

An aerial photograph of a river flowing through a valley. The river is surrounded by lush green hills and forests. A large, multi-arched bridge spans the river in the foreground. In the background, there are rolling hills and a few wind turbines on a distant ridge. The sky is a mix of orange and blue, suggesting a sunset or sunrise.

## Annual Report to 30 June 2019

30 September 2019

# Company Directory

## Central Economic Development Agency Limited

Level 1, 478 Main Street  
Palmerston North 4410

☎ 06 350 1830  
🖱 [ceda.nz](http://ceda.nz)

## Chief Executive

Linda Stewart

## Directors

Malcolm Bailey (Chairperson)  
Shamubeel Eaqub  
Susan Foley  
John Fowke  
Lucy Griffiths  
Blair O'Keeffe

## Registered Office

Morrison Creed Advisory Limited  
Cnr Main Street & Victoria Avenue  
Palmerston North, 4410

## Bankers

Westpac New Zealand Ltd

## Auditors

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

## Legal Status

Central Economic Development Agency Limited ("CEDA") was incorporated 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 Manawātū District Council (50%) CEDA is a council-controlled organisation as defined in section 6 of the Local Government Act 2002.

# Contents

Chair's Report	05
Chief Executive's Report	06
The Year That's Been	08
About CEDA	11
Our Vision	12
Our Strategic Objectives	13
What We Do	14
Grow and Retain Education and Talent	15
Build the Reputation and Experience	21
Support the Growth of Business	33
Build an Environment Conducive to Economic Growth	48
How We Allocate our Resources	51
How We Operate	52
Statement of Service Performance	54
Monitoring Indicators	68
Corporate Report	69
Financial Performance	74

# Palmerston North and Manawatū At a Glance

## POPULATION

119,600

June 2018

88,700

Palmerston North

30,900

Manawatū District



## AVERAGE AGE

33.6

Palmerston North

41

Manawatū District

June 2018

RATE OF POPULATION GROWTH **1.7%**

June 2018

↑ **2.6%**

## POPULATION GROWTH

YE March 2019 (based on the increase in new residents signing up to health services)

MANAWATŪ GDP (NZD \$248,398m)

**\$5,028m**

**2.02% of NZ economy**

March 2019



GDP PER CAPITA (NZD)

**\$42,040**

June 2018

## TOTAL VISITOR SPEND

**\$485.8m**

in Manawatū region (increase of 4.9%)

YE June 2019



## REGIONAL TOURISM ORGANISATION RATING

Manawatū Region is ranked 16<sup>th</sup> for visitor spend out of 31 RTO's around New Zealand

YE June 2019



## MEDIAN SALARIES AND WAGES

**\$49,840**

Palmerston North

**\$47,510**

Manawatū District

YE March 2018

## GUEST NIGHTS

**502,680**

Manawatū region (8.2% increase)

YE June 2019

**\$357m**

## BUILDING CONSENTS

2% decline from YE June 2018

YE June 2019



**62,987**

## EMPLOYEES AND SELF-EMPLOYED

2.0% increase (+1,239 jobs) from March 2017

March 2018



## TOTAL BUSINESSES

**11,709**

Increase of 0.1% businesses since February 2017

YE February 2018

## TOTAL EARNINGS

(salaries, wages and self-employment income)

**\$3,307m**

4.6% increase since March 2016



**Data sources:** StatsNZ, Central Primary Health Organisation, Infometrics Quarterly, Commercial Accommodation Monitor, MBIE.

As the region's economic development agency, we have a role in monitoring and influencing a range of these indicators where we can, however we don't measure the performance of our organisation against them. These indicators reflect outcomes at a regional level which are impacted by a range of factors outside our control, such as exchange rates, natural disasters and government policy, for example.



# Chairperson Report

Tēnā Koutou Katoa

Manawatū 2025; New Zealand's most progressive region.

Our vision for Manawatū is ambitious. It means that our rate of economic growth must be above that of New Zealand as a whole. It also means that our growth is based on skills and knowledge that raises employment and incomes and addresses the social, cultural, and environmental needs of our community. Over the past year we have further developed the strategy and programme of work and partnerships to deliver this.

2018/19 has been a year of strong growth for Manawatū; we have consistently outperformed the national average GDP growth. Our population growth remains solid and our consumer spending is confident and shows strong support for our local business community. Visitor spending has continued to rise, and our residential and commercial construction markets are exceptionally buoyant. To date we have not seen the slowdown in growth rate that some parts of the New Zealand economy are experiencing. Our primary industries are doing well. Our construction sector is strong, and this will stay strong because of the healthy ten-year regional investment pipeline of over \$3.5 billion coming from central and local government, as well as the private sector.

While the past and future outlook for economic performance is very positive, we must also acknowledge the stresses that comes with this. Our house prices have seen double digit growth over the past year, with prices reaching record highs. Our rental prices have increased significantly, and with population growth, we have seen real pressure being placed on housing availability across the region. This supply shortage is having an impact on those needing social housing with the number of families eligible for social housing in the Manawatū region having increased from 11 in March 2015 to 409 in March 2019. There are now 354 applicants in Palmerston North and 55 in our district that can either not find housing or cannot afford the housing that is available.

Access to affordable housing is crucial to supporting the wellbeing of our community, and to help us to continue to attract the labour and skills our businesses need to continue to grow.

At CEDA we are focused on encouraging business investment and expansion, along with labour market development, that can respond to the significant growth opportunities that are upon us. This includes the large infrastructure projects such as Te Ahu a Tūranga: Manawatū-Tararua Highway and the multi-modal distribution hub. Another exciting development is the FoodHQ led agrifood precinct which builds on our existing world class capability in the science sector.

Our emphasis over the past year on developing and strengthening our partnerships with our councils, iwi, The Factory, Sprout, FoodHQ and Manawatū Chamber of Commerce will stand us all in good stead as we move forward. Each of these organisations play an important role in fulfilling the potential that lies within Manawatū.

As you look through the pages of our annual report, you will see the significant progress that CEDA has made. There is still much for us to do to achieve our vision for Manawatū. Our success is based on your support and engagement.

On behalf of the CEDA Board and the whole of the team at CEDA, thank you to our shareholder Councils for their ongoing commitment, support and guidance. And thank you to all our partners from across the region and across New Zealand; He waka eke noa, we are all in this together.

Ngā mihi nui ki a koutou katoua,



Malcolm Bailey  
Chairperson



# Chief Executive Report

Tēnā Koutou Katoa

Manawatū offers one of the best lifestyles in New Zealand. From our easy commutes and compact, vibrant city and town centres, to the variety and quality of our retail shopping, cafés, restaurants and bars. This is matched with great career opportunities, excellent education and healthcare providers and easy accessibility of our great outdoors, with Te Āpiti – Manawatū Gorge, the Manawatū River Pathway, Arapuke Mountain Bike Park and the Ruahine and Tararua Ranges on our doorstep.

For the past year, CEDA has been dedicated to building the reputation, profile and visibility of our region, something that we know, and that you have all told us, has been lacking for some time.

It's a complicated issue and one that has taken time and research to understand, and then plan how to authentically overcome it. As Jack Welch once said, 'If you don't have a competitive advantage, don't compete!' While that might sound harsh, it strikes to the core of what we've struggled to nail as a region over the years – who we are, what we're renowned for, and why people need to know about us. Without this compelling elevator pitch or story, we have not been heard and our message has been diluted.

But this is changing.

We are a region rich in Māori culture, with a history that is founded in food, science and innovation, and we are at the crossroads of the centre of the lower North Island. We are a region that is proud of our history and the people who live here, and there is collective momentum and energy building that we all have a role to play in showcasing what it is like to live and do business here, so we can attract more people to be a part of what we have. As a region, we are becoming increasingly united in our direction, which is focused on achieving economic prosperity for all in our community, and we are now ready to take our story to the world.

The programmes delivered by CEDA in the past year are beginning to drive real and lasting change for our communities and region's growth. I am proud to share with you our

annual report which reveals what we have undertaken and achieved.

The attraction of business, investment and people to the region has required us to take a hard look at our value proposition, our natural assets, the cost and ease of doing business here, the infrastructure being developed, and our comparative advantages as a region. Our expansion and investment strategy defines this and sets out a clear and focused action plan to drive outcomes that will take us towards our vision and goals. Alongside this, we attracted investment from the Provincial Growth Fund to assess the cultural, educational, and visitor opportunities that lie in the transformation of Te Āpiti – Manawatū Gorge. This multi-stakeholder project brought ten commercial organisations and investors to the region to critically assess the potential, the current activities, and the future ventures that may flourish within this natural asset and the surrounding areas.

We are not just focused on attracting more, though. Economic gardening is an approach that is growing in momentum, meaning there is a focus and emphasis on growing what you have, not just spending time attempting to attract more. This is evident through our work in supporting business capability and fostering a culture of innovation, research and development in our business community. Almost 500 businesses have received support from CEDA over the year, and more than \$1.5 million in research and development growth grants have been allocated. In partnership with Sprout, we developed the Manawatū Agritech Sector Strategy and three-year action plan to provide a clear focus and a collaborative programme of projects to drive growth in this high value sector that is a real strength and point of difference for our region.

Complementary to this is our work in developing a strong pipeline of talent to support the growth we are experiencing. The Primary Sector Skills Gaps Analysis has taken a deep dive into the needs of this sector now, and into the future, seeking to understand, and



develop a plan to address the challenges faced when it comes to developing, retaining and attracting talent into the sector.

More broadly, our international education sector continues to grow in the face of national decline, and we are focused on how we can retain more of these students in our region. To inform the approach we should take to do this, we undertook an employability scoping study to identify the barriers faced by students and employers when it comes to employing international talent. And it would be remiss of me not to recognise that this year's Sort It Careers Expo was the largest ever seen in the region, with more than 5000 attendees and 80 exhibitors connected throughout the day, discussing the training and career opportunities that are available right here in Manawātū and beyond.

Programmes that have acted as a catalyst to putting our city and region on the map and attracting more people here, include the development and launch of Te Aho Tāmaka, a first of its kind programme in New Zealand that recognises, celebrates and connects with the region's most illustrious leaders. The aim is to build a global network of ambassadors who want to contribute to regional growth and be advocates for Palmerston North and Manawātū. The Move to Manawātū digital campaign shone a light on the region's lifestyle and opportunities in a way that has not been done before: highlighting real residents' stories to resonate and connect with people who may not have considered moving here. And by bringing the global science festival, Pint of Science to New Zealand for the first time, we put the research and innovation that's taking place in the region on front and centre stage, joining more than 400 cities around the world who are involved in the festival.

From a financial perspective we have invested in delivering these substantial projects, which as projected, has resulted in a deficit for the year. We forecast that this spend will continue into the 2019/20 year as we continue to drive and deliver larger, strategic projects beyond core business, as we strive to meet our own ambitions, and those of our shareholders.

I would like to take this opportunity to thank our shareholder councils, Palmerston North City Council and Manawātū District Council, whose vision, ambition and clear direction have ensured that we are aligned and work

collectively to fulfil the potential of our region and overcome the challenges we face together. I must also thank the Board for their commitment and relentless focus on achieving our vision and purpose and delivering meaningful outcomes for our communities. And thank you to the team at CEDA; you are the ones that are leading, delivering and enabling this work to happen, and you should be very proud of what you have achieved over the past year.

Our vision is for Manawātū to be New Zealand's most progressive region in 2025 and over the year, the Board and the team at CEDA have set some ambitious goals and a clear action plan to ensure we make them happen. They are:

- Manawātū is nationally and internationally recognised as one of the top three agrifood hubs in the world.
- Manawātū is a leading distribution hub and leverages off its role in central New Zealand.
- Manawātū is renowned for its exceptional lifestyle and competitive advantages, and is a magnet for investment, business and talent.

Together, with our shareholder councils, partner organisations, iwi, business community, central government and communities, we are well positioned to make the most of the unprecedented growth our region is experiencing. Central and local government investment is strong, which provides our private sector with confidence, we have significant infrastructure projects underway or about to commence, our population is growing as our reputation and profile is heightened, and our place in the global world of food and distribution is strengthening.

While we take a moment to reflect on that past year and all that's been achieved, we remain focused on the future, ensuring that as a region we are able to take advantage of this time of growth, not just in the short term, but to build sustainable businesses and resilient communities well into the future.

Ngā mihi nui ki a koutou katoa ,



Linda Stewart  
Chief Executive



# Highlights from the Year That's Been

Successful  
PGF application  
for Te Āpiti -  
Manawatū  
Gorge  
feasibility study

\$1,599,433  
Research &  
Development Growth  
Grants allocated

48  
businesses  
matched with a  
business mentor

Supported and enabled  
35 conferences  
worth an estimated  
**\$4.4 million**  
to the region

495  
businesses engaged  
with and supported

Launch of  
**Te Aho Tāmaka** -  
Manawatū Leaders  
programme

11  
Business  
Startup Clinics  
held

15  
international  
education agents  
hosted in Manawatū

44  
media features  
on region and key  
sectors



International  
student  
employability  
scoping study completed

**Led** the third  
Central Regions'  
Mission to  
China

Manawatū  
**Agritech**  
Strategy  
developed

Delivered Sort It  
Careers Expo with  
**5,000 attendees,**  
**80 exhibitors**

Primary Sector  
**Skills Gaps**  
**Analysis**  
research  
completed

Inward  
**Investment**  
Strategy  
developed

Delivered  
**New Zealand**  
**AgriFood Week**  
and **Plate of**  
**Origin 2019**

**Health Sector**  
Scoping Study  
completed

Manawatū  
**Rohe Iwi**  
Engagement  
Strategy  
developed

**Destination**  
**Management**  
**Plan**  
framework  
developed

Delivered  
**Westpac**  
**Manawatū**  
**Business Awards**  
2018

**Move to**  
**Manawatū**  
campaign  
developed and  
launched

Launched global  
science festival,  
Pint of Science,  
in NZ for the first time





# About CEDA

The Central Economic Development Agency (CEDA) is a Limited Liability Company incorporated and registered under the Companies Act 1993. CEDA commenced full operations in September 2016 and is a Council controlled organisation jointly owned by the Palmerston North City Council (50%) and the Manawātū District Council (50%).

## CEDA's Purpose and Principal Activities

The primary objective of CEDA is to drive and facilitate the creation and growth of economic wealth for Manawātū and beyond. CEDA's principal activities are directed by

## CEDA's Constitution Objectives

- (a) The principal objectives of the Company are to achieve the objectives of the Shareholders, both commercial and non-commercial as specified from time to time in the Statement of Intent and, in particular, to drive and facilitate the creation and growth of economic wealth for Manawātū and beyond;
- (b) be a good employer;
- (c) exhibit a sense of social and environmental responsibility by having regard to the interests of the community in which the Company operates and by endeavouring to accommodate or encourage these when reasonably able to do so.

## CEDA's Structure and Governance

The Board of up to seven (currently six) independent directors is responsible for the strategic direction and control of CEDA's activities.

The Board guides and monitors the business and affairs of CEDA, in accordance with the Companies Act 1993, the Local Government Act 2002, the Company's Constitution and this Statement of Intent.

The Board's approach to governance is to adopt "good practice" with respect to:

- the operation and performance of the Board
- managing the relationship with the Chief Executive
- being accountable to all shareholders and reporting to the Joint Strategic Planning Committee of Manawātū District Council and Palmerston North City Council

The Chief Executive Officer is responsible for the day-to-day operations of CEDA, engaging and oversight of staff and reporting to the directors on performance against CEDA's objectives.



# Our Vision

## Manawatū 2025; New Zealand's most progressive region

Our vision is bold and purposefully so, it encompasses the ambitions of both our shareholder councils. It requires our region to move from comfortable to aspirational, from reactive to determined, and to move with an increased cadence and sense of resolve. We believe that Manawatū has the leadership and the ingredients to reposition itself on the national stage - a flourishing and evolving region that will be first choice for lifestyle and success.

Four key indicators that we are on our way to achieving this vision are:



Our regional story is embraced, promoted and stated proudly by residents, businesses and visitors



We are the renowned central hub for agribusiness



We are growing sustainably



Innovation is part of the fabric of our community and culture, and it's celebrated

To achieve this vision CEDA must work in partnership with our shareholders, central government, iwi, industry and other regional stakeholders - it cannot be achieved alone.

# Our Strategic Objectives

## Powering our progress; achieving the vision

CEDA works across three strategic pillars of economic development; People, Place and Business. Our key objectives, programmes and activities are all aligned to these pillars, and are designed to create the environment, stimulus, outcomes and impact that will power our economic prosperity and achieve our vision for Palmerston North and Manawātū. These key objectives guide the development of the short

and medium-term programmes of work for CEDA as articulated through our Statement of Intent for 2018/19.

When considering how to prioritise our efforts, and based on our current resources and functions, CEDA focuses on programmes and activities that offer the greatest opportunities for economic growth. These are identified through research, monitored and reviewed using the latest data, and viewed through a regional, national and international lens.



# What We Do





# Grow and Retain Education and Talent Whai Matauranga

Key to cultivating a competitive and innovative economy are our people; developing and growing our talent pool with the right skills, knowledge and expertise, and increasing the number of international students and their employability.

## International Education

In partnership with Education New Zealand through the implementation of the Regional International Education Strategy 2016-20, CEDA supports the region's schools and tertiary providers (Massey University, IPU New Zealand and UCOL) to increase global awareness of Manawātū as a leading study destination to grow the number of international students studying here.

We work alongside education institutions, Palmerston North City Council and other key stakeholders to drive collaborative activities in the priority target market of China and other potential markets for development. We identify opportunities to help integrate international students into the local community and we lead the marketing and communications to showcase the region as a leading study destination to support institutions in telling our regional story. This includes targeted digital campaigns like Move to Manawātū, designed to attract talent to the region.

## Pathways to Employment – Student Employability

In partnership with Talent Central, the Manawātū Chamber of Commerce and MBIE, CEDA has been working to help international tertiary students become more employable and identify opportunities for increased pathways into local employment.

Connecting international education graduates with employers in the region to meet skills

shortages was the focus of a scoping study undertaken this year, with funding from Education New Zealand. The purpose of the study was to assess the viability of developing a Central Regions' Employability Programme, which would prepare international students and graduates with the skills needed for employment. Students and employers took part in the research so we could understand the current situations, barriers and opportunities.

To better prepare and equip international students to integrate into the workforce and make the most of employment opportunities in the region, a Work Ready Seminar was held in conjunction with Sort It Careers Expo for 40 senior international tertiary students. Presenters included immigration officials and career and job experts who explained ways in which the students could manage career pathways.

# 80

**Exhibitors at Sort It Careers Expo 2019**

(2017/18 Annual Report total 73)

## Te Aho Tāmaka

**Manawātū Leaders programme launched**

## Grow and Retain Education and Talent

### Whai Matauranga

#### Te Aho Tāmaka

Te Aho Tāmaka is a unique, New Zealand first regional growth initiative that was launched in 2018 and is designed to celebrate and engage with highly influential and successful leaders that are connected to Manawātū, locally, nationally and internationally.

Establishing a strong national and global network of leaders who are proud of their connection to Manawātū, Te Aho Tāmaka will identify and develop opportunities for these leaders to contribute to the region. This may be through mentoring people and businesses, fostering regional pride, raising awareness of the lifestyle, career and business opportunities in the region, to investing in mutually beneficial projects. Following its launch, we have developed and designed next steps for the leaders who are already committed to Te Aho Tāmaka and the identification and invitation of further leaders.

#### Talent Central Collaboration

Building on our regional talent and skills action plan, we partner with priority sectors, Talent Central and central government to deliver specific programmes to address regional skills shortages, and connect talent, particularly youth, with employment opportunities across the region. This has resulted in initiatives such as the Work Ready Portfolio, summer work programmes and an application to Te Ara Mahi (Provincial Growth Fund) to expand the pathways into employment programme ensuring all young people in the region obtain their drivers licence.

#### Primary Sector Skills Gaps Analysis Completed

Manawātū's economic growth is largely underpinned by the primary sector and the skills and labour gaps we are experiencing within the region are also a national and global phenomenon. To better understand the skills and labour shortage faced by the industry and to support our work towards developing

a comprehensive agri cluster in Manawātū, a Primary Sector Skills Gaps Analysis was completed in partnership with Immigration NZ.

The research has helped to identify where the main skills gaps are in the Manawātū food production industry and explored potential strategies for addressing these gaps, including the use of migrant labour and migrants who are studying at local tertiary institutes. The research also provided an overview of current gaps in the agriculture and food sector nationally, with a focus on Manawātū.

This research will be used to underpin ongoing work between regional partners in education and training, industry and central government agencies like Immigration New Zealand and the Ministry for Business Innovation and Employment, as we work together to help identify long-term and sustainable solutions to navigate challenges and barriers to growth.

#### NxtStep Manawātū

During the year a pilot project was commenced aimed at increasing the New Zealand tertiary talent that is interested in starting their career journey in the Manawātū, by digitally connecting with tertiary students and graduates across New Zealand. Leveraging off the established NxtStep platform the initial focus is on graduate jobs, internships and entry-level positions. NxtStep is a leading New Zealand graduate, job and internship website.

# 5000

Attendees at Sort It Careers Expo 2019  
(2017/18 Annual Report total 4000)

## Primary sector skills gaps analysis completed



## Sort It Careers Expo

The sixth and largest ever Sort It Careers Expo was delivered in May as part of our commitment to attract and retain talent in the region. Sort It acts as a platform to future-proof the region's workforce and talent pipeline by providing an opportunity for local and national businesses, industries, training and education providers to showcase careers in their fields.

A record 80 exhibitors and 5,000 people attended Sort It, including 3,000 secondary school students from 23 high schools across the Manawātū-Whanganui region.

Sort It is aimed at people who are looking for a career change, furthering their education or planning their career. Attending the Expo provides them with important information on different pathways that they can follow, while showcasing the diverse array of sectors available here in Manawātū, and nationally.





# International Education in Manawatū

## Strong Growth in New Student Visas

The number of international students choosing Manawatū grew at a higher rate than anywhere else in New Zealand, in the past year.

Manawatū-Whanganui was the only region to experience double digit growth in the number of new student visas issued in the year to September 2018, according to Education New Zealand figures. This shows the collaborative approach and combined efforts are delivering results for the region.

The number of first-time student visas increased by 12 per cent, which compared to a five per cent lift in Canterbury and declining numbers in Auckland, Wellington and Otago. Growth in first-time student visas is significant because they are new students who have applied to come to New Zealand and have chosen to live in Manawatū.

International students and their visiting friends and relatives are big contributors to the regional economy, estimated to be worth \$122.4 million in Manawatū. These figures were released by the Government in late 2018 after it adjusted the way it captures the students' economic contribution, so while the figure can't be compared to previous years, it highlights a greater contribution than initially thought.

## Relationships Key to Growing Priority Markets

Fifteen international education recruitment agents from China, Japan and the Middle East were hosted in the region, as a result of building on the international delegations to China and Japan. Agents play a crucial role in sending international students to cities and countries and hosted visits provide an opportunity to showcase what studying and living is like in New Zealand, as well as our local education providers. There is increasing interest from

international education agents wanting to place students in cities outside of main centres and all agents said they would be more likely to send students here after they had experienced what is on offer.

## Putting Manawatū on a Global Stage

Digital marketing is an effective and measurable way to grow awareness of the region in the priority market, China. Social media apps like WeChat for example have more than a billion users.

Thousands of prospective Chinese international students and their families learnt about studying and living in Manawatū as a result of multiple digital campaigns that were designed and run in partnership with Education New Zealand and international education recruitment agencies based in China.

These campaigns were hosted on Education New Zealand's official WeChat account, which specifically focused on the world-class education available at our providers with a strong focus on food, nutrition and agri science. Study Manawatū featured comprehensively on a New Zealand Central Regions' page on EIC Education's website (the organisation the Memorandum of Understanding was signed in 2018). As a result, hundreds of people expressed interest in the local schools and tertiary institutes that were featured.

## Move to Manawatū Campaign

Palmerston North and Manawatū are experiencing levels of growth and investment that have not been seen in decades. This is attracting new residents to move to the region; however, research shows businesses are needing more people, particularly at a management level in order to grow.

Population estimates increased by 2,000 people or 1.6 per cent in the year to June 2018 and school rolls also experienced strong growth, with an extra 440 students enrolling in schools across the region in the year to June 2017 (latest data available).

A national Move to Manawatū digital campaign was launched, targeting Auckland, Wellington, Hamilton and Tauranga. The purpose of the campaign was to raise awareness of the lifestyle and career opportunities that exist in Palmerston North and Manawatū and to support businesses and organisations that are trying to attract talent.

The campaign, content and approach were designed with input from more than 20 businesses, employers, recruitment specialists and residents to better understand the challenges and barriers employers faced to attracting new people and the information those people considering the move would want to know before moving. These insights allowed us to ensure the content created included the key messages and information people wanted to know.

The digital campaign reached more than 158,000 people and the videos were watched 64,500 times. The content was distributed to all partner organisations and widely promoted to businesses in the region who feature the information on their websites, social media and in job descriptions.

Move to Manawatū is a content hub on [ManawatuNZ.co.nz](http://ManawatuNZ.co.nz) and features other regional data including population, house and rent prices, the number of cafes and more.



158,000  
people reached



64,500  
video views



Nats and Uma



Richard and Joanna



Alice and family







# Build the Reputation and Experience Kia Whaitohu

Building the reputation and experience of our region goes far beyond increasing visitor nights and their direct economic impact. A vibrant region that is welcoming to visitors also attracts new residents, businesses and investment, students and major events.

## Destination Marketing

As the Regional Tourism Organisation for Manawātū, CEDA works with key national organisations including Tourism New Zealand, NZ Motor Caravan Association, Air New Zealand and more to maximise the exposure of our city and district nationally and internationally, while establishing Manawātū as a desirable destination by ensuring we're well equipped as a region to offer a welcoming and memorable visitor experience.

With a fast-growing visitor sector in Manawātū, we work with regional tourism operators to provide support, marketing tools and market insights.

The Country Road experience enables connection with operators and communities to offer expertise, support and connections, ensuring our region's visitor experience is exceptional, and that our operators and communities are benefiting from increased, sustainable visitation.

Visiting friends and relatives is Manawātū's biggest visitor market, meaning our locals play an important role in championing the city and region as a place to live and play when they host friends and family. Through consumer-facing social media channels and the regional website [ManawatuNZ.co.nz](http://ManawatuNZ.co.nz), we showcase inspiring content to attract people to move, visit and study here, while growing regional pride among locals.

## Destination Development

Leading the development and growth of the region's visitor sector, CEDA works with stakeholders across central and local government, iwi and businesses, to ensure growth is well managed, sustainable and beneficial to our communities and residents.

This has led to the development of a Manawātū Destination Management Plan framework in partnership with Palmerston North City Council and Manawātū District Council to fully leverage all that our region has to offer and ensure the lifestyle that is on offer here is protected and enhanced while ensuring that Manawātū is well positioned to both respond and leverage visitor growth.

# 251,271

**Sessions on [ManawatuNZ.co.nz](http://ManawatuNZ.co.nz) website**

(2017/18 Annual Report total 228,441; 10.2% increase)

## Build the Reputation and Experience

Kia Whaitohu

### Regional Identity Strategy

A cohesive regional identity acts as a springboard for destination marketing, building national and international awareness of who we are as a region, what we offer and what our unique value proposition is. Through extensive target market research and collaboration with our shareholders, CEDA is developing a unified and interconnected identity that will enable us to showcase each part of our region – from the city, through to our rural communities - to visitors, and to potential new residents, businesses and investors through our talent attraction work.

### Business Events and Conferences

Conferences and business events are a major contributor to the region's economy and work to attract new business events and support conference organisers to bring events to the region is key.

In the past year, we successfully won five conference bids with an estimated combined economic impact of \$980,370. We supported a further 35 conferences to attract them to the region, which will collectively be worth a further \$4.4 million.

Attendance at the annual Meetings NZ expo, the only dedicated national tourism event for the conference, meetings, events and travel incentive industry, enabled several upcoming conference bids for the region to be secured along with future leads. A successful application to Air New Zealand's Business Events Familiarisation Programme will further support our work by contributing to the travel costs for familiarisation visits.

### Visitor Information Services

Through the Palmerston North City i-SITE and the Feilding and Districts Information Centre both visitors and residents are able to access expert local knowledge, information and national travel booking services.

The Palmerston North City i-SITE's customer service team were awarded their fifth TripAdvisor Certificate of Excellence award in 2018, and were recognised as national leaders for customer service, receiving the 2018 i-SITE New Zealand Customer Service Award for the first time, presented at the annual i-SITE New Zealand Conference.

Support of the NZ Secondary School Sports Council's Winter Tournament Week by facilitating the accommodation bookings for 3,000 competitors and visitors to the region and provision of regional information for their stay here ensured the tournament was retained in the region.

96%

**i-SITE Net Promoter Score**

(2017/18 Annual Report 90%)

96,427

**i-SITE customer visits**

(2017/18 Annual Report total 117,726)





# Destination Management Plan

In the past five years the number of visitors to Manawātū has grown by more than 30 per cent. In the year to May 2019, visitors spent \$487.7 million, up almost five per cent on the year before. Domestic visitor spending was \$409.9 million compared to international visitor spending at \$77.8 million, according to the Ministry of Business, Innovation and Employment.

The purpose of a Destination Management Plan is to have clear, collaborative alignment across public and private organisations that are involved in the visitor sector to ensure Manawātū is positioned and can respond to ongoing and sustained visitor growth.

Over the past year, a framework for the Destination Management Plan has been developed in partnership with Palmerston North City Council and Manawātū District Council with input from the Ministry of Innovation and Employment.

With the framework now in place the Manawātū Destination Management Plan will include:

- Community engagement
- Marketing the region
- Product development
- Infrastructure
- Council bylaws
- Barriers to growth
- Sustainable and strategic growth

The next steps are to work with stakeholders involved in the attraction, development and maintenance of the visitor sector and the community to help inform the plan, ensuring it reflects the region and shared aspirations of sustainable growth.

## Targeted Visitor Growth

A key focus of the Destination Management Plan is to target the right visitors to the region at the right time. To begin with, domestic travellers will be targeted with a view of growing the number of international visitors, through relationships with key national organisations like Tourism New Zealand.

Alongside the development of the Destination Management Plan framework, a complementary piece of research has been undertaken: an extensive audit on the existing visitor experiences that are available in the city and region. The project, known as Capturing A Day in a Visitor's Journey has helped to identify the barriers, gaps and opportunities in the region's visitor sector.

As a result of this audit, we packaged together what the region currently offers visitors under key "themes" and then tested these at a Tourism New Zealand trade event in April where we met with 50 travel buyers and sellers to understand what they are looking for in visitor destinations and what their markets needs are.

This has forged strong relationships and a clear road forward on how we can continue building on our visitor offering through the Destination Management Plan over the next one to three years.









# Inspiring Locals and Visitors Through Digital and Social Media



## 175,688

**Unique visitors on ManawatuNZ.co.nz website**

(a 11.2% increase on 2017/18; 158,063)



## 3,850

**Instagram followers**

(a 34.1% increase on 2017/18; 2,870)



## 11,480

**ManawatuNZ Facebook page likes**

(a 22.6% increase on 2017/18; 9,363)



## 9,487

**MyManawatū Facebook page likes**

(a 20.5 % increase on 2017/18; 7,900)

ManawatuNZ.co.nz is the digital window to our region and the platform through which we portray Manawatū's ultimate lifestyle and visitor offerings using high quality and engaging content, video and imagery.

The content is then widely distributed across social media and digital advertising to support the attraction of new residents, visitors and international students who chose to locate to Manawatū, and to support the efforts of industries and organisations who are trying to attract new people.

Visits to ManawatuNZ.co.nz have now passed a quarter of a million, up by more than 10 per cent on a year ago. This increase has been driven through the creation of specific pieces of content that we know is of interest to locals and visitors alike, including showcasing things to see and do and places to visit in the city and region, coupled with high quality imagery and video.

Visitor-focused regional social media channels – Facebook and Instagram – have experienced strong growth in the past year including more than 20 per cent growth in Facebook users and a 34 per cent rise in Instagram followers. These channels are a core focus of marketing our region and help to drive new users to ManawatuNZ.co.nz. Collectively, these social media channels reach an audience of 27,378.







# Te Āpiti – Manawatū Gorge Tourism Opportunity

Investigating the potential of Te Āpiti -Manawatū Gorge as a major visitor destination has been the focus of a feasibility study, following a successful application to the Provincial Growth Fund.

Te Āpiti - Manawatū Gorge is a unique and culturally significant landmark and a rich natural asset in our region. Given the major investment into infrastructure surrounding the Gorge, an opportunity was identified to get a better understanding of the shared aspirations and future opportunities that exist for Te Āpiti and the potential benefits these could bring to regions surrounding it. The study also explored what challenges and barriers exist to developing future opportunities and what public sector investment may be needed to make it more attractive to private and commercial investment.

The feasibility study involved more than 45 stakeholders including private and commercial landowners, iwi, hapu groups, councils, the Department of Conservation and commercial tourism operators from inside and outside the region. It has also investigated a mix of commercial and non-commercial opportunities which span education, conservation, eco-tourism and visitor activities. These could include building on the networks of walking and biking trails, through to cultural and environmental visitor experiences, accommodation and adventure activities such as ziplining.

A major component of the study was getting the perspectives and input of tourism industry experts from around the country. This included a hosted visit to the region so they could experience the city, region and Te Āpiti and provide feedback on what they saw were the biggest opportunities and what steps would be required to make the Gorge more appealing for private commercial investment. This visit was supported by Rangitāne o Manawatū, and Rangitāne o Tamaki nui a Rua, who shared their unique history and insights with guided walks in and around Te Āpiti.

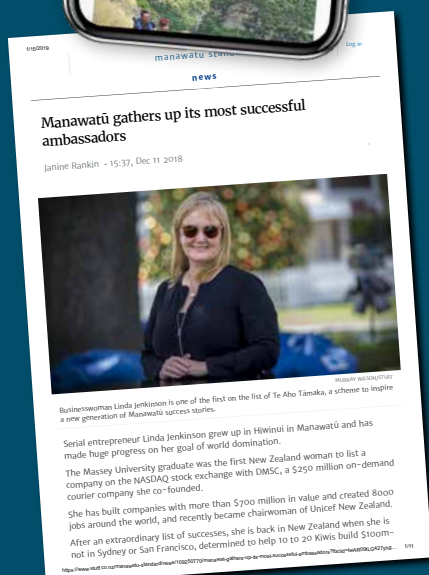
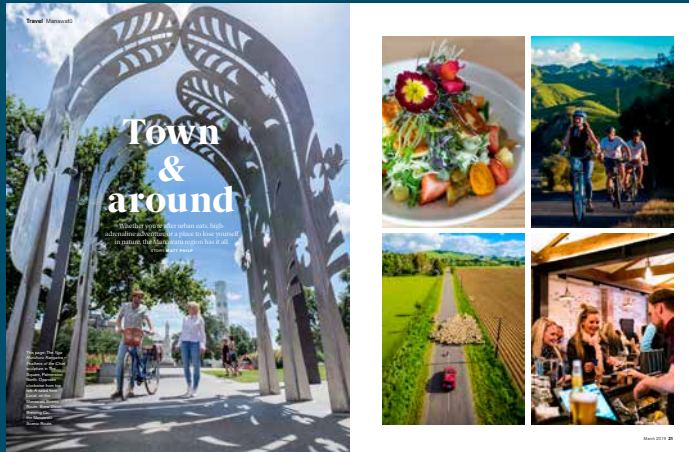
The study has remained focused on ensuring the development and attraction of any new visitor experience or investment remains true to who the region is, while preserving Te Āpiti's environmental and cultural values. With a focus on differentiating our region, the aim is to offer unique and genuine experiences that set us apart from other areas and which provide sustainable economic growth, new business opportunities and employment pathways, that will benefit our communities and people.

The final report is due in August 2019.









## Media Features

Securing and supporting media features on Palmerston North and Manawātū in local, national and international publications ensures Manawātū has strong and consistent visibility across various print, digital, social media and broadcasting channels.

Features in the past year have focused on the region's visitor, lifestyle and international education opportunities, and events, through to the growth, expertise and capabilities within some of the region's key sectors like agrifood and agritech.

We identify opportunities to maximise this media coverage and leverage strong relationships with reporters and editorial teams in leading publications like Kia Ora, AA Traveller and NZ Motor Caravan Magazine, and industry-specific publications like Economic Development New Zealand's Mahi Tahī journal and industry bodies like Tourism New Zealand.

In the past year, 44 media articles on the region were featured, with highlights including:

- Kia Ora Magazine – front cover of the March edition and five-page feature article
- Kia Ora Magazine – three-page feature on local bars, cafes and restaurants
- TVNZ Breakfast – Manawātū hosts New Zealand AgriFood Week
- The Spinoff – a feature on Manawātū's business community
- AA Directions – double page spread on the city's arts scene
- AA 101 Must Do's this Summer – Te Āpiti - Manawātū Gorge and Limestone Creek Reserve Glow Worm Caves Features
- Cuisine Magazine – featuring Plate of Origin's winning restaurants
- Guiyang News Daily – digital feature on Guiyang scholarship announcement in China





# Support the Growth of Business

## Whai Pakihi

Growing, retaining and attracting business to the region is at the core of economic development. Having strong, innovative and thriving businesses here drives job growth and increases regional confidence.

### Business Growth and Development

As part of the Regional Business Partner programme CEDA's team of Business Growth Advisors support businesses on their journey through the business lifecycle, enabling growth and development through tailored support and action plans. This requires working in conjunction with seven councils and strong working relationships with businesses throughout the Manawatū-Whanganui region.

A key focus is to champion growth orientated businesses to help them achieve export readiness, explore research and development opportunities, and build their management capability. By partnering with New Zealand Trade and Enterprise, Business Mentors New Zealand and Callaghan Innovation, we are able to deliver an extensive programme of activities and support networks.

### Startup Support

Supporting the growth of startups via tailored advice, business mentoring and resources has been a focus for the year, including the delivery of 11 Startup Clinics to assist people to turn business ideas into a reality or grow their startup business to the next level. The development of a Business Startup Guide, a digital one-stop-shop, which features the most critical information for those wanting to begin their first business, has supported this outcome. The guide is focused on the three key areas of viability, structure and strategy, and pulls together a wealth of online resources, tips and advice into one document.

# 495

**Businesses assisted through a CEDA intervention**

(2017/18 Annual Report total 402)

# \$266,593

**Business Capability Development vouchers issued**

(2017/18 Annual Report total \$248,862)

# 48

**Businesses matched with a Business Mentor**

(2017/18 Annual Report total 44)

# 8

**Businesses being engaged with for potential relocation to the region**

(2017/18 Annual Report total 6)

## Support the Growth of Business

### Whai Pakihi

#### Advancing Innovation

As well as working with Callaghan Innovation to support business innovation through access to research and development grants and funding, ongoing work with Massey University, Crown Research Institutes and businesses, CEDA focuses on building the skills and capabilities of regional businesses to engage and grow in the global digital environment. This ensures we can collectively support and capitalise on innovation opportunities at a national and global level. This is further enhanced by CEDA's collaborative partnership with FoodHQ and The Factory providing access to global expertise, accelerator programmes such as Innovate, and support of technology businesses in the region, particularly where they align with the regions sectors of strength e.g. Agritech.

#### Collaboration with The Factory

Innovate 2018 was delivered by The Factory, with the finalists pitching to judges and the community in November. The programme's main purpose is to encourage local entrepreneurialism, grow young companies, new business and thought leaders as well as new technology. CEDA provided key financial support to this years programme, which had 91 entries, 20 of which were shortlisted, and six finalists were selected, and received one on one mentoring.

CEDA's partnership with Sprout enables us to assist in connecting regional agritech and future food companies to capital and expertise to scale their business.

Sprout's work also brings industry-leading organisations to the region for their Sprout Partners Summit, national and international investors and corporates visit, as well as their Sprout Underground events, one of which was held during New Zealand AgriFood Week, where startups from around the country and the world come to Manawātū to grow their business.

#### Sector Development

Key sectors of strength for the region are distribution and logistics, agriculture including food-tech, government including defence, health and education, and digital/technology.

CEDA leads the high-level growth and development of these priority sectors, as identified in partnership with our shareholder councils.

By building on what currently exists in the region – businesses, their staff, the infrastructure through to our geographical location – sector development is focused on the fundamentals of economic development, from developing, retaining and attracting people, businesses and investment, to delivering programmes of work that help sectors overcome challenges and barriers to meet growth opportunities.

#### Business Attraction and Retention

An investment strategy for Manawātū has been developed, with an aim of attracting businesses and investment into the logistics and agrifood sectors and supporting the expansion of existing businesses in these sectors. The strategy and resulting action plan defines Manawātū's strategic advantage and value proposition, identifies primary themes that will underpin successful execution, clearly defines the market approach, the implementation plan, success metrics and core competencies required for success.

By partnering with our councils, central government agencies, iwi, The Factory and the private sector, CEDA works to ensure that Palmerston North and Manawātū are seen as investment ready and deliver compelling reasons for establishment in our region. Post investment or relocation support services to companies or individuals ensures ease of settlement, retention, and the identification of future expansion opportunities.

## Support the Growth of Business

### Whai Pakihi

### Collaboration with FoodHQ

FoodHQ is a partnership involving most of New Zealand's capability in food science and innovation, partnering with public and private sector research, education and industry organisations, with support from local government. CEDA provides ongoing support to FoodHQ as a key enabler to the development of foodtech in the region and to support its vision to have New Zealand recognised as a world leader in high value food production.

Support was also provided to FoodHQ this year through contribution towards the economic analysis component of their provincial growth fund application. The application will support FoodHQ's objectives of attaining global relevance and recognition in food science and innovation; and providing easy access for food businesses to the full value of New Zealand's food science and innovation capability.

### Regional Support for Provincial Growth Fund Applicants

To ensure there was a coordinated, aligned and strategic approach to all applications from Manawātū to the Provincial Growth Fund, support, guidance and feedback was provide to 16 fund applications over the year. This approach enabled us to identify and connect opportunities, linkages and to avoid duplications and to ensure connectivity to other Manawātū regional strategies, objectives and applications within the region.

### Manawātū Business Awards

The biennial Westpac Manawātū Business Awards were successfully delivered during the year, recognising and celebrating the best businesses in Palmerston North and Manawātū. 390 guests were hosted at the Gala Awards evening, with 115 nominations received in total, 48 businesses received preliminary judging feedback, and 22 progressed to the finalist round, with 12 awards for business excellence given on the night.

# \$1,599,433

**Research & Development grants issued to businesses**

(2017/18 Annual Report total \$1,711,311)

# 30

**Research and development student experience, fellowship or career grants facilitated, linking tertiary students directly to businesses**

(2017/18 Annual Report total 9)



# Supporting and Developing the Region's Sectors of Strength

## Project Unlock

The defence, distribution and logistics, digital and information technology, and education sectors account for more than 17,000 jobs across Manawātū and contribute hundreds of millions of dollars to the overall economy, according to Statistics New Zealand.

Project Unlock was developed as a broad and holistic approach to sector development plans for the distribution and logistics, education, defence and digital/technology sectors, to get a better understanding of shared challenges, barriers and opportunities.

A workshop with key regional and national stakeholders and expertise from across the sectors, explored shifting global work trends, the impact of technology on the workplace, differences in generational attitudes and employment values, before bringing a national and regional lense to focus on the challenges, risks, barriers and opportunities businesses and organisations are facing within these sectors.

The outcome from the Project Unlock is a collection of key workstreams, actions and outputs, which align to addressing regional skills gaps, developing effective approaches to training and retaining staff, having industry-led skills and training development, through to collaboration and strategic partnerships, including central government connections.

This builds on the work previously undertaken in the distribution and logistics sector, with a focus on strengthening the talent pipeline in partnership with Talent Central, developing the business attraction and retention proposition for this sector, and work with Accelerate25 to support the development of Manawātū as the central logistics hub for the North Island.

## Health Sector Scoping Study

The health care and social assistance sector is one of the largest employers in Manawātū, accounting for 13,100 jobs and contributing \$431 million in the year ended March 2017, according to Statistics New Zealand.

Palmerston North is known for its central location and ease of access to health services, including the Palmerston North Hospital, Mid Central District Health Board and much more. The region's growing population is reflected in the rising number of enrolments to health services, which grew by 2,760 people (or 2.6 per cent) in the year ended March 2019, according to Central Primary Health Organisation figures.

During the year, research was undertaken to better define opportunities within the health sector, with input from key stakeholders including the Mid Central District Health Board, Te Tihi Whānau Ora Alliance Charitable Trust, MASH Trust, Crest Hospital, Massey University and more. This input was focused on global, national and regional trends, the challenges and disruptors within the sector and central government policy drivers – especially as New Zealand works towards the Wellbeing budget.

Identifying the challenges within the sector, from the attraction and retention of skilled staff to an aging population and shifting, better enables the ability to identifying programmes and connections that will support the growth and development of the health sector.







# Strengthening Manawatū's Agrifood and Agritech Ecosystem

Agritech is a pivotal point of difference and strength for Manawatū. The sector is one part of the region's wider agrifood landscape and requires a focus on developing, growing and deepening the capabilities that exist here. This includes developing the skills and talent we have already, growing the businesses that are based here and raising international awareness to unlock even greater potential for the region.

An important part of this work has been the development of the Manawatū Agritech Strategy, which has been created in partnership with Sprout, the global agritech accelerator based in Manawatū.

The sector-led strategy was completed in June, with the input of more than 20 industry leaders including entrepreneurs, large commercial companies, research and education institutions, iwi, local government and more.

The strategy identifies and aligns the region's key agritech stakeholders and includes:

- A shared definition of agritech
- Defines the regional and national agritech landscape
- Identifies the gaps that would act as barriers to Manawatū becoming a global leader in agritech and how these can be overcome
- A vision of what Manawatū's global agritech hub will be known for in 20 years' time
- Four clear areas of actions which will enable the region to achieve the vision: funding new ideas, connecting and growing talent, developing a physical infrastructure that signifies a hub and building a brand
- A three-year overview of the programmes and activities required to deliver outcomes to ensure Manawatū is one of the top three agri hubs in the world

The Agritech Strategy features bold and ambitious goals, reflecting our shared vision for the region, but it also includes tangible steps and programmes that can be achieved in the short-term.

Manawatū's agritech ecosystem is made up of 68 international and national organisations across the value chain, from education and research, finance, production, farmers and growers, post-harvest, startups, SMEs and large corporate companies. The sector is estimated to contribute roughly \$130 million to the region's economy, while the broader agrifood sector contributes \$606 million and employs 8,600 people, according to the agritech strategy.

Manawatū's agritech ecosystem is made up of 68 international and national organisations across the value chain



# New Zealand AgriFood Week 2019

The agrifood sector employs more than 8,600 people locally and contributed \$606 million to the region's economy in the year to March 2018, according to Manawātū District Council and Infometrics. Strong primary sector prices (meat and dairy in particular) are underpinning levels of economic growth that have not been seen for many years in Manawātū.

New Zealand AgriFood Week is a flagship event for Manawātū and aims to raise awareness of Palmerston North and Manawātū's leadership, capabilities and expertise in agrifood – from research, development, production, agritech and agribusiness.

As the nation's only week dedicated to celebrating, showcasing and driving a future-focused conversation around food, it provides a platform for extensive national media coverage and puts Manawātū's leadership in developing one of the country's key industries on front and center stage.

This year marked the fourth and largest New Zealand AgriFood Week, with an inaugural international keynote speaker – Rob Ward of The Grocery Accelerator – and more than 15 events, workshops and competitions held.

The Week was supported by industry-leading sponsors – ASB, AgResearch, Plant and Food Research, AgMARDT and Fonterra – as well as 18 partners, both local and national.

Events and workshops featured the smartest minds across the food value chain, locally, nationally and internationally. Presenters and speakers included leading researchers, farmers and growers, young entrepreneurs, and representatives from global commercial food companies who presented on the latest challenges, barriers, opportunities and new approaches to producing, manufacturing and selling food.

Raising the national profile was a key objective for 2019 and was achieved through hosting an international keynote speaker and the execution of a comprehensive marketing and communications campaign. The inaugural AgResearch Future Feeders and ASB Perspective 2025 were both sell-out events, highlighting audience demand for the thought leaders who presented at both. The Official

Opening reached audience capacity, was opened by the Prime Minister's Chief Science Advisor Juliet Gerrard and followed by our keynote speaker Rob Ward.

## Pint of Science – global science festival launched for the first time

Pint of Science is an award-winning international science festival that's held concurrently around the world in May, which CEDA brought to New Zealand for the first time in 2019.

Bringing the festival to New Zealand and Palmerston North meant we joined more than 400 cities and 24 countries across the globe, shining a spotlight on the breadth and capabilities we have across research and innovation in the city.

Together with Massey University, Fonterra and Horizons Regional Council researchers, more than seven events were held across the wider Manawātū-Whanganui region over the festival, with topics ranging from how cows and keas co-exist to the state of our region's environment, and the relationship between aging, food and your brain.

**15** events

International Keynote  
Speaker **Rob Ward**

**947,820**  
digital impressions

**20**

media articles and interviews





# Supporting and Enabling the Growth of Startups

Fostering a dynamic and supportive business environment where people can launch startups or begin new business ventures attracts like-minded people and creates new jobs, making our region even more attractive to new entrepreneurs and investors.

## Connecting a Startup with a Business Mentor

Artist Sophia Parun, of Ngāi Tahu descent, was able to tap into the support of Puna Pakihi, a business support programme developed by Te Rūnanga o Ngāi Tahu. Its goal is to help Ngāi Tahu whanau reach their business potential and make their ideas a reality. As part of this support, they assist in linking new businesses with the right business mentor and in Parun's case this was achieved through the Business Mentors New Zealand programme, which is delivered by CEDA.

"Having a mentor streamlined the process of starting a business as I had so much support. He was always encouraging and was a huge help in developing a robust business plan. I wouldn't be where I am today without him," said Parun.

Parun found that her mentor not only gave her sound business advice but was also someone to talk to about struggles and doubts, being able to empathise and give timely encouragement.

"The constant learning and inspiration have been invaluable. The follow up contact to check how the mentoring is going and the support to help me through the next stages of business, has been fantastic. It's great to have that ongoing relationship and know that others out there are genuinely interested in what and how you are doing."

Parun is now part of the Regional Business Partner programme and is working with a Business Growth Advisor for the next phase of her business journey.

"Having a mentor streamlined the process of starting a business as I had so much support. He was always encouraging and was a huge help in developing a robust business plan. I wouldn't be where I am today without him".







Sophia Parun, Artist







Manawatū based company Levno









# Build an Environment Conducive to Economic Growth

## Ko tahi te hoe

### Strengthening Iwi and Māori Engagement

An iwi and Māori Engagement framework has been developed to support and enhance CEDA's engagement with iwi and Māori based on the Treaty of Waitangi. When connecting with iwi and Māori, the framework with which to engage includes; Kawanatanga/Governance, Rangatiratanga/Self Determination and Rite, Tahi/Equality.

Our priority is to have strong relationships with local iwi and Māori to:

- Facilitate effective Māori engagement to improve business and economic growth outcomes;
- Help develop partnerships and relationships with Tangata Whenua/Ra Ngātira;
- Improve understanding of Tikanga and Mātauranga Māori; and
- Add value to what we do as CEDA

### Providing Regional Insights and Analysis

CEDA strives to be the go-to experts for insights, data and analysis on the local economy and priority sectors including the visitor economy.

Working closely with economists at Palmerston North City Council and Manawātū District Council, we keep our finger on the pulse of economic trends locally and how we compare to other regions nationally. We produce regular economic updates and overviews that are communicated to a database of regional leaders, stakeholders and the business community. We also partner with Manawātū

Chamber of Commerce to deliver two Regional Economic Update events, annually.

Having a sound understanding of regional and national trends and communicating this within the region enables us to play a crucial role in knowing the strengths our region can build on, the weaknesses we can improve on and barriers we can bring down.

We aim to play a leading role in enabling the coordination, connection and delivery of outcomes by striving for the transparency and alignment of the many economic development projects and initiatives that are already happening or are planned across our region. With this knowledge CEDA can ensure smart investment of resources, funds and expertise, and is able to achieve high impact results for our region.

### Partnerships

Connect, Enable and Create – bringing our diverse stakeholders into one conversation, steering others in the same direction, and coordinating our region's collective capability towards achieving great things together.

We're here to ask the hard questions about economic growth and challenge stakeholders to deliver on a broader sense of economic, social, cultural and environmental wealth. While responsible for the prosperity of Palmerston North and Manawātū, CEDA is already working further afield and partnering with other regions, as to achieve success in a national and global market, partnerships are something we're going to need more of.

See Appendix for a list of Partners we currently work with.



# Nāku te rourou nāu te rourou ka ora ai te iwi

With my basket and yours, the  
people will thrive





# How We Allocate our Resources

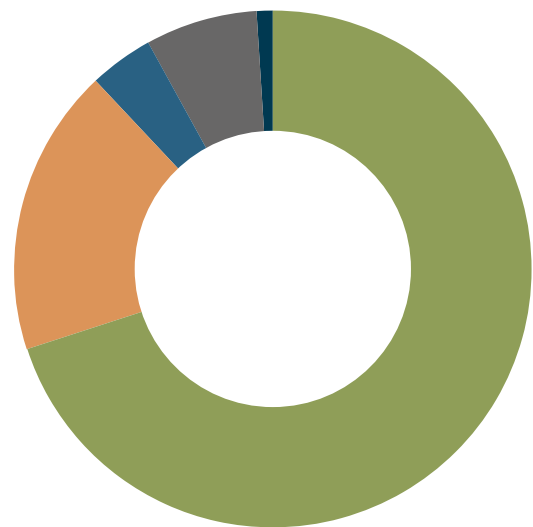
CEDA receives funding from Palmerston North City Council and Manawātū District Council, its shareholders, in the form of contributions to operations as well as funds for specific contractual services or projects.

We also receive funding from institutions and government partners for initiatives that bring benefit to the wider region and nationally.

This additional resource, the ability to invest in local businesses, and engage in specific sector work important to the region and beyond.

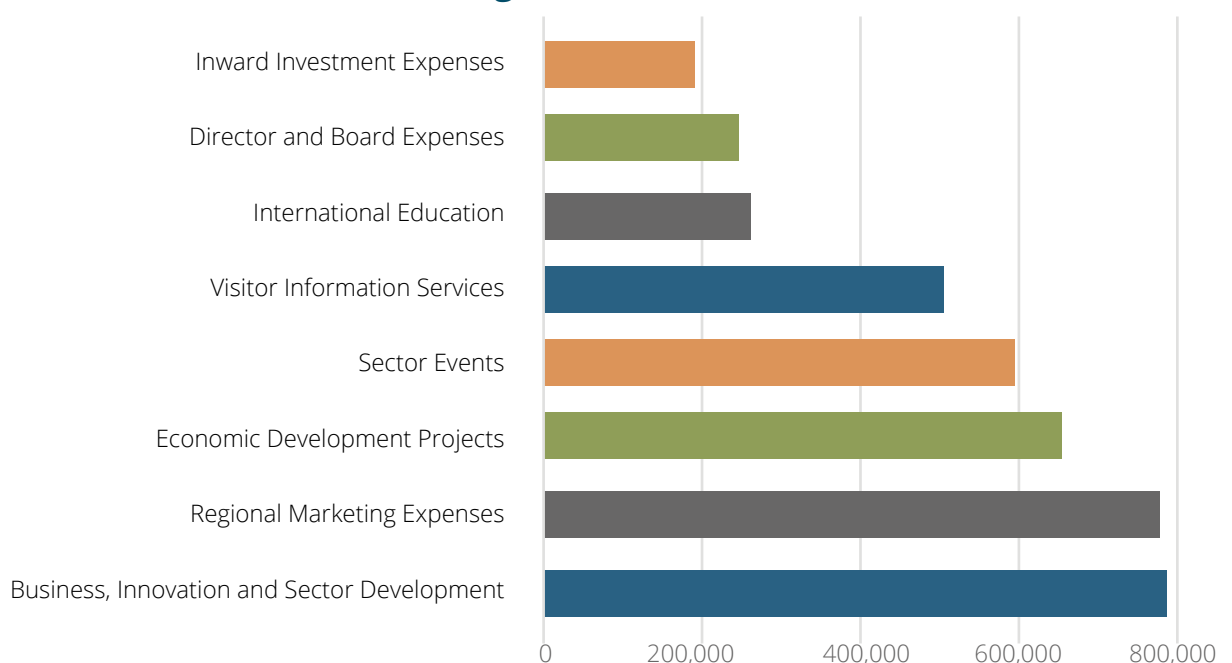
Specific funding is received from commercial organisations for sponsorship of programmes and joint projects as identified.

## Our funding



- Council funding **70.5%**
- Central Government funding **17.6%**
- i-SITE Revenue **4.3%**
- Industry contribution **7%**
- Other revenue **0.6%**

## How we allocated our funding



\* Note employee and operating expenditure where not directly related to a project or activity has been allocated on a percentage of expenditure incurred basis.



# How We Operate

In keeping with best management practice, CEDA aims to operate efficiently and effectively. As a future-focused organisation we are committed to supporting initiatives that enhance and protect our natural and built environment.

As a Council Controlled Organisation we are also aware that much of our funding is derived from public monies and therefore all expenditure is subject to a standard of probity and financial prudence, and able to withstand public scrutiny. We work to optimise existing funding and generate savings from within current funding arrangements in order to deliver value for money to the shareholders and the rate payer.

## Treaty of Waitangi

CEDA recognises the principles of the Treaty of Waitangi and acknowledges the importance of partnering with local iwi and recognition of Tangata Whenua in the region.

## Health and Safety

We regard the promotion and maintenance of health and safety as a mutual objective for everyone who works, visits, or has business with CEDA. We are committed to the health and safety of all workers, visitors and the public across all business premises and work sites by undertaking all measures reasonably practicable to provide a safe working environment.

We believe that creating and maintaining a healthy work environment is a shared, co-operative venture, where both employees and employers have roles and responsibilities, including the maintenance of a balance between work and non-work activities.

As such, CEDA will ensure it meets its obligations with respect to obligations as a Regional Tourism Organisation, New Zealand laws and regulations and will undertake annual reviews based on established best practice guidelines.

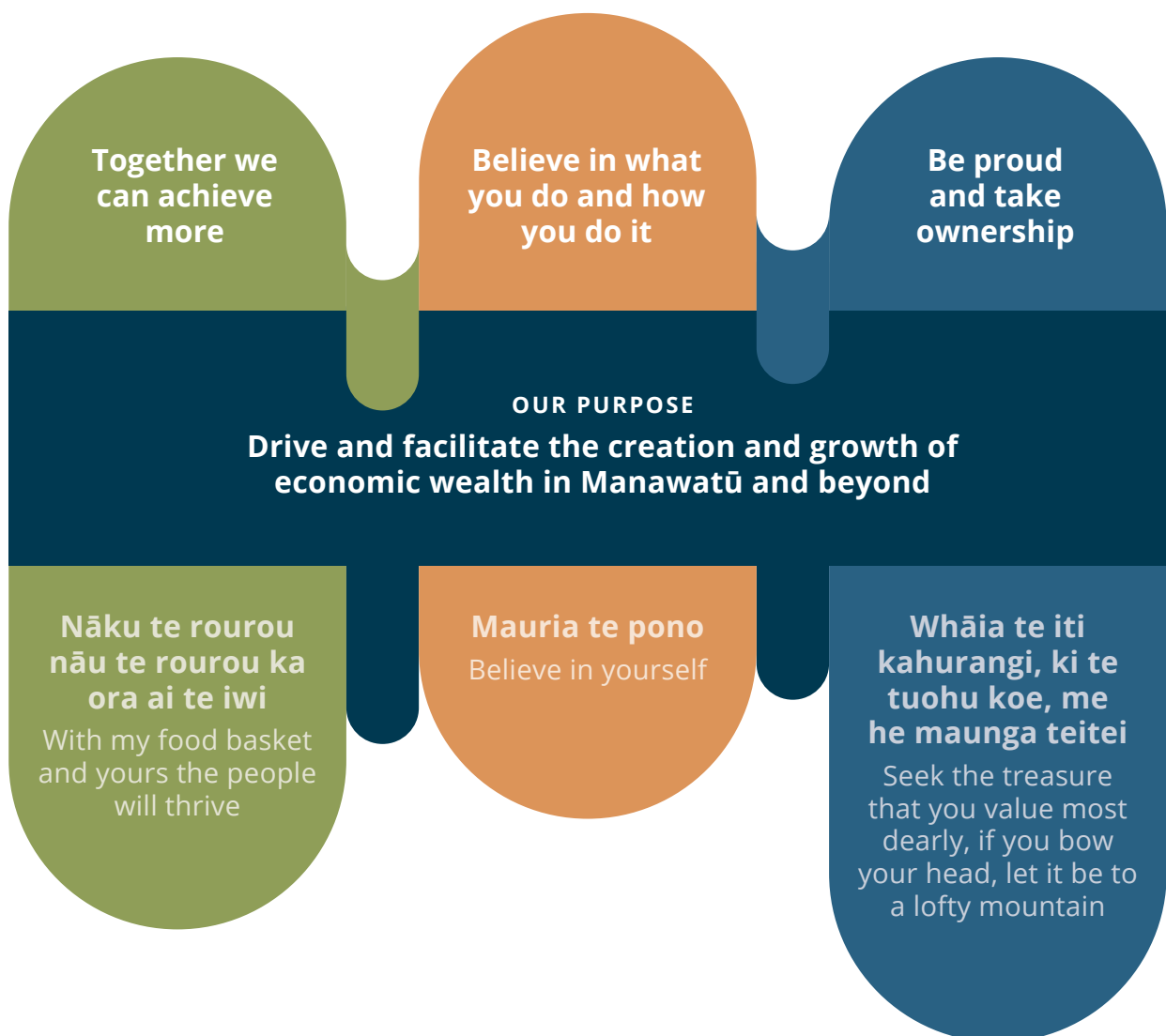
## Our People

The team at CEDA are a passionate group of people driven to grow and develop the wider region. With expertise in marketing, communications, events, national travel, business advice and development, collectively they are an effective support team, all connecting with the community to foster regional and economic development. Our focus is on building an organisation that has a culture, capacity and capability to deliver on expectations.

CEDA's success is underpinned by its people, connections and networks both locally and globally. Investment in this resource is critical to creating value and outcomes.

## Our Values

Our values when demonstrated every day, help to change individual and collective mindsets so that we can all deliver great outcomes and create a workplace in which people feel valued for delivering results.





# Statement of Service Performance

Central Economic Development Agency Ltd (CEDA)  
For the year ended 30 June 2019

## 1. Grow and Retain Education and Talent

Service Level Statement	Performance Measure	2018/19	Outputs/achievements Jul 18 – Jun 19
Deliver information, advice, programmes and initiatives to attract more international students to the region by implementation of the Regional International Education Strategy 2016-2020	Increase the value of international students in the region	<p>Increase on 2016 baseline (<b>\$72.5m*</b> 2016)</p> <p>Result: 2017/18 year to June is <b>\$115m**</b></p>	<p><b>Showcasing the Region</b></p> <p>A programme of activity was delivered to showcase the region to international students:</p> <ul style="list-style-type: none"> <li>Two videos were produced showcasing international students who stayed on for work in the region.</li> <li>International education promotional material was extended to include Thai and Vietnamese (to supplement existing English, Japanese and Chinese material)</li> <li>A regional story was featured on the Education NZ WeChat channel. Manawatū Stories WeChat channel created, featuring regular articles on life in the region and the education experience</li> <li>An e-newsletter published in December, circulated to a database of 120 agents and 60 related parties.</li> </ul> <p>As part of developing education recruitment agent relationships CEDA hosted five Auckland-based agents and one Guiyang-based agent for 3.5 days in November, hosted ENZ led Japanese agent group for half a day in October and participated with four local schools at Schools International Education Business Association agent workshop in March.</p> <p>Leveraging off memorandums of understanding signed by Central regions in Guangzhou 2018 to continue building relationships and the Central Regions footprint in China and Japan:</p> <ul style="list-style-type: none"> <li>Six Manawatū education providers visited Guangzhou and Shenzhen as part of a CEDA-led Central Regions mission to China.</li> </ul>

## Grow and Retain Education and Talent

Service Level Statement	Performance Measure	2018/19	Outputs/achievements Jul 18 – Jun 19
			<ul style="list-style-type: none"> <li>Two schools conducted Skype sessions with Sister City Schools during visits from Mihara and Missoula delegations. Discussions are being held with a Guiyang based private school, a student of which won the inaugural Mayoral Scholarship to spend a week at a Palmerston North school.</li> <li>Seven education providers visited Guiyang as an official Manawātū delegation led by the Palmerston North Deputy Mayor</li> <li>A short-term education-tourism product for China was developed and launched at Sister Cities NZ conference in March, in conjunction with China-NZ Year of Tourism.</li> <li>Participation in ENZ School Seminars in Japan by CEDA and three education providers</li> </ul> <p><b>Student Experience</b></p> <p>As part of the Welcoming Communities pilot a programme of international student events were held during the year in collaboration with education providers and PNCC:</p> <ul style="list-style-type: none"> <li>An inaugural Student Connect event - pizza and fireworks – with 100+ students in attendance</li> <li>Festival of Colours held in conjunction with the Festival of Cultures</li> <li>Two Mayoral Welcomes with around 220 students attending both events.</li> </ul> <p>Welcome signage was also placed at Palmerston North Airport for the arrival of international students to Palmerston North.</p> <p><b>Pathways to Employment</b></p> <p>An employability project has been commenced with the completion of a Manawātū scoping study. The study, informed by students, tertiary education organisations, employers and local experts, identifies existing employability support in the region, potential gaps, and possible interventions to fill the gaps.</p> <p>A Study to Work seminar for international students was held at the annual Sort It Careers Expo attended by approximately 40 international tertiary students.</p> <p><b>Te Aho Tāmaka</b></p> <p>Te Aho Tāmaka was launched in December 2018, a New Zealand first regional growth initiative designed to celebrate and engage with highly influential and successful leaders that are connected to Manawātū, locally, nationally and internationally, and help inspire our younger people and grow regional pride.</p>



## Grow and Retain Education and Talent

Service Level Statement	Performance Measure	2018/19	Outputs/achievements Jul 18 – Jun 19
Grow a skilled workforce and talent pipeline that meets the needs of priority sectors	Programmes and initiatives developed and delivered to meet needs identified through regional skills gap analysis	2 programmes delivered  Result: 4 programmes delivered/implemented	<p><b>Talent Central Collaboration</b></p> <p>CEDA funded Talent Central to identify and connect talent, particularly youth, with employment opportunities across our region.</p> <ul style="list-style-type: none"> <li>• Application to Te Ara Mahi (Provincial Growth Fund) to expand key education to employment pipeline initiatives, specifically the Work Ready Portfolio, extending the pathways programme across four sectors of strength, and ensuring all young people in the region obtain their drivers licence.</li> </ul>
			<ul style="list-style-type: none"> <li>• Delivery of the Work Ready Portfolio on a digital platform into schools across the region</li> <li>• Development of a work experience programme across all industries and developed with consultation from local employers through the Talent Central Industry Advisory Group.</li> <li>• JobFest 2018 where over 800 students engaged with just under 20 regional employers.</li> <li>• A partnership developed with National Driver Training Centre to deliver Class 1 Licences to school students – a key component of being work ready in the Talent Central Work Ready Portfolio</li> <li>• Awesome Summer Jobs – a summer work programme for graduates was delivered to Massey University students (75 graduates applied, 32 successfully interviewed and eight were placed into roles) with some graduates doing the Work Ready Portfolio and receiving help with CV writing and interview techniques.</li> </ul> <p><b>Primary Sector Skills Gaps</b></p> <p>Research undertaken to understand where the main talent and skills gaps are in the Primary Sector across Manawātū and subsequent growth barriers in food production in the region. Partially funded by the Ministry of Business Innovation and Employment, specifically through CEDA's partnership agreement with Immigration NZ, this research will help inform our talent and skills retention strategy, and future of work project.</p>

## Grow and Retain Education and Talent

Service Level Statement	Performance Measure	2018/19	Outputs/achievements Jul 18 – Jun 19
			<p><b>Sort It Careers Expo</b></p> <p>Delivery of the 2019 Sort It Careers Expo, with over 5000 attendees and 80 exhibitors, with an aim to help future-proof the region's workforce by providing an opportunity for local and national businesses, industries, training and education providers to showcase what a career in their field can offer, and providing attendees with important information on different pathways that they can follow.</p> <p><b>NxtStep Manawatū</b></p> <p>CEDA commenced a pilot project aimed at increasing the New Zealand tertiary talent that is interested in starting their career journey in the Manawatū, by digitally connecting with tertiary students and graduates across New Zealand. The initial focus is on graduate jobs, internships and entry-level positions.</p> <p><b>Move to Manawatū Campaign</b></p> <p>An extensive digital campaign, Move to Manawatū, was launched, aimed at raising awareness of the lifestyle and career opportunities in the region. The campaign was targeted to Auckland, Wellington, Hamilton and Tauranga and included Facebook, Instagram, YouTube advertising as well as digital video advertising during The Block. Results include reaching more than 158,187 people, 64,486 video views to the end, and 4719 unique visitors to ManawatūNZ.co.nz.</p> <p>CEDA has had an active role in the Accelerate25 Talent and Skills Sub-committee, which has now developed into the Manawatū regional skills and talent group which CEDA Chairs.</p>

\*Based on Value Added plus Tax - Infometrics Report, March 2017

\*\*Based on Value Added plus Tax – Education New Zealand Report, October 2018 (using revised methodology)



## 2. Build the Reputation and Experience of the Region

Service Level Statement	Performance Measure	2018/19	Outputs/achievements Jul 18 - Jun 19
Enhance and grow awareness of the region to inspire visitors to travel here, new residents to live here, businesses to choose here and students to learn here.	Year on Year growth of unique visitors to the regional website ManawatuNZ.co.nz	10% growth  Result: 11.2% increase, to 175,688	<b>ManawatuNZ.co.nz Regional Website</b> <ul style="list-style-type: none"> <li>251,271 sessions, a 10.2% increase on 2017/2018.</li> <li>26 new 'Manawatū Stories' content pieces were published as part of the work involved to increase traffic and engagement with the website.</li> <li>11 new 'Move to Manawatū' pieces of content</li> <li>11 student stories were published</li> </ul> <b>Photography Competition</b> <p>A five-week campaign was run to help increase the number of users on the regional website and drive engagement. The competition resulted in more than 250 entries, and almost 11,000-page views, an increase of nearly 25%. Over 65,000 people were reached through Facebook. The competition also provided a fresh collection of user generated images which can be used to grow CEDA's marketing of the city and region.</p>
	Consumer social media and e-newsletter growth	10% growth  Result: Social media average 12% increase, e-newsletter 23.9% increase	<b>Consumer Social Media</b> <ul style="list-style-type: none"> <li>Facebook: As at 30 June 2019 MyManawatū had 9,487 page likes (20.08% increase from June 2018) and ManawatūNZ had 11,480 page likes (22.61% increase from June 2018)</li> <li>Instagram: As at 30 June 2019 Manawatū_nz had 3850 followers (34.14% increase from June 2018)</li> <li>Our regional hashtag #ThisIsManawatū was used 12,720 times (40.89% increase from June 2018)</li> <li>What's On e-newsletter: Our consumer email database grew to 5,615 subscribers, an increase of more than 31% in the last six months.</li> </ul>
	Successful media results for the visitor sector	5 direct media publications  Result: 50 media publications	<b>Media Publications</b> <p>44 direct Media Features profiling the city and region, from visitor and resident attraction to regional growth, and the promotion of key sectors like agrifood and agritech, via New Zealand AgriFood Week, including:</p> <ul style="list-style-type: none"> <li>Five-page feature article and Palmerston North on the cover of Kia Ora Magazine in March (357k readership)</li> <li>Two-page spread in AA Directions Winter edition (902k readership).</li> </ul> <p>Digital results included three travel story features on AA Traveller, GoKiwi, a WeChat feature length post, and a feature article on The Spinoff.</p>

## Build the Reputation and Experience of the Region

Service Level Statement	Performance Measure	2018/19	Outputs/achievements Jul 18 - Jun 19
	Destination Management Plan and Strategy developed	Plan and Strategy Developed	<p><b>Destination Management Plan</b></p> <p>CEDA has led the development of the Manawātū Destination Management Plan framework, in collaboration with Palmerston North City Council and Manawātū District Council, this has been expanded from the initial Visitor Strategy work to allow for a more holistic approach, providing a platform for future proofing Manawātū by thinking about our visitors, our region and our residents, ensuring that we have alignment and engagement between public and private sectors, regional and local communities,</p> <p><b>Visitor Sector Support</b></p> <p>Ongoing support has been provided within the visitor sector through workshops offering marketing guidance and social media support.</p> <p>A key focus has been working on developing the International Trade Offer of key operators in the region. CEDA presented Manawātū's Trade products and those in development at an RTNZ In-bound Trade Operator event in Auckland to gauge interest and gain insight into areas of opportunity.</p> <p>CEDA has also worked with a range of visitor industry operators to further develop their Trade offering and preparing them to work within the international trade market.</p>
Conference / Business Events	Grow Manawātū's share of national delegate days through targeted bids	<p>10% growth</p> <p>Results: 3.3 % increase at Mar 19 from Mar 18</p>	Year to March 2019 (latest figures) results from all business events (meetings, incentives, conferences and exhibitions) was 237,903 delegate days, a 3.3% increase from March 2019 of 230,400.
	Business events bids win/loss ratio (based on results received in the financial year)	<p>33% win/loss ratio</p> <p>Result: 100% win ratio</p>	<p>Five bids submitted, with three successful and two pending. The successful bids were the 2020 World Blokart Championships, NZ Airport Association Conference, and the NZIFST Food Industry Conference.</p> <p>CEDA also supported the Conference and Function Centres - Event Venues Association Conference bid which was successful. These will have an estimated economic impact to the region of more than \$930,000.</p> <p>CEDA has engaged and provided support to 35 conferences that have potential of being held in the region. These conferences have an estimated combined economic benefit of over \$4.4 million.</p>



## Build the Reputation and Experience of the Region

Service Level Statement	Performance Measure	2018/19	Outputs/achievements Jul 18 - Jun 19
Provide visitors and locals expert information on accommodation, activities, events and travel throughout Manawātū and New Zealand.	Percentage of customers satisfied with visitor information services in the region	80% satisfaction  Result: 96% satisfaction	<p><b>Customer Excellence</b></p> <p>The Palmerston North City i-SITE was successful in being awarded the 2018 TripAdvisor certificate of excellence, and the Skycity sponsored 2018 i-SITE New Zealand Customer Service award presented at the annual i-SITE New Zealand Conference.</p> <p>The i-SITE provided support to the NZ Secondary School Sports Council's Winter Tournament Week by facilitating the accommodation bookings for 3,000 competitors and visitors to the region, ensuring the event stayed in the region for 2018.</p> <p><b>Signage Programme</b></p> <p>CEDA has worked with rural communities on identifying key signage opportunities to ensure a cohesive visitor experience on The Country Road. Work has been undertaken with Manawātū District Council to replace the Stormy Point sign, which is along a key touring route and on State Highway 54.</p>
Coordination and promotion of key events, with Partners, to add value to the visitor experience			<p><b>Event Support</b></p> <p>CEDA has supported over 35 key city and regional events to showcase the vibrant events scene, to both a local and national audience. Partnering with Air New Zealand has resulted in monthly events featured in Kia Ora Magazine.</p> <p>Six major events were measured, looking at the economic impact and overall visitor experience for the region. These events included National Young Performers, Superstock Teams Champs, Grand Prix and Harlem Globe Trotters. The results showed the likelihood of visitors to these events recommending the city and region to friends and family was 79.5%.</p>

### 3. Support the Growth of Business in the Region

Service Level Statement	Performance Measure	2018/19	Outputs/achievements Jul 18 - Jun 19
Through the Regional Business Partner Network, deliver information, advice, and support to business	Number of businesses actively engaged in the Regional Business Partner Network	400  Result: 320 Businesses engaged through the Regional Business Partner Network	<p>CEDA engaged with 495 businesses throughout the year to develop and grow their business including:</p> <p><b>Regional Business Partner Network</b></p> <p>Through the Regional Business Partner Network, developing the growth and capability of businesses:</p> <ul style="list-style-type: none"> <li>• 272 Businesses were actively engaged and supported, with 139 businesses receiving training and development vouchers totalling \$266,593</li> <li>• 48 businesses were matched with a Business Mentor via the Business Mentors New Zealand programme</li> </ul> <p>Callaghan Innovation Grants to support research and development, resulted in grants of \$1,599,433 being allocated to innovating businesses. This included:</p> <ul style="list-style-type: none"> <li>• Seven Research and Development Project Grants \$955,085</li> <li>• Two Growth Grants \$331,880, and</li> <li>• 30 other CEDA facilitated grants including Student Experience, and Getting Started grants \$312,468</li> </ul> <p><b>Business Mentor Coffee Clubs</b></p> <p>Regular meetings to connect with our network of experienced Business Mentors on a regular basis has been important to share information and insights around business and economic development trends.</p> <p><b>Regional Economic Development Forum</b></p> <p>Facilitation of the Regional Economic Development Forum, comprising Economic Development and Local Government representatives from across the Manawatū-Whanganui region, to understand wider regional development opportunities and ensure that businesses, can connect to our Regional Business Partner services.</p>
Business Growth and Development Initiatives	Number of unique businesses that have accessed CEDA's additional support services	100  Result: 223 businesses	<p>CEDA's further business development, and innovation support, activities and events to support the growth of business include:</p> <p><b>Business Support Information</b></p> <p>Re-development of the CEDA website Business Support pages to better guide and support regional businesses on the range of support services and tools available to help their business grow and succeed.</p>

## Support the Growth of Business in the Region

Service Level Statement	Performance Measure	2018/19	Outputs/achievements Jul 18 - Jun 19
			<p><b>Startup Clinics</b></p> <p>Monthly startup clinics were held rotating between lunchtime and evening sessions to help new businesses and entrepreneurs with insights, information and resources. Eleven clinics were held in total.</p> <p><b>Startup Guide</b></p> <p>A new Startup Guide has been developed, designed to help users understand the viability, structure and strategy behind their ideas and take these to the next level.</p> <p><b>Key Support Activities and Events:</b></p> <ul style="list-style-type: none"> <li>• Hosted 26 Manawatū businesses to connect with the Ministry of Business, Innovation and Employment as part of the consultation on their Research and Science Innovation Strategy, and how it can be better activated and barriers to business innovation reduced.</li> <li>• Navigating Brexit and Exploring Exporting – two seminars facilitated with NZTE, CEDA, the Manawatū Chamber of Commerce and Export NZ – to assist our current and prospective customers and/or NZTE referees to better grasp how to navigate and respond to the opportunities and challenges of an export growth plan factoring global market conditions.</li> <li>• Manawatū Impact Event with Manawatū businesses, the Manawatū District Council, Feilding Districts and Promotion and the Manawatū Chamber of Commerce to better connect Manawatū businesses to our business development and innovation services.</li> </ul> <p><b>Westpac Manawatū Business Awards</b></p> <p>CEDA hosted 390 guests at the 2018 Gala Awards, as a unique celebration of business success in Manawatū. With 115 nominations received in total, 48 businesses received preliminary judging feedback, and 22 progressed to the finalist round, with 12 awards for business excellence given on the night.</p> <p><b>Provincial Growth Fund</b></p> <p>CEDA provided advice and support to 16 Provincial Growth Fund enquiries and submissions by advising how they align with regional strategic priorities and providing additional information and links to the Ministry of Business, Innovation and Employment's Provincial Development Unit.</p>



## Support the Growth of Business in the Region

Service Level Statement	Performance Measure	2018/19	Outputs/achievements Jul 18 - Jun 19
			<b>Economic Updates</b> Two Manawātū Regional Economic Updates were held in conjunction with the Manawātū Chamber of Commerce. <ul style="list-style-type: none"> <li>• <b>A future-proofing discussion: preparing for what's ahead</b> to help businesses to better understand the commercial and growth opportunities on our near horizon, programmes to assist with the talent and skills we'll need, and the accommodation and services required to welcome and retain them.</li> <li>• <b>Surging Ahead: Growth and Cooperation in Manawātū-Whanganui</b> focused on the amount of opportunity and investment arriving in Manawātū-Whanganui via the Provincial Growth Fund</li> </ul>
Work with local Iwi to identify opportunities to unlock potential of local Iwi businesses and investment	Engage with businesses that identify as Māori through the Regional Business Partner Programme	12  Result: 18 Māori businesses engaged through the Regional Business Partner Programme	CEDA has engaged with 24 Māori owned or identified businesses in total including those through the regional business partner programme and Callaghan Innovation funding support, and other business support services including startups.  An outlined approach to a sector development plan to understand opportunities for growth and collaboration with key partners and to better support growth and development potential from Māori business and entrepreneurs, has been developed.
	Development of a Local Iwi Engagement Strategy	Develop Strategy  Result: Strategy developed	A Manawātū Rohe Iwi Engagement Strategy has been developed to provide a clear understanding in CEDA's way forward with key Māori stakeholders and leaders.
	Ongoing engagement with Māori business support agencies / Iwi representatives	8 engagements  Result: 52 engagements	CEDA has engaged with Māori Sector organisations and stakeholders to understand how we can assist and collaborate on key projects. These engagements included: Te Puni Kokiri (10), Te Tihi (3), Poutama Trust (6), Te Au Pakihi (1), Ngāti Raukawa (2), Te Manu Atatu (6), Massey Te Au Rangahau (7), Ngāti Kauwhata (5), Rangitāne (4), Rangitāne Ki Tamakinui a Rua (4), and Kahunnungu (4).  We have also engaged with iwi across Palmerston North City, Manawātū District and Tararua District as part of our Regional Identity, Destination Management Plan, and Te Āpiti – Manawātū Gorge projects.

## Support the Growth of Business in the Region

Service Level Statement	Performance Measure	2018/19	Outputs/achievements Jul 18 - Jun 19
Develop priority sectors of Distribution and Logistics, Agriculture including Food-Tech, Government including Defence, Health and Education, and Digital/Technology	Development of Ag Cluster strategy	Strategy developed  Result: Strategy developed	<p>The AgTech strategy framework for Manawatū has been developed in collaboration with Sprout (Agtech Accelerator) and regional stakeholders. "New Zealand's Central Innovation Belt: A Global Agritech Hub in Manawatū". The strategy has been developed to support the positioning of Manawatū as one of the top three agri ecosystems in the world, with a three-year initial action plan.</p> <p><b>FoodHQ Collaboration</b></p> <p>Support was provided to FoodHQ to contribute to the economic analysis component of their provincial growth fund application. The application will support FoodHQ's vision to have New Zealand recognised as a world leader in high value food production.</p> <p><b>New Zealand AgriFood Week</b></p> <p>CEDA led the strategic direction of the 2019 New Zealand AgriFood Week with 15 events being held over the week. New Zealand AgriFood Week showcases Palmerston North and Manawatū's leadership, capabilities and expertise in agrifood – from research, development, production, agritech and agribusiness.</p> <p>CEDA delivered five key events, with 500 attendees, as well as the overall marketing and communications for the week, resulting in National Coverage with 20 articles, features, radio and television interviews, and 947,820 digital views, including 505,750 on social media.</p> <p>Support was provided to partner events including the AgTech Hackathon, which connects tech talent to employers in the primary industry.</p> <p>A specialist marketing workshop for regional food producers was held with Rob Ward, Co-Founder and Director of The Grocery Accelerator.</p> <p><b>Pint of Science</b></p> <p>CEDA launched the global science festival, Pint of Science, in New Zealand for the first time and partnered with Massey University, Fonterra and Horizons Regional Council to deliver their latest research through events. The aim of the festival is to connect researchers with an audience to present and discuss their research, and in turn raise the profile of the depth and capabilities of researchers in some of Palmerston North and Manawatū's sectors of strength, including food innovation, agriculture (business and tech) and health. Six events were held. Media coverage included digital and television.</p>

## Support the Growth of Business in the Region

Service Level Statement	Performance Measure	2018/19	Outputs/achievements Jul 18 - Jun 19
	Distribution and Logistics business attraction plan developed and initiated	Plan initiated  Result: Plan completed (Project Unlock)	An Ambition Statement and Action Plan, 'Project Unlock', has been completed, to support the development of four key sectors, being Distribution and Logistics, Education, Defence, and Digital/technology. Using an integrated approach to unlock the interdependent growth potential across these four sectors from a regional, national and international perspective.  The specific approach to business attraction for this sector is captured in the inward investment strategy and action plan.
	Partnership agreements and workplans in place with tertiary sector, and defence committee	Partnership and workplans agreed and actioned  Result: Agreements in place	Four Defence issues in the Manawatū group meetings have been Chaired. The Memorandum of Understanding has been approved by all parties and signed.  Partnership agreements are in place with Education New Zealand, Massey University, UCOL, IPU New Zealand, and English Teaching College along with Palmerston North Girls' and Boys' High Schools, Awatapu College, St Peter's College, Freyberg High School and Feilding High School.
	Define opportunity in the Health sector	Opportunities scoped  Result: Scoping completed	A scoping document has been completed to better understand the current and future opportunities are for the regions Health Sector. This was completed with a broad representation of the Health Sector's stakeholders to develop a better scope of understanding around new opportunity models and economic development potential.
	Development of a Digital/Technology sector plan	Plan developed  Result: Plan completed (Project Unlock)	The Digital/Technology sector development plan has been completed under Project Unlock, using an integrated approach across the Distribution and Logistics, Education, Defence, and Digital/technology sectors, as detailed above.
Attract and retain business and investment in priority sectors	Number of businesses assisted by CEDA to relocate to the region	3  Result: 0	Continued assistance with the retention of one significant business in the region. Engaged or continued to engage with eight businesses around potential relocation to the region.  Contributed to the development and negotiation to advance major government and commercial investment into the Central NZ Distribution Hub.



## Support the Growth of Business in the Region

Service Level Statement	Performance Measure	2018/19	Outputs/achievements Jul 18 - Jun 19
	Development of Inward Investment strategy and Implementation plan	Strategy and plan developed  Result: Strategy development initiated and framed	An investment strategy for Manawātū has been developed, with the aim of attracting businesses and investment into the logistics and agri-food sectors and supporting the expansion of existing business in these sectors. The strategy and resulting action plan defines Manawātū's strategic advantage and value proposition, identifies the primary themes that will underpin successful execution, and clearly states the market approach, the implementation plan, success metrics, and core competencies required for success.
Facilitate collaboration and innovation in AgTech in partnership with BCC*	% satisfaction with BCC* support / services provided	80% or higher satisfaction  Result: 83.3% agreed/ strongly agreed programme exceeded expectations	<p>Survey of tech startups and businesses through the Sprout Agritech programme during the year was completed with 83.3% of respondents agreeing or strongly agreeing that the programme exceeded their expectations.</p> <p><b>The Factory Collaboration</b></p> <p>CEDA provided key financial support to Innovate 2018, which had 91 entries, 20 of which were shortlisted, and six finalists were selected. CEDA provided additional support through the provision of two mentors and a judge. Innovate works with entrepreneurs to turn ideas into reality.</p> <p>Support was also provided to the Sprout Agritech Accelerator which worked with ten businesses, including two international companies from the USA, to scale up their businesses and internationalise.</p> <p>CEDA provided judging support the Young Enterprise Scheme, to encourage secondary students into entrepreneurship.</p>

\*Note the BCC has since been renamed to The Factory.

## 4. Build an Environment conducive to Economic Growth

Service Level Statement	Performance Measure	2018/19	Outputs/achievements Jul 18 - Jun 19
Stakeholder engagement	% of stakeholder satisfaction with the performance of CEDA	Set baseline  Result: 67% baseline set	In depth surveys were completed with CEDA key stakeholder's resulting in an average satisfaction percentage of 67% to set an initial baseline.
Iwi Economy	Iwi and wider Māori satisfaction with quality of engagement by CEDA		
Work plan aligned to delivery of Statement of Service Performance	Development of Business Plan	Business Plan developed	Business plan developed and shared with Shareholder Councils

# Monitoring Indicators

In addition to our performance measures, the shareholders have identified a further set of monitoring indicators. These indicators reflect outcomes at the regional level which are impacted by a range of factors outside of our control, for example; exchange rates, natural disasters, government policy. As the region's economic development agency, we have a role in monitoring and influencing these indicators where we can, however we do not measure the performance of our organisation against them.

The councils have the responsibility to report on these indicators.

Indicator	2019 Actual	2020	2021	Regional target
Change in total number of jobs	2.0% increase (+1,239 jobs) Total employees and self-employed was 62,987 at year end March 2018	1.9% increase	1.9% increase	1.9% average annual increase over three years
Change in average salaries and wages	2.9% increase Increase to \$55,526 in the year to March 2018	2.6% increase	2.6% increase	2.6% pa increase
Change in total earnings (salaries, wages and self-employment income)	4.6% increase Increase to \$3,307 million in total year end March 2017	3.7% increase	3.7% increase	3.7% pa increase, average annual increase of \$104 million
Change in total GDP and per capita GDP	2.9% annual GDP growth in year to March 2019 1.2% annual per capita GDP growth in year to June 2018	1.8% GDP 0.6% per capita	1.8% GDP 0.6% per capita	1.8% average annual increase in total GDP. 0.6% average annual increase in per capita GDP
Estimated population change - 65 years and over population (for demographic monitoring)	Estimated 2.6% increase (+ 2,760 residents) for year to March 2019 629 additional New Zealand Superannuation recipients in year to June 2019	1,350 increase 530 increase	1,350 increase 530 increase	1,350 population increase pa, 1.2% average increase pa Estimated 530 population increase pa, 3.3% pa
Net overseas migration	Unable to be measured since October 2018 due to Statistics New Zealand stopping data publication.	660 gain	660 gain	660 average annual net migration gain
Spend by visitors in Manawātū region (domestic and international)	\$485.8 million (4.9% increase in year to June 2019)	5.7% increase	5.7% increase	5.7% pa increase, average annual increase of \$22 million
Number of visitor nights in Manawātū region	502,680 guest nights (8.2% increase in year to June 2019)	1.6% increase	1.6% increase	1.6% pa increase
Change in MSD benefit numbers	2.7% increase (208 more recipients) in year to June 2019 Note: NZ benefits increased by 5.2%	1.6% decline	1.6% decline	1.6% pa decline, average annual decline of 130 people
Reputation of Manawātū / Palmerston North as a great place to live and do business	Palmerston North survey methodology has changed from 3-yearly to an annual survey	1% increase	1% increase	3% increase over 3 years

\*excludes any annual inflation increase

\*\*as measured by UMR Research compiled 3 yearly, first measured 2016



# Corporate Report

## For the year ended June 2019

### 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 Manawātū 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 Manawātū and beyond.

CEDA's principal activities during the year to 30 June 2019 were directed by the Statement of Intent 2018/19 under the key strategic objectives of; support the growth of business, grow and retain education and talent, and enhance the brand and experience of the region.

### 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 joint Chairman's and Chief Executive's Report and the statutory accounts of the Company published herewith.

The Directors are responsible for the preparation of CEDA's financial statements which give a true and fair view of the financial position of CEDA as at 30 June 2019 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 2019.

### Directors

#### Retirements

No Directors retired during the 2018/2019 financial year.

#### Appointments

During the 2018/2019 financial year the following Directors were reappointed to the Board:

- Malcolm Bailey, 13 December 2018

## Corporate Report

### Directors remuneration

The amount of \$180,000 per annum to 30 June 2019 and \$168,390 (pro rata for Susan Foley) to 30 June 2018 was paid, or due and payable, to members of the Board as authorised by the shareholders as follows:

	2018/2019	2017/2018
Malcolm Bailey	55,000	55,000
Shamubeel Eaqub	25,000	25,000
Susan Foley	25,000	13,390
John Fowke	25,000	25,000
Lucy Griffiths	25,000	25,000
Blair O'Keeffe	25,000	25,000
<b>Total</b>	<b>180,000</b>	<b>168,390</b>

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 2019, Directors declared interest in the following entities:

<i>M G Bailey</i>		
Interest	Nature of Interest	Relationship to CEDA
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 Manawatū Business Awards
Director	Red Meat Profit Partnership Ltd	None

## Corporate Report

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 NZ Ltd	Frog Parking NZ 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/shareholder	Etech Engineering Services Ltd	None
<i>S Eaqub</i>		
Interest	Nature of Interest	Relationship to CEDA
Advisory Board member	ADC Inc - microfinance charity	None
Advisory Board member	Auckland Radiology Group	None
Advisory Board member	NewGround Capital	None
Consultant	Eaqub & Eaqub Ltd	Boutique consultancy, sometimes involved in economic development and matters of regional development
Director	Simplicity	None
Director/shareholder	Sense Partners	Business Partner providing advice to PNCC regarding Gorge options



## Corporate Report

<i>S P Foley</i>		
Interest	Nature of Interest	Relationship to CEDA
Director	Meole Brace Investments Ltd	None
Director External Relations	Westpac Banking Corporation	Supplier and Westpac sponsor the Manawatū Business Awards
Chairperson	FoodHQ	CEDA provides funding to FoodHQ
Trustee	ISport	None
Board Member	Huntley Prep School	None
Committee Member	Rangitikei Racing Club	None
Contractor	Massey University	Massey University provide funding to CEDA
<i>J L Fowke</i>		
Interest	Nature of Interest	Relationship to CEDA
Consultant	Toyota New Zealand Ltd, Legal Counsel, Motorsport Ambassador	None
Chair & Trustee	Te Manawa Museum and Art Gallery	Council controlled organisation and Manawatū cultural facility
Chair & Trustee	Manawatū Community Law Centre	None
Trustee/Director	MASH Trust (provider of services to people suffering from intellectual and physical disabilities and dependencies)	None
Chair & Trustee	Special Olympics New Zealand Foundation	None
Justice of the Peace		None
External Committee Member (from 09/16)	Manawatū District Council Audit and Risk Committee	Shareholder in CEDA
Company Secretary	Massey Global Ltd (provider of education services in Singapore and China)	Massey University who provides funding to CEDA is a Shareholder of Massey Global
<i>L M J Griffiths</i>		
Interest	Nature of Interest	Relationship to CEDA
Director (and member of Audit and Risk Committee)	Trust House	None
Trustee	Trust house Foundation	None
Trustee	Masterton Community Trust	None
Director/shareholder (Chairperson)	Brackenridge Country Retreat and Spa	None

## Corporate Report

Director	Mirrabooka Ltd	None
Owner/Director	Innov8 Aotearoa Ltd	Have done limited consultancy work in the Manawatu
Director	Wools of NZ	None
Director	Southland Regional Development Agency	None
<i>B A O'Keeffe</i>		
Interest	Nature of Interest	Relationship to CEDA
Trustee	K & B Trust (family trust)	None
Managing Director	Endzone Commercial Limited	None
Acting CEO (from 23/9/16)	HBRIC	None
Chairman (from to 8/8/18)	Maritime New Zealand	None
Trustee (from 26/6/17)	Hawkes Bay Rescue Helicopter Trust - Note HBRHT is commissioned by RCCNZ from time to time to undertake search and rescue activity.	None
Director	Z Energy	None
Director	Port of Napier Limited and Napier Port Holdings Limited	None

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

Detailed of related party transactions made during the year are shown in note 14 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:

	2018/2019	2017/2018
\$110,000 - \$199,999	2	1

### Auditors

Auditor's remuneration of \$19,672 (exclusive of GST) for the 2019 audit is reflected in the financial statements as due and payable.

# Financial Performance

## Central Economic Development Agency Limited Group Statement of Comprehensive Revenue & Expense

For the 12 Months to June

	Notes	Actual 2019	SOI 2019	Actual 2018
<b>Revenue</b>				
Council Funding	4	2,606,598	2,408,045	2,575,964
Other Services Revenue		777,772	740,652	792,703
Project Revenue		525,785	457,142	394,050
Major Event Fund Revenue		0	100,000	65,000
<b>Total Revenue</b>		<b>3,910,155</b>	<b>3,705,839</b>	<b>3,827,717</b>
<b>Cost of Sales</b>				
Other Services Expenses		944,380	862,826	811,780
Project Expenses		773,327	559,542	621,270
Major Event Fund Allocations		0	100,000	65,000
<b>Total Cost of Sales</b>		<b>1,717,707</b>	<b>1,522,368</b>	<b>1,498,051</b>
<b>Gross Surplus (Deficit)</b>		<b>2,192,448</b>	<b>2,183,471</b>	<b>2,329,667</b>
<b>Other Revenue</b>				
Interest Revenue		20,348	18,000	20,177
Sundry Revenue		1,677	880	7,466
<b>Total Other Revenue</b>		<b>22,025</b>	<b>18,880</b>	<b>27,643</b>
<b>Expenses</b>				
Depreciation		26,170	21,000	27,081
Directors' Fees		180,000	180,000	168,390
Employee Expense	5	1,718,255	1,931,715	1,475,802
Financing Expenses		825	500	4,979
Other Operating Expenses	6	377,903	312,172	497,562
<b>Total Expenses</b>		<b>2,303,152</b>	<b>2,445,387</b>	<b>2,173,815</b>
<b>Surplus (Deficit) Before Taxation</b>		<b>(88,678)</b>	<b>(243,036)</b>	<b>183,495</b>



## Financial Performance

	Notes	Actual 2019	SOI 2019	Actual 2018
<b>Taxation</b>				
Income Tax Expense	7	0	0	48,797
<b>Total Taxation</b>		<b>0</b>	<b>0</b>	<b>48,797</b>
<b>Surplus (Deficit) after tax</b>		<b>(88,678)</b>	<b>(243,036)</b>	<b>134,698</b>
<b>Other comprehensive revenue and expense</b>				
Items that could be reclassified to surplus (deficit)		0	0	0
<b>Total Other comprehensive revenue and expense</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive revenue and expense</b>				
Total comprehensive revenue and expense		(88,678)	(243,036)	134,698
<b>Total comprehensive revenue and expense attributable to:</b>				
Palmerston North City Council		(44,339)	(121,518)	67,349
Manawātū District Council		(44,339)	(121,518)	67,349
<b>Total comprehensive revenue and expenses</b>		<b>(88,678)</b>	<b>(243,036)</b>	<b>134,698</b>

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 16.

## Financial Performance

## Central Economic Development Agency Limited Group Statement of Financial Position

As at 30 June 2019

	Notes	Actual 2019	SOI 2019	Actual 2018
<b>Assets</b>				
<b>Current Assets</b>				
Cash and Cash Equivalents	8	1,294,901	1,023,792	1,180,967
Receivables and Accruals	9	317,102	345,707	138,300
Prepayments		21,948	5,517	18,921
Inventories	10	10,140	12,265	14,663
<b>Total Current Assets</b>		<b>1,644,091</b>	<b>1,387,281</b>	<b>1,352,851</b>
<b>Non-Current Assets</b>				
Property, Plant and Equipment	11	78,631	44,768	91,276
<b>Total Non-Current Assets</b>		<b>78,631</b>	<b>44,768</b>	<b>91,276</b>
<b>Total Assets</b>		<b>1,722,722</b>	<b>1,432,049</b>	<b>1,444,127</b>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Payables and Deferred Revenue	12	654,009	512,214	331,373
Employee Entitlements		49,877	51,819	58,706
Provisions	13	60,000	-	0
Other Current Liabilities		27,153	29,609	33,686
<b>Total Current Liabilities</b>		<b>791,039</b>	<b>593,642</b>	<b>423,765</b>
<b>Total Liabilities</b>		<b>791,039</b>	<b>593,642</b>	<b>423,765</b>
<b>Net Assets</b>		<b>931,683</b>	<b>838,407</b>	<b>1,020,361</b>
<b>Equity</b>				
Contributed Capital	14	1,000	1,000	1,000
Retained Earnings		930,683	837,407	1,019,361
<b>Total Equity</b>		<b>931,683</b>	<b>838,407</b>	<b>1,020,361</b>

For and on behalf of the Board

Malcolm Bailey, Chairperson

John Fowke, Director

Dated:

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

## Financial Performance

## Central Economic Development Agency Limited Group Statement of Changes in Equity

For the year ended 30 June 2019

	Actual 2019	SOI 2019	Actual 2018
<b>Equity</b>			
Opening Balance	1,020,361	1,081,443	885,663
<b>Increases</b>			
Total comprehensive revenue and expense for the period	(88,678)	(243,036)	134,698
<b>Total Increases</b>	<b>(88,678)</b>	<b>(243,036)</b>	<b>134,698</b>
<b>Total Equity</b>	<b>931,683</b>	<b>838,407</b>	<b>1,020,361</b>
<b>Total comprehensive revenue and expense attributable to:</b>			
Palmerston North City Council	(44,339)	(121,518)	67,349
Manawatū District Council	(44,339)	(121,518)	67,349
<b>Total comprehensive revenue and expense</b>	<b>(88,678)</b>	<b>(243,036)</b>	<b>134,698</b>

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



## Financial Performance

## Central Economic Development Agency Limited Statement of Cash Flows

For the year ended 30 June 2019

	Actual 2019	SOI 2019	Actual 2018
<b>Cash Flows from Operating Activities</b>			
Receipts of council funding	2,772,007	2,573,454	2,806,602
Interest received	14,618	20,700	18,258
Receipts from other operating activities	1,601,413	1,356,640	1,559,110
Income tax refunded/(paid)	(23,388)	-	(124,974)
GST	(8,046)	(238,245)	7,360
Payments to suppliers and employees	(4,213,920)	(4,302,233)	(4,170,780)
Finance costs	(825)	(500)	(4,979)
<b>Total Cash Flows from Operating Activities</b>	<b>141,860</b>	<b>(590,184)</b>	<b>90,597</b>
<b>Cash Flows from Investing Activities</b>			
Proceeds from sales of property, plant and equipment	0	-	350
Payment for property, plant and equipment	(27,925)	-	(14,218)
<b>Total Cash Flows from Investing Activities</b>	<b>(27,925)</b>	<b>-</b>	<b>(13,868)</b>
<b>Net Cash Flows</b>	<b>113,935</b>	<b>(590,184)</b>	<b>76,729</b>
<b>Cash Balances</b>			
Cash and cash equivalents at beginning of period	1,180,967	1,613,976	1,104,238
Cash and cash equivalents at end of period	1,294,901	1,023,792	1,180,967
<b>Net change in cash for period</b>	<b>113,935</b>	<b>(590,184)</b>	<b>76,729</b>

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



# Notes to Accounts

## Accounting Policies

### 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 Manawātū 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 12 months ended 30 June 2019.

### 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.

#### Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of



## Notes to Accounts

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.

Lease revenue is recognised on a straight-line basis over the life of the lease.

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.

## Notes to Accounts

### Depreciation

Account	Method	Rate
Leasehold Improvements	Diminishing Value	10% - 40%
Office Furniture & Equipment	Diminishing Value	0% - 67%
Plant & Equipment	Diminishing Value	10% - 20%
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.

## Notes to Accounts

### *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.



## Notes to Accounts

### 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 judgements, 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.
- Fair value of property, plant and equipment – refer to Note 11.

*Critical judgements in applying accounting policies*

Management has exercised the following critical judgements in applying accounting policies:

- Funding received – refer to Note 4.

## Notes to Accounts

**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 Manawatū Trust. The consolidation of the Events Manawatū Trust into CEDA's financial statements has resulted in no change to the reported financial statements.

	2019	2018
<b>4. Council Funding</b>		
Palmerston North City Council	(1,984,598)	(1,977,437)
Manawatū District Council	(622,000)	(598,527)
<b>Total Council Funding</b>	<b>(2,606,598)</b>	<b>(2,575,964)</b>

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.

**Council Funding included in Project Revenue**

Palmerston North City Council	149,409	239,484
Manawatū District Council	24,000	41,745
<b>Total Council Funding included in Project Revenue</b>	<b>173,409</b>	<b>281,229</b>

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 2019 \$373 (2018:\$373) has been recognised as a liability as the conditions attached to the receipt of this funding have not yet been met.

**5. Employee Expenses**

Salaries and wages	1,685,767	1,432,173
Employer contribution to Kiwisaver	41,317	36,841
Movement in employee entitlements	(8,829)	6,788
<b>Total Employee Expenses</b>	<b>1,718,255</b>	<b>1,475,802</b>

## Notes to Accounts

	2019	2018
<b>6. Other Operating Expenses</b>		
Fees to Audit New Zealand for the audit of the financial statements	19,672	19,389
Consultants and legal fees	10,700	8,485
Operating lease expense	27,312	20,484
Other operating expenses	320,219	449,203
<b>Total Other Operating Expenses</b>	<b>377,903</b>	<b>497,562</b>
<b>7. Income Tax Expense</b>		
Net Profit (Loss) Before Tax	(88,678)	183,495
<b>Tax at 28%</b>	<b>(24,830)</b>	<b>51,379</b>
<b>Plus (less) tax effect of:</b>		
Non deductible expenditure	965	741
Non-taxable income	0	0
Tax loss not recognised	2,733	0
Deferred tax adjustment	21,132	(3,323)
<b>Tax expense</b>	<b>(0)</b>	<b>48,797</b>
A deferred tax asset has not been recognised in relation to tax losses of \$9,758 and temporary differences of \$116,266 (2018: \$40,794).		
<b>Components of tax expense</b>		
Current year	0	48,797
Deferred tax	0	0
<b>Tax expense</b>	<b>0</b>	<b>48,797</b>
<b>8. Cash and Cash equivalents</b>		
CEDA Current Account	41,222	62,708
CEDA Money Market Account	1,150,000	1,000,000
CEDA Trust Account	102,879	117,458
i-SITE Petty Cash	800	800
<b>Total Cash and Cash equivalents</b>	<b>1,294,901</b>	<b>1,180,967</b>
<b>9. Receivables and Accruals</b>		
Accounts Receivable	248,928	130,929
Less: Provision for impairment	0	0
Accrued Interest	142	96
GST	32,136	452
Income Tax	35,896	6,823
<b>Total Receivables and Accruals</b>	<b>317,102</b>	<b>138,300</b>



## Notes to Accounts

	2019	2018
<b>Total Receivables and Accruals Comprise</b>		
Receivables from exchange transactions	27,441	10,689
Receivables from non-exchange transactions	289,661	127,611
<b>Total Receivables and Accruals Comprise</b>	<b>317,102</b>	<b>138,300</b>

**10. Inventory**

i-SITE Retail Stock	10,140	14,663
<b>Total Inventory</b>	<b>10,140</b>	<b>14,663</b>

No inventories are pledged as security for liabilities.

**11. Property, Plant & Equipment**

	Opening Value	Accum Depn	Carrying Amount	Additions	Disposals	Depn	Closing Value	Accum Depn	Carrying Amount
Leasehold Equipment	15,786	(4,101)	11,685	3,307	-	(1,967)	19,093	(6,068)	13,025
Office Furniture & Equipment	71,264	(30,993)	40,271	692	-	(10,453)	71,956	(41,446)	30,510
Plant & Equipment	16,732	(4,360)	12,372	9,525	-	(3,449)	26,257	(7,809)	18,449
Vehicles	20,382	(9,682)	10,700	-	-	(3,210)	20,382	(12,892)	7,490
Websites	17,725	(1,478)	16,248	-	-	(7,090)	17,725	(8,568)	9,158
<b>Total</b>	<b>141,889</b>	<b>(50,613)</b>	<b>91,276</b>	<b>13,525</b>	<b>-</b>	<b>(26,170)</b>	<b>155,414</b>	<b>(76,783)</b>	<b>78,631</b>

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.

**12. Payables and Deferred Income**

Accounts Payable	616,328	304,421
Accruals General	33,485	23,170
Funding in Advance	373	373
GST	0	0
Income Tax	0	0
Operations Credit Card	3,824	3,408
<b>Total Payables and Deferred Income</b>	<b>654,009</b>	<b>331,373</b>

## Notes to Accounts

	2019	2018
<b>Total Payables and Deferred Income Comprise</b>		
Payables under exchange transactions	652,234	320,202
Payables under non-exchange transactions	1,775	11,171
<b>Total Payables and Deferred Income Comprise</b>	<b>654,009</b>	<b>331,373</b>

### 13. Provisions

#### Current portion

Restructuring provision	60,000	0
<b>Total Provisions</b>	<b>60,000</b>	<b>0</b>

#### 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 has agreed and the transition of this service will be effective 1 September 2019.

CEDA commenced a proposal for a formal restructure on 5 June 2019. The restructuring commenced at the end June 2019, with implementation expected to be complete by the end of August 2019.

A provision has been made for any possible redundancies.

<b>Movement in provisions</b>		
Balance at 1 July 2018	0	0
Additional provisions	60,000	0
Amounts used	0	0
<b>Balance at 30 June 2019</b>	<b>60,000</b>	<b>0</b>

### 14. Equity

#### Share Capital

Opening Balance	1,000	1,000
<b>Total Share Capital</b>	<b>1,000</b>	<b>1,000</b>

#### Retained Earnings

Opening Balance	1,019,361	884,663
Current Year Earnings	(88,678)	134,698
<b>Total Retained Earnings</b>	<b>930,683</b>	<b>1,019,361</b>
<b>Total Equity</b>	<b>931,683</b>	<b>1,020,361</b>

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.

## Notes to Accounts

	2019	2018
<b>15. Key personnel compensation</b>		
<b>Directors</b>		
Remuneration	180,000	168,390
Full-time equivalent members	6	5.5
<b>Senior Management Team</b>		
Remuneration	592,495	576,001
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. As one director commenced partway through the year this has been estimated on a proportional basis.

During the year ended 30 June 2019, 0 (2018:0) employees received compensation and other benefits in relation to cessation totaling nil (2018:nil).

<b>Revenue</b>		
Westpac is naming sponsor of the Manawatū Business Awards, Malcolm Bailey and Sue Foley are Director's of Westpac. Money was received for sponsorship of the awards. GST Inclusive.	28,750	0
<b>Total Revenue</b>	<b>28,750</b>	<b>0</b>

**15. 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 Manawatū District Council, are responsible for the appointment of the Board of Directors.

All transactions conducted with related parties have been under normal supplier/client relationship terms and at arm's length.



## Notes to Accounts

### 17. Major Variances Explained

Account	Actual	Budget/SOI	Variance	Notes
Council Funding	2,606,598	2,408,045	198,553	Variance due to additional funding received from PNCC over Service Agreement amount
Project Revenue	525,785	457,142	68,643	Increase in income is mainly due to a successful Provincial Growth Fund application
Major Event Fund Revenue / Expenses	-	100,000	(100,000)	The Major Event Fund was disestablished during the year
Other Services Expenses	944,380	862,826	81,554	Increase in expenses due to additional spend in support of FoodHQ and i-SITE services.
Project Expenses	773,327	559,542	213,785	Increase in expenditure due to increased activity on key projects for sector development, inward investment, talent and visitor attraction
Employee Expenses	1,718,255	1,931,715	(213,460)	Savings in employee expenses due to staff vacancies
Other Operating Expenses	377,903	312,172	65,731	Increase due to additional investment in staff training and development, and recruitment

2019

2018

### 18. Financial Instruments

#### Financial Assets

##### Loans and Receivables

##### Accounts Receivable

Accounts Receivable	248,928	130,929
<b>Total Accounts Receivable</b>	<b>248,928</b>	<b>130,929</b>
Accrued Interest	142	96
Cash and cash equivalents	1,294,901	1,180,967
<b>Total Loans and Receivables</b>	<b>1,543,971</b>	<b>1,311,991</b>
<b>Total Financial Assets</b>	<b>1,543,971</b>	<b>1,311,991</b>

#### Financial Liabilities

##### Financial Liabilities at amortised cost

Payables	(649,813)	(323,724)
Unsettled Tickets	(27,153)	(33,686)
<b>Total Financial Liabilities at amortised cost</b>	<b>(676,966)</b>	<b>(357,410)</b>
<b>Total Financial Liabilities</b>	<b>(676,966)</b>	<b>(357,410)</b>

	2019	2018
<b>19. Operating leases as lessee</b>		
The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:		
<b>Operating leases as lessee</b>		
Not later than one year	97,044	152,423
Later than one year and not later than five years	15,791	101,465
Later than five years	0	0
<b>Total non-cancellable operating leases</b>	<b>112,835</b>	<b>253,888</b>

The i-Site building is rented from the Palmerston North City Council. The lease expires on 31 August 2019, with three rights of renewal of three years each. This disclosure has included the lease payments up to the expiry date of 31 August 2019 as the lease will not be renewed.

The office space located at Level 1, 478 Main Street, Palmerston North, has a lease term to June 2020. The current conditions are a monthly lease charge with a notice period of 3 months.

## 20. Events after balance date

"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 back into PNCC. CEDA has agreed to this transfer and the transition of this service will be effective 1 September 2019. It has yet to be determined the value of the assets to be transferred and whether there will be a cash settlement for these assets is yet to be determined.

The following amounts relating to the i-SITE operations are included in the 2019 amounts:

- Agency income of \$62k
- Other income of \$108k
- Expenditure of \$148k
- Employee costs of \$213k
- Property, plant and equipment of \$29k
- Creditors of \$38k
- Inventory of \$10k

A portion of the grant from PNCC relates to these operations and the grant for 2020 will be reduced as a result.

## Independent Auditor's Report

### To the readers of Central Economic Development Agency Limited's group financial statements and performance information for the year ended 30 June 2019

The Auditor-General is the auditor of Central Economic Development Agency Limited Group (the Group). The Auditor-General has appointed me, Clint Ramoo, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and the performance information of the Group, on his behalf.

### Opinion

We have audited:

- the financial statements of the Group on pages 74 to 91, that comprise the statement of financial position as at 30 June 2019, the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the performance information of the Group on pages 54 to 67.

In our opinion:

- the financial statements of the Group on pages 74 to 91:
  - present fairly, in all material respects:
    - its financial position as at 30 June 2019; and
    - its financial performance and cash flows for the year then ended; and
  - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards Reduced Disclosure Regime; and
- the performance information of the Group on pages 54 to 67 presents fairly, in all material respects, the Group's actual performance compared against the performance targets and other measures by which performance was judged in relation to the Group's objectives for the year ended 30 June 2019.

Our audit was completed on 27 August 2019. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board of Directors and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.



## **Basis for our opinion**

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Responsibilities of the Board of Directors for the financial statements and the performance information**

The Board of Directors is responsible on behalf of the Group for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Directors is also responsible for preparing the performance information for the Group.

The Board of Directors is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Board of Directors is responsible on behalf of the Group for assessing the Group's ability to continue as a going concern. The Board of Directors is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board of Directors intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors' responsibilities arise from the Local Government Act 2002.

## **Responsibilities of the auditor for the audit of the financial statements and the performance information**

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and the performance information.

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to the Group's statement of intent.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- We evaluate the appropriateness of the reported performance information within the Group's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.
- We obtain sufficient appropriate audit evidence regarding the financial statements and the performance information of the entities or business activities within the Group to express an opinion on the consolidated financial statements and the consolidated performance information. We are responsible solely for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify in our audit.

Our responsibilities arise from the Public Audit Act 2001.

## **Other information**

The Board of Directors is responsible for the other information. The other information comprises the information included on pages 2, 5, 6, 7 and 69 to 73, but does not include the financial statements and the performance information, and our auditor's report thereon.

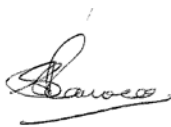
Our opinion on the financial statements and the performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

## **Independence**

We are independent of the Group in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1 (Revised): Code of Ethics for Assurance Practitioners, issued by New Zealand Auditing and Assurance Standards Board.

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



Clint Ramoo  
Audit New Zealand  
On behalf of the Auditor-General  
Wellington, New Zealand



Cuba Street



## Partner Organisations

Current partner organisations that CEDA works with:

### Local

Feilding and District Promotions  
FoodHQ  
IPU New Zealand  
Lamberts  
Manfeild  
Manawatū Chamber of Commerce  
Manawatū District Council  
Manawatū Standard  
Massey University  
MediaWorks  
Palmerston North City Council  
Palmerston North Airport  
Spearhead Manawatū  
Sport Manawatū  
Talent Central  
Te Au Pahihi  
Te Manawa  
The Factory  
UCOL  
Venues and Events Palmerston North

### Regional

Accelerate 25  
Business Central  
Horizons Regional Council  
Horowhenua District Council  
Ruapehu District Council  
Rangitikei District Council  
Taranua District Council  
Whanganui and Partners  
Whanganui Chamber of Commerce  
Whanganui District Council

### National

Business Mentors New Zealand  
Callaghan Innovation  
Conventions and Incentives New Zealand  
Economic Development New Zealand  
Education New Zealand  
Immigration New Zealand  
i-SITE New Zealand  
Ministry of Business, Innovation & Employment  
New Zealand Events Association  
New Zealand Trade and Enterprise  
Regional Tourism New Zealand  
Tourism New Zealand  
New Zealand Motor Caravan Association  
Air New Zealand  
ASB  
Fairfax  
Westpac  
New Zealand Media and Entertainment



**CEDA**  
CENTRAL ECONOMIC  
DEVELOPMENT AGENCY