead and develop the stories of Manawatū, creating a narrative and a unified positioning, incorporating the cultural heritage of iwi	Implement the Regional Identity project outcomes across sectors including talent attraction and retention and visitation (business and leisure)	<p>The regional identity was finalised in May, with support from our Iwi partners and shareholders. The resulting identity and regional pepeha provide a strong, modern visual identity that will tie together our areas of work and provide a platform for regional partners.</p> <p>A new Liveability Prospectus was created for the region in partnership with Neat Places, to showcase the region and provide to recruitment agencies and our wider business community to help attract more talent here.</p> <p>To showcase the best of our people and places, CEDA has curated 79 stories and content pieces across business, visitor, talent, investment and innovation. These stories are published on ManawatuNZ.co.nz, in PalmyProud and OnTrack magazines as well as in partner publications such as NZ Entrepreneur and Neat Places.</p> <p>A full audit of ManawatuNZ.co.nz was undertaken and new wireframe developed, ready for implementation in the new financial year encompassing the Regional Identity.</p> <p>Using the insights and theme of the regional identity, CEDA led a targeted Spring/Summer campaign 'Anything But Square', to drive visitation to the region. The campaign delivered 3,620,632 impressions.</p> <p>A curated photo shoot capturing fresh new imagery and video and footage of 18 locations and businesses across Palmerston North and Manawatū over January and February 2021. In total 440 images were captured and one hour of footage segments.</p> <p>In late 2020 the 'Paddock to Plate' six-week campaign targeted potential visitors from Wellington, to support the hospitality sector through the impacts of COVID19, had a digital reach of more than 1 million people, while media partnerships resulted in 11 features and interviews.</p> <p>200 photographs added to Google Maps as Places of Interest across the city and district in late 2020, and new content was captured to create new Google Maps footage to raise the profile of the city and region nationally and globally, which has resulted in 917,104 views since we uploaded.</p>

	<p>Lead the creation of quality, targeted regional content for distribution on owned and third-party platforms, working with media partners to showcase our region's strengths.</p>	<p>20 direct media features published profiling the region</p>	<p>119 media features profiling the city and region were achieved across a variety of publications and with a calculated combined audience reach of more than 19 million readers, viewers and listeners. Publications included Kia Ora Magazine, Stuff Travel, New Zealand Herald, NZ Entrepreneur, Business Central, The Country, Magic Talk, For The Love of Travel, Food Ticker, Food NZ Magazine, NZ Manufacturer, The Spinoff, NewsTalk ZB, Radio New Zealand and NZ Trucking.</p> <p>Highlights include:</p> <ul style="list-style-type: none"> • a four-page spread in Kia Ora Magazine on a 'Weekend in Palmy'. • more than 35minutes of coverage on TV1 Breakfast as part of The Breakfast Backyard Break, showcasing the region. Makoura Lodge, Manawatū Blokart Club and Awastone were featured. A reported reach of 1,053,680 people viewing the Manawatū segment and competition giveaway. <p><i>Note the high level of features can be partially attributed to the Strategic Tourism Asset Protection Programme funding that was secured through MBIE to support Regional Tourism Organisations as a result of the impact of COVID-19.</i></p> <p>15,000 Neat Places pocket guides were published and distribution across motels, venues and activities throughout the lower North Island. The 35 pieces of digital content created through this partnership gained more than 480,000 impressions up to May 2021 across social media and online at neatplaces.co.nz.</p> <p>ManawatuNZ Media Library launched, creating a free resource of high-quality images and videos for businesses and media to use. More than 1,746 downloads were made by businesses and organisations since launch.</p>
	<p>Grow engagement on regional web and digital platforms for increased promotion of and information on the region</p>	<p>10% increase in 'sessions' on ManawatūNZ.co.nz, and social media engagement across all channels</p>	<p>ManawatuNZ.co.nz has had a 39.10% increase on 'sessions' year to date (229,586 to 319,344). Palmerston North city & Manawatu Facebook followers up 12.27% year to date (13,337 to 14,973). MyManawatu Facebook followers up 6.53% year to date (10,579 to 11,270). Manawatu NZ Instagram followers up 50.16% year to date (5,106 to 7,667).</p>

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4. Lead inclusive and sustainable economic development for the region

Service Level Statement	Performance Measure	2020/21 SOI*	2021/22
Develop strategic partner relationships, leveraging opportunities	Continue to build on relationships with shareholders, central government agencies, key regional stakeholders, local iwi and M ori, and business support groups through the stakeholder engagement plan	<p>Stakeholder satisfaction survey increased percentage on 2019/20 year to 70%</p> <p>Partnership agreements and workplans reviewed and new plans in place including PNCC, MDC, and iwi</p> <p>Two partnership projects identified in conjunction with iwi</p>	<p>Stakeholder satisfaction survey now biennial, as agreed with shareholders, and to be completed at year end 2022.</p> <p>Partnership agreements with Rangitāne o Manawatū, Sprout Agritech, The Factory, Young Professionals Network, Rural Innovation Lab, Talent Central, Central Skills Hub, National Driver Training Center, and UCOL completed.</p> <p>CEDA has facilitated the development of the Rangitāne o Manawatū Three Year Maori Tourism Strategy in partnership with representatives from Rangitāne. The final draft has been strongly endorsed by the wider Rangitāne leaders with implementation to begin in the coming year.</p> <p>Rangitāne o Manawatū were a key partner and advisor in the development of the Regional Identity, which was finalised this year, and incorporates a regional pepeha. Through our partnership, we were guided to engage with a local Māori artist, which ensured a fresh, modern approach that is unique to Manawatū.</p> <p>CEDA and Tourism New Zealand's pilot partnership initiated this year has also included connecting with Rangitāne o Manawatū on their tourism aspirations.</p>
Data and insights communications on the performance of the region's economy	Economic impact information regularly communicated to stakeholders and business, including iwi and Māori business sector	<p>70 stakeholder engagements/ communications delivered</p> <p>Māori economy data and insights developed in</p>	<p>91 communications have been delivered to CEDA's stakeholders and business community consisting of:</p> <ul style="list-style-type: none"> • 60 seconds: 72 • Quarterly Economic Updates: 4 • Training & Development Guide: 13 • Visitor Industry Updates: 2 <p>CEDA.nz had a 4.68% decrease in sessions year to date (31,212 to 29,752).</p> <p><i>Note the previous years sessions saw a significant increase due to Alert Level impacts of COIVD-19</i></p> <p>Manawatu-Whanganui Māori Business data and insights have been developed in partnership with Massey University, Te Au Rangahau and Palmerston North City</p>

		partnership with shareholders	Council to support Māori sector development, with final report due to be published in August 2021.
Work plan aligned to delivery of Statement of Service Performance	Development of Business Plan with outcomes on delivery of the Statement of Intent	Business Plan developed and delivered to shareholders by 31 October**	Business Plan developed and delivered to shareholders.

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** Dependent on Statement of Intent being signed off by 30 June.

3. Profile the region to attract people, business and investment

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Profile Manawatū locally, nationally and globally	Lead and develop the stories of Manawatū, creating a narrative and a unified positioning, incorporating the cultural heritage of iwi	Implement the Regional Identity project outcomes across sectors including talent attraction and retention and visitation (business and leisure)	<p>The regional identity was finalised in May, with support from our Iwi partners and shareholders. The resulting identity and regional pepeha provide a strong, modern visual identity that will tie together our areas of work and provide a platform for regional partners.</p> <p>A new Liveability Prospectus was created for the region in partnership with Neat Places, to showcase the region and provide to recruitment agencies and our wider business community to help attract more talent here.</p> <p>To showcase the best of our people and places, CEDA has curated 79 stories and content pieces across business, visitor, talent, investment and innovation. These stories are published on ManawatuNZ.co.nz, in PalmyProud and OnTrack magazines as well as in partner publications such as NZ Entrepreneur and Neat Places.</p> <p>A full audit of ManawatuNZ.co.nz was undertaken and new wireframe developed, ready for implementation in the new financial year encompassing the Regional Identity.</p> <p>Using the insights and theme of the regional identity, CEDA led a targeted Spring/Summer campaign 'Anything But Square', to drive visitation to the region. The campaign delivered 3,620,632 impressions.</p> <p>A curated photo shoot capturing fresh new imagery and video and footage of 18 locations and businesses across Palmerston North and Manawatū over January and February 2021. In total 440 images were captured and one hour of footage segments.</p> <p>In late 2020 the 'Paddock to Plate' six-week campaign targeted potential visitors from Wellington, to support the hospitality sector through the impacts of COVID19, had a digital reach of more than 1 million people, while media partnerships resulted in 11 features and interviews.</p> <p>200 photographs added to Google Maps as Places of Interest across the city and district in late 2020, and new content was captured to create new Google Maps footage to raise the profile of the city and region nationally and globally, which has resulted in 917,104 views since we uploaded.</p>
	Lead the creation of quality, targeted regional content for distribution on owned and third-party platforms, working with	20 direct media features published profiling the region	119 media features profiling the city and region were achieved across a variety of publications and with a calculated combined audience reach of more than 19 million readers, viewers and listeners. Publications included Kia Ora Magazine, Stuff Travel, New Zealand Herald, NZ Entrepreneur, Business Central, The Country, Magic Talk,

	media partners to showcase our region's strengths.		<p>For The Love of Travel, Food Ticker, Food NZ Magazine, NZ Manufacturer, The Spinoff, NewsTalk ZB, Radio New Zealand and NZ Trucking.</p> <p>Highlights include:</p> <ul style="list-style-type: none"> • a four-page spread in Kia Ora Magazine on a 'Weekend in Palmy'. • more than 35minutes of coverage on TV1 Breakfast as part of The Breakfast Backyard Break, showcasing the region. Makoura Lodge, Manawatū Blokart Club and Awastone were featured. A reported reach of 1,053,680 people viewing the Manawatū segment and competition giveaway. <p><i>Note the high level of features can be partially attributed to the Strategic Tourism Asset Protection Programme funding that was secured through MBIE to support Regional Tourism Organisations as a result of the impact of COVID-19.</i></p> <p>15,000 Neat Places pocket guides were published and distribution across motels, venues and activities throughout the lower North Island. The 35 pieces of digital content created through this partnership gained more than 480,000 impressions up to May 2021 across social media and online at neatplaces.co.nz.</p> <p>ManawatuNZ Media Library launched, creating a free resource of high-quality images and videos for businesses and media to use. More than 1,746 downloads were made by businesses and organisations since launch.</p>
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