

Annual Report

1 July 2020 to
30 June 2021

30 April 2022



Company Directory

Central Economic Development Agency Limited

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

☎ 06 350 1830

📍 CEDA.nz

Chief Executive

David Wright, Interim CEO

Directors

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

Management

At 30 June 2021
David Wright – Interim CEO
Jacqui Middleton – Finance & Operations Manager
Janet Reynolds – Marketing & Communications
Manager
Nats Subramanian – Business Development Manager
Sara Towers – Talent & Skills Manager

Chartered Accountant

Morrison Creed Advisory Limited
236 Broadway Avenue
Palmerston North 4410

Registered Office

Morrison Creed Advisory
236 Broadway Avenue
Palmerston North 4410

Bankers

Westpac New Zealand Limited

Legal Advisors

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

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 Manawatū District Council (50%) CEDA is a council-controlled organisation as defined in section 6 of the Local Government Act 2002.

*Arthur Chin has since resigned effective 23 July 2021

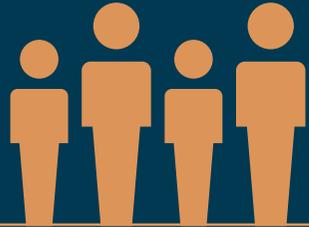
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Palmerston North and Manawatū at a glance

90,400

PALMERSTON NORTH



32,100

MANAWATŪ DISTRICT

1.5%

Rate of population growth

June 2020

1,412

Estimated population growth

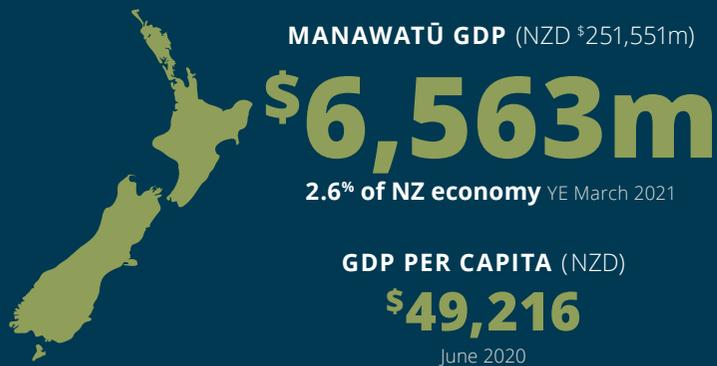
YE March 2021 based on the increase in new residents signing up to health services

MEDIAN AGE

34.2 Palmerston North

40.9 Manawatū
June 2019

POPULATION



GUEST NIGHTS

456,600

Manawatū region

YE June 2021



RTO RATING

13th

Manawatū Region is ranked 13th for visitor spend out of 31 Regional Tourism Organisations around New Zealand
YE June 2021

TOTAL ELECTRONIC CARD VISITOR SPEND

\$312m

in Manawatū region
(increase of 20.5%)

YE June 2021



11,976

TOTAL BUSINESSES

Increase of 0.9%

YE February 2020



65,385

EMPLOYEES AND SELF-EMPLOYED

1.5% increase
(+979 jobs)

from March 2019



\$3,670m

MEDIAN SALARIES AND WAGES

\$54,490 Palmerston North

\$51,540 Manawatū District
YE March 2020

TOTAL EARNINGS

Salaries, wages and self-employment income

5.3% increase YE March 2019



\$514m

BUILDING CONSENTS VALUE

9% increase

YE June 2021

WORKFORCE

¹ Manawatū region residents only

Data sources: StatsNZ, Infometrics, MBIE Accommodation Data Programme, 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

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

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

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

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

So, overall, our region has performed extraordinarily well in the last year with economic activity outperforming national

averages across almost every indicator. We have our diversified economy to thank, with strong economic performance from the food and agribusiness sectors in particular. The distribution hub and the defence sector have also been strong.

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

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

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

Cementing our regions place as a top three global agrifood hub is also making headway, with the award-winning Manawatū Agritech Strategy in year three of delivery. This has

seen \$12.4million of capital invested into local agritech companies, \$1.6million in research and development invested in Manawatū agritech companies during the 2019/20 financial year, partnering with the Technology Investment Network's National Agritech Insight Report and Finistere's new \$40m Aotearoa Fund based out of Palmy.

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

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

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

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

Ngā mihi nui ki a koutou katoa,



Malcolm Bailey
Chairperson



NZ Agri Food Week Ngā Kai Whakatō Whenua emerging proteins dinner

Chief Executive Report

Tēnā koutou katoa

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

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

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

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

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

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

Leveraging central governments' \$700,000 investment into the recovery of Manawatū's visitor sector has enabled us to support

more than 170 businesses to lift their digital footprint, partner with Rangitāne o Manawatū to develop the Māori Tourism Strategy and enabled our largest campaign to date over spring and summer reaching more than 3.6 million people.

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

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

Whiria te tāngata - weave the people together.

Ngā mihi nui ki a koutou katoa,



David Wright
Interim Chief Executive

Highlights from the year

Central
New Zealand
**Distribution
Hub** Strategy
finalised

\$2,087,329

in vouchers issued under the
Regional Business Partners
program.

1200⁺

people attended New Zealand
AgriFood Week 2021

Region featured
on **TVNZ One -
The Breakfast
Backyard
Break**

\$3.3m

in R&D loans from Callaghan
Innovation across **13 businesses**

Spring & Summer visitor
campaign reach of

3.6m

\$1.25m

central government funding secured
for tourism sector support

779

**unique businesses
supported**

440

new images captured to
profile the city and region

119

media features on the
region and key sectors

79

stories and content pieces created to showcase our region

170+

businesses supported to grow their digital capability

Regional International Education Strategy developed

91

stakeholder communications on the economy, key projects and topical issues

15,000

Neat Places pocket guides distributed across lower North Island

Pathways to Employment for two key sectors developed

13

Te Aho Tāmaka Leader Programme engagements

39%

growth in **ManawatuNZ.co.nz** sessions year on year

Dr David Kirk MBE inducted into the **Te Aho Tāmaka Leaders Programme**

81

entries to **Westpac Choose Manawātū Business Awards**, 24 finalists, 10 winners and 330 attendees

10

student events delivered for the regions Summer Programme of activities.



Purpose of the Half Yearly Report

This Annual Report is presented by Central Economic Development Agency Limited (CEDA) in accordance with the requirements of Section 64(1) of the Local Government Act 2002 (LGA 2002).

In accordance with the Local Government Act 2002, this report publicly states the activities and progress for the year to date against objectives set in the CEDA Statement of Intent for the 2020-21 financial year.

COVID-19 Impact

Whilst recently New Zealand has been able to operate under less restrictions than the rest of the world, however our environment remains unpredictable and comes with challenge. As an organisation whose primary objective is to support business and grow the regional economy, we have had to approach our work with flexibility in order to be responsive to the dynamic environment and changing needs and demands of our community by adapting our programmes of work in the short to medium term to achieve the outcomes required to successfully lead and support economic development in the region.

The outcomes presented in this Annual Report outline CEDA's actions to support the region's recovery in response to COVID-19.

Note in the 2019-20 and 2020-21 financial years, figures and outcomes include support given to business through the Regional Business Partner Programme, and tourism sector support as a result of additional government funding to support businesses and the visitor sector through the impacts of COVID-19. This additional funding has impacted on numbers and outcomes in relation to standard funding and related resource capability from previous years.

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 ambitious, from reactive to future focused, 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 vibrant and innovative region that will be first choice for talent, business and investment.

Our three big goals that show we are on our way to achieving this vision are:



Manawatū is recognised as one of the top three agrifood hubs in the world



Manawatū is a leading distribution hub, and leverages off its role in central New Zealand



Manawatū is renowned for its exceptional lifestyle, competitive advantages, and is a magnet for investment, business and talent

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

Our Strategic Objectives

Achieving our vision

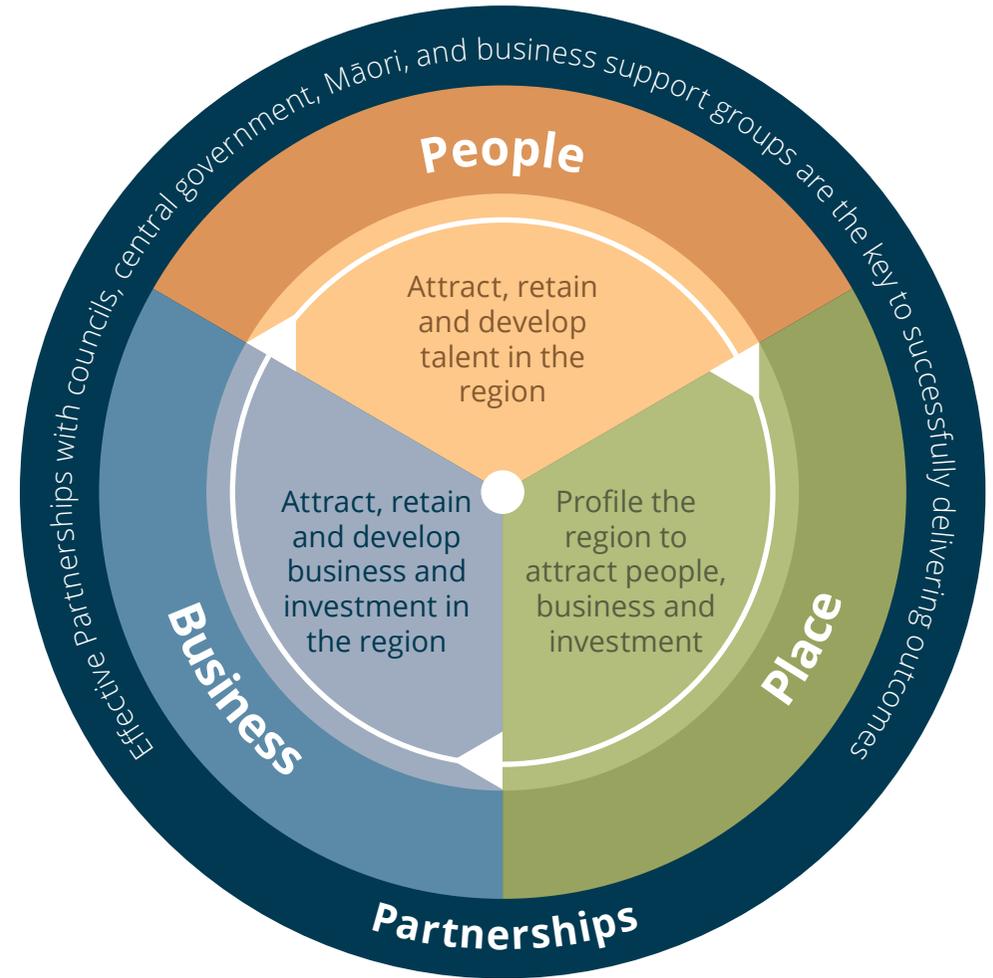
CEDA works across the three strategic pillars of economic development; People, Place and Business, and our success is underpinned and enabled by the strength of our relationships with our regional and national partners.

Our core 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 city and Manawatū district.

These key objectives guide the development of our short and medium-term programmes of work as articulated through our Statement of Intent for 2020/21.

When considering how to prioritise our efforts, and based on our current resources and functions, we focus on programmes and activities that offer the greatest opportunities for economic prosperity.

These are identified through research, monitored and reviewed using the latest data, and viewed through a regional, national and international lens.



What We Do



Attract, retain and develop talent in the region

Kia whakamana, kia mau, kia whakawhanake i nga taranata o te rohe

Through our data and research, we know that the biggest barrier to business growth in the region is the ability to attract the right people for the job. The development of a talent pipeline for the region that includes the attraction of those with the skills and experience our businesses need, the training and development of the people

they already have, the recruitment of domestic and international students to the region, along with an understanding of the future needs of our sectors and businesses is key to the region becoming recognised

What we have achieved*

Developing the talent pipeline to grow a skilled workforce and better utilise the existing labour market

Future of Work in the region

project with an initial focus on two sectors; Infrastructure and Construction, and Food and Fibre which includes beef and sheep, dairy, horticulture, agrifood and agritech, and has provided rich data and insights through extensive research and trend scanning. This work undertaken will see the co-creation of Sector Profiles and Plans for these two significant sectors of strength by working with sector employers and key stakeholders, to understand the future of work in our region and how we enable attraction and development of our future workforce.

Talent Attraction; Whenuapai Defence Force relocation

support has been provided with CEDA successfully leading four councils to deliver on a civic visit to Whenuapai for those NZ Defence Force personnel who will be relocating to Ohakea. Providing key information and compelling lifestyle messages to support their people relocating here including a creation of a micro-website.

A programme was also commenced to connect employers, human resource professionals, real estate agents, and recruitment agencies to the Manawatū Toolkit, which CEDA created to support the collective work in attracting talent to the region.

Central Region Talent and Skills Advisory Group

formed to have a more strategic role for the region and as a mechanism to report on the actions and outcomes of the regions Talent and Skills strategy. The group has formulated an Annual Work Plan that includes outputs such as Employer and Workplace Development that includes Te Tiriti o Waitangi, Sustainable Development Goals, Global Competencies and Workplace Readiness for Employing Youth and Migrants.

Former All Black captain, Dr David Kirk, inducted into Te Aho Tāmaka Leaders Programme

as the regions thirteenth Te Aho Tāmaka Leader, supporting global recognition of the programme and our region.



*Further information can be found in the Statement of Service Performance, pages 36 to 46 of this report.



Sort It - Food & Fibre edition

CEDA Annual Report for year ended 30 June 2021

13 Te Aho Tāmaka Leader Programme engagements delivered

connecting the prominent leaders to local businesses and community with a strong focus on partnering with other key organisations in the region (2019/20 Annual Report total 12). Eight leader videos and seven Q&A's have also been developed providing engaging website content.

Central Skills Hub partnerships

developed with Talent Central, Central Skills Hub and National Driver Training Centre and CEDA through signed formal agreements to enable facilitation across the region to build an integrated and coordinated approach to the talent pipeline for the region.

Talent Development; Sort It Careers – Food and Fibre Edition

delivered as part of New Zealand AgriFood Week 2021. CEDA hosted 18 exhibitors and 12 guest speakers who participated in the Sort It Careers – Food and Fibre Edition as part of the Week. Approximately 250 people attended: secondary and tertiary students, migrants, career changers and job seekers.

Pathways to Employment with Primary and Logistics sectors

co-development with Talent Central and industry for the Primary; Dairy, Beef and Sheep and Horticulture and Logistics, Distribution and Transport Sectors, have been finalised are available on the Talent Central website for use by individuals and secondary schools.

UCOL and CEDA have also signed a formal partnership and funding agreement, which includes the co-development of micro-credentials for the workplace development initiatives under pathways to employment.

What we have achieved*

Lead and develop programmes and initiatives to attract more international students to the region

Regional International Education Strategy completed

with industry partners with the aspiration to create a resilient International Education Sector that helps Manawatū thrive, through a diverse community, rich international connections and a strong global network. The Strategy sets out the key objectives for the next four years.

International Education funding secured

through a business Case developed by CEDA, working directly with Palmerston North City Council, and supported by the International Education Lead Group that has resulted in Palmerston North City Council securing funding from Education New Zealand for the 2021-22 financial year.

International Education Agents engagement

following on from the successful CEDA led Agent Roadshow to Auckland, CEDA led the coordination of representatives from the Manawatū International Education Market Development Working Group to participate in an Education New Zealand led International Education Agents Mini-Fair. Manawatū representatives got the opportunity to engage with 70 Agents, enabling promotion of the region and our education sector capabilities.

12 Student Engagement Events delivered

to enhance the experience of students while they are in our region, including a Palmerston North City Council hosted mayoral welcome and ten events for the regions Summer Programme of activities (2019/20 Annual Report total six).

*Further information can be found in the Statement of Service Performance, pages 36 to 46 of this report.



MASSEY
UNIVERSITY
TE KŪNENGIA KI PŪREHEKŪKA

Farah Palmer - Te Aho Tāmaka Leader

Attract, retain and develop business and investment in the region

Kia whakamanaea, kia mau tonu, ka whakawhanake i nga pakihī me nga haumi o te rohe

Business development and expansion in the region, and attracting business and investment to the region, is at the core of economic development and at the forefront of CEDA's objectives for Manawatū to be a leading distribution hub, be recognised as one of the top three agrifood hubs in the world, and a magnet for investment, business and talent.

We have a strong competitive edge to achieve these outcomes with our central location, comparatively affordable land and development costs, a diverse labour pool, and a growing culture of innovation and entrepreneurship.

What we have achieved*

Support our sectors of strength to grow through targeted business development actions, retention initiatives and activities

*Further information can be found in the Statement of Service Performance, pages 36 to 46 of this report.

Manawatū Destination Management Plan

Year two implementation activities have included securing new data and insights to ensure our marketing is targeted and provides good return on investment, while providing the visitor sector with clear and distilled information to leverage in their marketing activity and planning. Additionally, we have conducted our first Community Sentiment survey to understand local attitudes and aspirations for the visitor sector, setting a baseline from which to monitor as we grow, and enabled the facilitation of a Rangitāne Māori Tourism Working Group in conjunction with Rangitāne o Manawatū.

We also implemented a partnership pilot with Tourism New Zealand, the first region in New Zealand to do so, which has resulted in an increase in media coverage, seven local businesses now signed up to Qualmark, three businesses showcased on Breakfast TV, and ten local tourism operators being featured in the New Finder domestic travel tool.

\$700k Strategic Tourism Asset Protection funding

secured from the Ministry of Business, Innovation and Employment, to accelerate the implementation of the Manawatū Destination Management Plan, support the visitor sector to recover and grow from

the impacts of COVID-19, lift the regions businesses digital capability, and increase visitation from around the country. This funding has enabled, in addition to the Destination Management Plan activity:

- Google Destination Management programme to lift the city and regions digital footprint and assist visitor sector businesses, with 110+ businesses receiving support.
- Lifting of the city and regions profile on Google Maps, with 200 new photographs and 43km+ travel routes and trails resulting in an additional 60,800 generated images and 917,014 views.
- Fixed term position to facilitate the Rangitāne o Manawatū Māori Tourism Group and Strategy development.
- More than 30 content pieces and itineraries curated to drive our leisure market.

\$375k Regional Events Fund

funding secured from the Ministry of Business, Innovation and Employment for the purpose of stimulating domestic tourism. Criteria for an event to be successful in applying for funding include, stimulating domestic tourism, and feasibility and visibility of the event in order to attract out of region visitors. Events funded in 2020/21 included New Zealand AgriFood Week and Sentinel Homes Trans-Tasman International Hockey tournament.

Regional Agritech Strategy implementation

and outcomes as detailed in the CEDA funded Roaming Networker Annual Report.

Highlights for the year include: The first \$1 million invested by Sprout Agritech into an accelerator graduate company. \$160 thousand investment in companies by private sector investors. A new joint dairy research facility underway between Massey and AgResearch. NZ Agricultural Greenhouse Gas Research Centre launching a \$2 million Innovation Fund for solutions to methane and N₂O. Renewed NZ Centre of Research Excellence funding of \$38.25 million awarded to the Riddet Institute. Fonterra produced and released NZ's first carbon-zero milk product, "Simply Milk".

CEDA has also partnered with Sprout Agritech in support of the Sprout Accelerator Programme and engaged an agency to further promote the regions strength in agritech and agrifood.

New Zealand AgriFood Collaboration Lunch

was held in November, partnering with ASB, to bring together 40 thought leaders from across the agrifood value chain to enjoy the finest local produce and connect with likeminded individuals to identify actionable outcomes and build momentum for New Zealand AgriFood Week 2021. As a result, key private sector companies were invited to join the Steering Committee.

New Zealand AgriFood Week 2021

held in May, was a great success, featuring in-depth and engaging discussions and presentations from industry leaders paired with gastronomical delights, providing a fantastic platform for sector leaders to unite and discuss the future of food. Highlights included scientific, technological talent solutions explored as options to ensure sustainable growth and resilience in a competitive global market of rising consumer awareness and changing trends and 17 events executed by partners at multiple venues around the region attended by over 1200 people.

CEDA welcomed AgResearch on board as naming sponsor for 2021, and delivered headline event AgResearch Our Food Our Future, with ASB as Gold Sponsor, Ben Speedy speaking at Whakawhanaungatanga celebrating connections and partnerships. We also partnered with The Factory on the AgTech Hackathon.

The digital and marketing campaign to support and promote the Week, generated over 1.3 million impressions and 17 media features and profiles. Total website views on nzagrifoodweek.co.nz were 22,160, up 36.76% from 2019, proving content resonated with our target audiences.

Business Attraction, Retention & Expansion Strategy

development commenced to ensure structured and regular engagement with existing investors in the region to identify blockages to investments and facilitate attraction, retention and business expansion in the region. Desktop research has been completed to study best practices, with structured interview with businesses as well as key stakeholders (including Councils and Chamber of Commerce) to follow. The strategy is expected to be developed by the end of next quarter.



Westpac Choose Manawatū Business Awards

CEDA Annual Report for year ended 30 June 2021



779 Businesses supported to grow

through engagement with CEDA (2019/20 Annual Report total 641**) including 86 Māori owned, 538 businesses impacted by COVID-19, and 19 businesses supported through the government Tourism Transitions Fund. 37 Businesses were also matched with a business mentor through the New Zealand Business Mentors Programme (2019/20 Annual Report total 113**).

\$2,087,329 in Capability Development assistance issued

to support businesses impacted by COVID-19 in business continuity planning, digital enablement and to develop capability in sales and marketing, accounting, business operations, export and leadership development. (2019/20 Annual Report total \$854,918**)

81 Entries in the Westpac Choose Manawatū Business Awards

recognising business resilience during a challenging year and celebrated at the Gala Awards night in December. Congratulations to the 2020 Award winners; DC Power Batteries, The Herb Farm, Fonterra Research & Development Centre, BioFarm, Ear Shots, OraKinetics Clinic, the Westpac Supreme Winner OBO, and Alistair Davis, former Toyota New Zealand CEO the recipient of the Lifetime Services Award.

61 Innovation Start-ups entered Innovate 2021

with CEDA as a major sponsor and on the selection panel to shortlist 21 businesses to progress to the next stage of the programme. Applications included entries from New Zealand, UK, USA, Canada, Ghana, India, Argentina, and Jordan. Seven finalists will be selected in the new year to undergo a 12-week intensive mentorship programme to accelerate their business innovations (2019/20 Annual Report total 77**).

\$863,081 Research and Development Grants issued

to support business research and development capability (2019/20 Annual Report total \$850,510**) bringing a total of over \$4 million investment in R&D capability in the region through the Callaghan Innovation programme (including grants and research and development loans).

31 Student Experience, Fellowship or Career grants

facilitated that link tertiary students directly to into businesses to increase research and development capacity as part of the Callaghan Innovation Programme. (2019/20 Annual Report total 33**)

What we have achieved*

Attract business and investment to the region

Seven investment opportunities for the region

are being supported or led by CEDA including the Australian Defence Apparel relocation from Auckland to Palmerston North, e-waste processing, hydrogen heavy vehicle refueling, potential investments in bio forestry plants within the wider region, an e-Scooter rental company, a hi-tech audio business looking to setup in Palmerston North, and Te Āpiti Tourism Potential project opportunities.

Investment opportunities have been supported by the development of a suite of investment prospectuses for the region, created through engaging with sector leaders, landowners and our shareholders. Final design is confirmed, with the new Regional Identity applied and ready for launch in the new financial year.

Central New Zealand Distribution Hub

strategy development underway being led by CEDA, with the final draft completed and socialised with central and local government and stakeholders. The final Strategy is set for launch in the first quarter of 2021/22.

A targeted communications plan developed with PNCC was completed, to deliver information and key messages to local and national stakeholders, ensuring visibility and profile of the Hub and help drive further investment and opportunities. Work on the Regional Freight Ring Road was also undertaken following KiwiRail's notice of requirement for the acquisition of land for the planned site for the freight hub, with stakeholder workshops held.

Te Āpiti – Manawatū Gorge opportunities identified

through a successful application to the Provincial Growth Fund for the development of Te Āpiti into a significant lower North Island tourism destination by:

- reinvigorating the Old Gorge Road as a walking/cycling track, incorporating a skywalk that transverses Te Āpiti from north to south, and
- the development of a predator free, environmental eco-sanctuary.

These two priorities, from Te Āpiti Master Plan, have been identified and following this a high-level funding scope has been developed to identify the next steps, and the funding and investment opportunities associated with progressing.

Conferences and Business Events Strategy

was developed with key stakeholders, the city and district, defining why organisations would host their conferences in the region, and key initiatives needed to grow the sector over the next three years. A 'Meet in Manawatū' initiative, targeting local business and conference organisers was delivered through a partnership with Meeting Newz with a readership of 20,095. The final strategy was formally launched in May 2021 at a gathering of Business Events industry stakeholders. Lisa Hopkins, CEO of Business Events Industry Aotearoa spoke at the event, emphasizing the need for the industry to work collaboratively.

MEETINGS 2021

annual tradeshow organised by Business Events Industry Aotearoa was held at in Auckland in June. CEDA met with 20 potential buyers under pre-scheduled appointments, including several flying in from Australia. In line with the Conferences and Business Events Strategy, Manawatū's sectors of strengths, connectivity, and affordability in running a Business Event in the region were highlighted.

*Further information can be found in the Statement of Service Performance, pages 36 to 46 of this report.

**Both the 2019-20 and 2020-21 years have included additional funding received from central government to support additional resource and targeted funding to support businesses impacted from the effects of COVID-19, and regional tourism to support the recovery of this key sector.



Profile the region to attract people, business and investment

Tohu ki te rohe hei kukume i te iwi,
pakihi me te haumi

Profiling the region to highlight our strengths, our people and our places through a shared regional identity, targeted storytelling and partnerships ensures Palmerston North city and Manawatū district is renowned for its exceptional lifestyle, competitive

advantages and is a magnet for investment, business and talent. A coordinated approach to better showcasing the strengths of our region and profiling our successes is key to achieving recognition as one of the top three global agrifood hubs by 2025.

What we have achieved*

Profile Palmerston North city and Manawatū district locally, nationally and globally

'Anything But Square' Spring & Summer Marketing Campaign gained 3,620,632 impressions

with 1.5million people reached on digital channels, Facebook and Instagram, and NZ Herald and Stuff.co.nz. The campaign, using the insights and theme of the regional identity, was designed to profile the city and region with engaging content designed to champion the things to do in the region and inspire kiwis to plan their spring and summer adventures here. Tourism spending in the region decreased by just 2.5% in the year to March 2021, whereas New Zealand decreased by 16.6%***.

Taking Manawatū to the masses

through a promotional stand at the Super Show in Auckland, in partnership with Feilding and District Promotions, enabling direct access to a key visitor market for the region, building our visitor database and gaining valuable insights in encouraging more visitors to the region. The show had over 15,000 people in attendance with the Manawatū stand averaging engagement with 500 people per day. The Country Road scenic driving routes and experiences, walking tracks and cycle trails, and camping spots were promoted.

Photography & Videography Project

completed to ensure our city and region are consistently profiled in the best light. CEDA curated a multi-day photo shoot to capture fresh photography and footage of 18 locations and businesses across Palmerston North and Manawatū. In total 440 images were captured and one hour of video segments. This new content contributes into CEDA's work to promote the city and region as a great place to live and visit and is provided freely on the ManawatuNZ.co.nz Visual Library to provide our partners, stakeholders and wider community with access to high quality, engaging imagery to collectively promote and celebrate our region.

Increased presence on Google Maps

for the city and district. Through a partnership with Google, new images and video were taken of key locations in the region to significantly improve visibility of the experiences on offer in the city and district, supporting the increasing perception of the region and the attraction of people and business. As the number one search engine in the world, it's critical that we put our best foot forward on this global platform to showcase the best of our city and region.

City Locations included Te Marae o Hine, Fitzherbert Avenue, Junior Road Safety Park, Wildbase Recovery Centre, Dugald MacKenzie Rose Gardens, He Ara Kotahi Bridge, Urban eels, Turitea Pa Lookout, Ahimate Reserve, Manawatū River pathway, Bledisloe Park

District locations included Manchester Square, Manfeild Park, Kowhai Park, Peep-o-Day, Cheltenham, and Kimbolton village.

*Further information can be found in the Statement of Service Performance, pages 36 to 46 of this report.

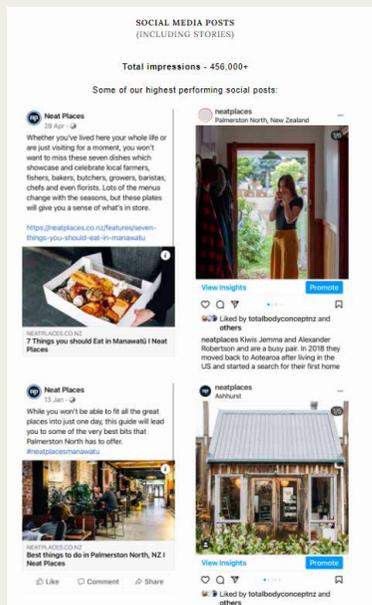
**Both the 2019-20 and 2020-21 years have included additional funding received from central government to support additional resource and targeted funding to support businesses impacted from the effects of COVID-19, and regional tourism to support the recovery of this key sector.

*** Tourism Industry Aotearoa and Angus & Associates Domestic Visitor Satisfaction data set to March 2021. <https://www.tia.org.nz/assets/Domestic-Visitor-Satisfaction-YE-Mar-2021.pdf>

119 Media features published with 19 million+ reach

profiling the city and region through print, radio, online and video, to a combined audience reach of readers, viewers and listeners. This ensures we're building consistency and profile in our key markets, with a continual stream of stories and features covering our economic strengths and performance, profiles on investment and sector development, and innovative businesses who choose to call Manawātū home. We've experienced a much higher than normal demand of stories featuring the city and region as a place to visit thanks in part to our campaign work, Tourism New Zealand partnership and the Strategic Tourism Asset Protection Programme funding secured (2019/20 Annual Report total 58**).

Publications included Kia Ora Magazine, Breakfast TV, Kiwi Tripsters, Stuff Travel, New Zealand Herald, NZ Entrepreneur, Business Central, The Country, Magic Talk, For the Love of Travel, Food Ticker, Food NZ Magazine, NZ Manufacturer, The Spinoff, NewsTalk ZB, Radio New Zealand, Technology Investment Network, and NZ Trucking.



Neat Places Manawātū

The Breakfast Backyard Break - TVNZ One

coverage through CEDA's partnership with Tourism New Zealand. CEDA hosted TVNZ in the region to gain coverage on 'The Breakfast Backyard Break' feature segment showcasing the region and three operators, Makoura Lodge, Awastone and Manawātū Blokart Club to a national audience. The coverage involved presenter Hayley Sproull 'trying something new' at each of the three locations both through live links and pre-recorded segments. The feature gave viewers the opportunity to enter a competition to win the ultimate Manawātū Backyard Break. A reported reach of 1,053,680 people viewing the Manawātū segment and competition giveaway.

Neat Places Partnership

includes the creation of new online content to showcase and celebrate the people, places and businesses in our region including '12 hours in Palmerston North' guide, The Herb Farm story, and '7 things you should eat in Manawātū'. In addition to this, 15,000 Neat Places pocket guides were created and printed, with distribution across the region and extensively throughout the lower North Island via Visitor Point services. On Neat Places channels alone, the Manawātū content received more than 480,000 impressions.

39.10% increase on ManawatuNZ.co.nz

or visitors to the 'shop window' to the city and district, with 319,344 'sessions' over the twelve-month period, profiling the city and region as a brilliant place to live, work, visit and play (2019/20 Annual Report total 229,586**).

33,910 followers on social media

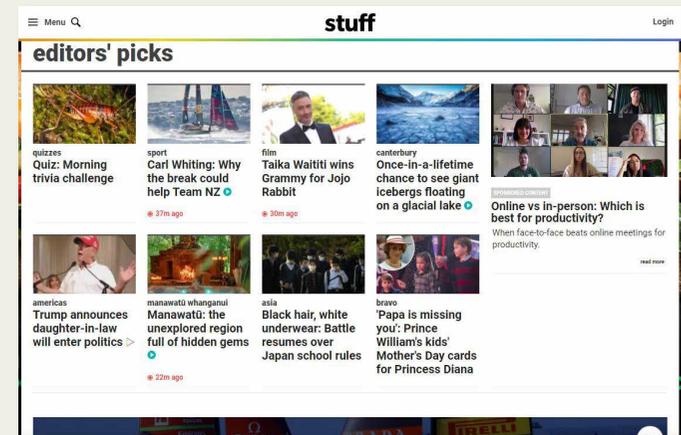
with growth across key social media channels including Instagram (Manawatu_nz), Facebook (ManawatuNZ and MyManawatu) up 16.8% from the previous year, with information on walks and hikes, activities, events, places to eat and drink, cycling and mountain biking receiving the most views and engagement (2019/20 Annual Report total 29,030**).



TVNZ Breakfast Show March 2021



March Stuff - unexplored region of hidden gems



March Stuff Editors Picks 2021

Lead inclusive and sustainable economic development for the region

Te arahi i te whanaketanga ohanga me
te pumau mo te rohe

Our work cannot be done in isolation, and the strengths of our region rely on working together to use our combined strengths, connections and skills to compete nationally and globally. Collaborative relationships

and partnerships with key regional and national stakeholders, central and local government, Māori and iwi are key to ensuring our strategic outcomes for the city and district.

What we have achieved

Develop strategic partner relationships, leveraging opportunities

Partnership Agreements entered into

with Rangitāne o Manawatū, The Factory, Sprout Agritech, Manawatū Young Professionals Network, and Rural Innovation Lab (for delivery of the New Zealand AgriFood collaboration lunch), UCOL, Talent Central, Central Skills Hub and the National Driver Training Centre.

Partnered with Māori and iwi

through the Manawatū Destination Plan. We partnered with Rangitāne o Manawatū to develop and finalise a Three-Year Rangitāne o Manawatū Tourism Strategy, focused on how iwi can enable and empower whānau and hāpu in the visitor sector space along with identifying iwi tourism opportunities. The Strategy was finalised and endorsed by wider Rangitāne o Manawatū representatives and will move into implementation in the next financial year.

The Rangitāne o Manawatū Tourism Group has also worked to support Te Āpiti Tourism Potential project, the Manawatū Destination Management Plan development and implementation and the Regional Identity development.

Tourism New Zealand pilot partnership

initiated - the first Regional Tourism Organisation in New Zealand to do so – which has resulted in media features with TVNZ, NZ Herald and Stuff, along with ten visitor businesses featured within Tourism New Zealand's planning tool, Newfinder and seven new businesses registered for Qualmark.

*Further information can be found in the Statement of Service Performance, pages 36 to 46 of this report.

What we have achieved*

Data and Insights

91 Business Community and Stakeholder Communications

shared over the last year, including Quarterly Economic Updates, '60 Seconds with CEDA news bulletins, Visitor Sector Updates to tourism businesses, and Training and Development guides to provide our business community with access to training and support opportunities. In addition to this, we provide monthly updates to our Shareholders to provide an overview of key programmes and outcomes.

Māori Economic **Insights**

developed specifically for the Māori business sector in partnership with Te Au Rangahau and Palmerston North City Council. This report provides a snapshot of Māori business activity in the Manawatū - Whanganui region, using official data from Stats NZ and commentary on what this means for the regional Māori economy.

*Further information can be found in the Statement of Service Performance, pages 36 to 46 of this report.





How we Allocate our Resources

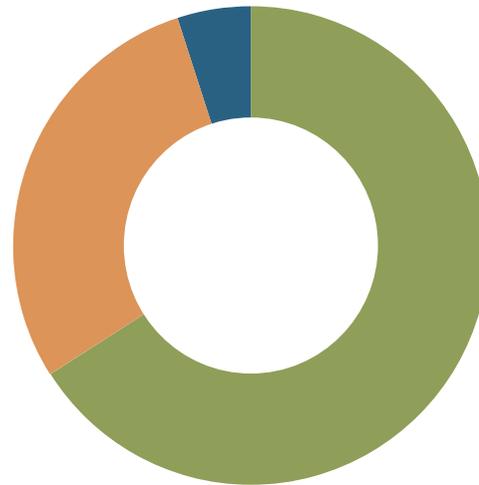
Our funding

CEDA receives funding from Palmerston North City Council and Manawātū District Council, its shareholders.

We also receive funding from institutions and government partners for initiatives that bring benefit to the wider region and nationally. This additional funding enables CEDA to have additional resource, the ability to invest in local businesses, and engage in specific sector work important to the region and beyond.

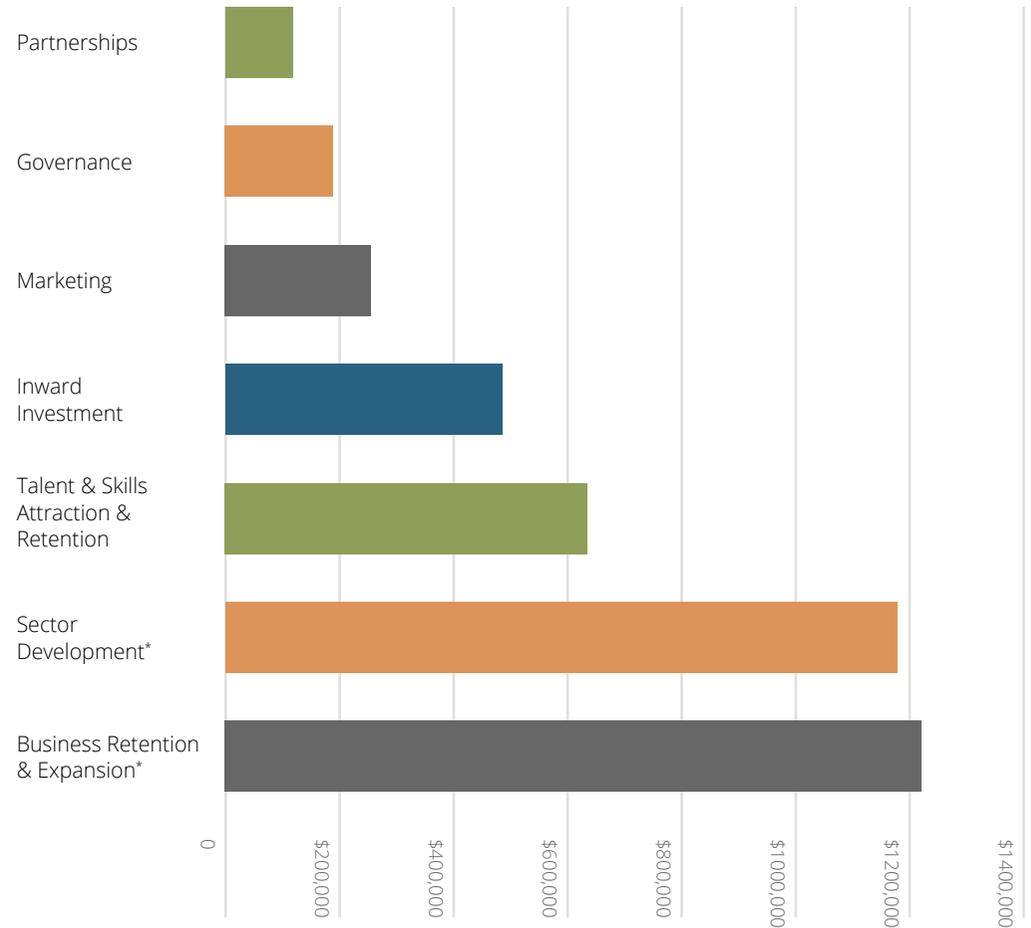
We have also been fortunate to secure funding this year through the Ministry of Business Innovation and Employment which has enabled us to accelerate key projects for the region to support the recovery of the region through the impacts of COVID-19, and from central government through the Regional Business Partner programme to enable additional resource and support to businesses impacted from COVID-19.

Specific funding is also received from commercial organisations for sponsorship of programmes and joint projects as identified. These have been impacted again this year due to COVID-19.



- Council funding **\$2,629,368**
- Central Government funding **\$1,147,292**
- Industry contribution **\$211,696**
- Other revenue **\$3,155**

How we allocate our funding*



*Note additional funding has been allocated this year to the visitor sector and business support due to additional funding received from central government to support against the impacts of COVID-19.

How We Operate

In keeping with social and economic responsibility, and best management practice, CEDA aims to continue its operations in an efficiently and effective manner, as a future-focused organisation committed to supporting initiatives that enhance and protect our natural and built environment.

As a Council-Controlled Organisation we are highly conscious that much of our funding is derived from public monies. In line with our policies and procedures our 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. To guide CEDA's work a framework has been developed that is based on Te Tiriti o Waitangi. This framework will guide our conversations and relationships, while seeking to improve communication and outcomes.

CEDA is committed to understanding the complexity of iwi and Māori networks, the Māori economy is in the position where there is significant potential for growth and development.

Health and Safety

The maintenance of health and safety is 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, our partners and business community by undertaking all measures reasonably practicable to provide a safe working environment, and business premise.

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

Our People

The team at CEDA love the Manawatū region and are a passionate group of people driven to grow and develop the wider region. We are experts in marketing, communications, talent development, business development and investment. Collectively we are facilitators and supporters, connecting with our community to foster regional and economic development.

CEDA's success is underpinned by its people, connections and networks both locally and globally. Our focus is on building an organisation that has a culture, capacity and capability to deliver on expectations.

Our Values

Our values, developed together, help to change both our individual and collective mindsets so that we can all deliver great outcomes and create a workplace in which we all feel valued for delivering results.

OUR PURPOSE

Drive and facilitate the creation and growth of economic wealth in Manawatū and beyond

Believe in what you do and how you do it

Mauria te pono
Believe in yourself

Be proud and take ownership

Whāia te iti kahurangi, ki te tuohu koe, me he maunga teitei

Seek the treasure that you value most dearly, if you bow your head, let it be to a lofty mountain

Together we can achieve more

Nāku te rourou nāu te rourou ka ora ai te iwi

With my food basket and yours the people will thrive



Statement of Service Performance

CEDA's performance measure framework identifies quantifiable measures of our programmes and activities aligned to our key strategic outcomes.

Performance measures and outcomes July 2020 to June 2021 follows

1. Attract, retain and develop talent in the region

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

Service Level Statement	Performance Measure	2020/21 SOI*	Outcomes to Jun 21
		Deliver the Te Aho Tāmaka 3-year strategy year one action plan including 6 leader engagements	<p>13 engagements with Te Aho Tāmaka leaders have been achieved including the induction of Dr David Kirk MBE into the programme, to support raising global recognition of the programme and the region. Other engagements included:</p> <ul style="list-style-type: none"> • Celebration of the UN's Sustainable Development Goals in partnership with PNCC, and four leaders • Vanisa Dhiru was a keynote speaker for IPU's 30th Graduation Celebration • Two leaders webinars • A mentoring relationship built between a leader and a local business • In collaboration with UCOL we celebrated International Women's Day with Farah Palmer and Vanisa Dhiru on a panel of inspirational leaders. • Massey Student Enterprise Club engaged Linda Jenkinson to give advice to budding entrepreneurs. • Partnered with Te Manawa Museum and Vanisa Dhiru for two Suffrage in Stitches engagements, • Simon Moutter delivered the Westpac Choose Manawatū Business Awards 'Prize Package' workshop • Hon Steve Maharey was keynote speaker at the New Zealand AgriFood Week event – Whakawhanaungatanga, Celebrating Connections and Partnership. <p>As well as the engagements eight leader videos and seven inspirational leader Q&A articles have been developed, and regular social media posts were pushed out to ensure an ongoing national presence of the region.</p>
	Driving the development of skills in the region and supporting linkages to job opportunities	Support Special Projects Skills Hub in developing pathways for employment	<p>CEDA has secured formal agreements with Central Skills Hub (formerly Special Projects Skills Hub), Talent Central and the National Driver Training Centre, to enable facilitation across the region in partnership to build an integrated and coordinated approach to the talent pipeline for the region, and development of pathways to employment.</p> <p>All these organisations form part of the Central Region Talent and Skills Advisory Group. CEDA has met with each entity individually on a quarterly basis and with them collectively once a month.</p>
		Sort It Careers Expo 3-Year strategy and action plan developed and implemented for 2021	<p>Following on from the in-depth review of Sort It Careers Expo in consultation with schools, tertiary providers, key stakeholders, students, and parents, Sort It Careers – Food and Fibre Edition was established for 2021. Held on the 7 May at the Palmerston North Conference and Function Centre, 18 exhibitors, 12 guest speakers participated in the Sort It Careers – Food and Fibre Edition as part of New Zealand AgriFood Week, with a key objective being to highlight the career opportunities from food tech to farming in the region, along with those industries that provide support to this important sector.</p>

Service Level Statement	Performance Measure	2020/21 SOI*	Outcomes to Jun 21
	Implementation of the action plan as a result of the primary sector skills gaps analysis	Development of talent pathways to employment for the primary sector	Talent Central has co-developed industry Pathways to Employment for the Primary Sector; Dairy, Beef and Sheep and Horticulture and Logistics, Distribution and Transport, with industry. These are on the Talent Central website to be used by individuals and secondary schools.
		Increase the employability of migrants in the region through improvement of employer capability	The Connecting Migrant Employees and International Students to employers webinar was delivered for prospective migrant employees and international students, and employers, to help in 'Getting Work Ready' with 42 people attending on-line. The webinar along with other employability resources were also provided to six organisations and are online at ManawatuNZ.co.nz . The migrant community organisations were provided details of Sort It Careers – Food and Fibre Edition with approximately 15 attending.
Lead and develop programmes and initiatives to attract more international students to the region	Increase the value of international students in the region	Lead the review and refresh of the regional strategy, and the development and implementation of the annual workplan with a focus on stabilising the existing international student market	A new regional International Education Strategy to 2024 has been completed with industry partners with the aspiration to create a resilient International Education Sector that helps Manawatū thrive, through a diverse community, rich international connections and a strong global network. The Strategy sets out the key objectives for the next four years and was adopted at the June 2021 International Education Leadership Group Meeting. A new terms of reference has been finalised for the Leadership Group to assist in delivery of the strategy. CEDA led the coordination and delivery of an Agent Event hosted in Auckland with international education agents. Secondary schools and tertiary providers were able to connect with over 60 agents at the event. In a follow up to this event 100% of these agents said they would promote Manawatū as a study destination. CEDA organised a familiarisation trip to the region for 9 international education agents from Auckland. This included visits to tertiary institutes and secondary schools in the region as well as a Mayoral Meet and Greet, attending a school production and visits to places of interest within the region. CEDA and PNCC secured \$125,000 of Education New Zealand funding for the 2021-22 Financial Year. CEDA led the development of the business case supported by the International Education Lead Group. CEDA coordinated the Manawatū International Education Market Development Working Group to attend an Educational New Zealand Agent Mini-Fair in Auckland in June. The Working Group got to interact with approx. 70 international agents. Agent information has been provided to the regional secondary schools and tertiary providers as a result.

Service Level Statement	Performance Measure	2020/21 SOI*	Outcomes to Jun 21
	Enhance the experience of international students while they are here	Deliver 6 cross institutional engagement activities with tertiary sector partners	<p>CEDA has delivered the following student engagement activities to enhance the experience of students while they are in the region:</p> <ul style="list-style-type: none"> • Mayoral Welcome hosted in Palmerston North City Council Chambers in October with over 50 registrations. • Specialised tour of Massey University's Engineering and Food Technology facilities for international students aged years 11 to 13 studying appropriate courses was attended by 19 students. • Summer programme of activity launched online at ManawatuNZ.co.nz. This was promoted at Education New Zealand's Summer Fair on Saturday 31st October. 10 events organised by CEDA and two we supported MUSA as part of the regions Summer Programme of activities and events. • 25 students from secondary schools graduated from a virtual certificate course on Global competencies which they completed with peer students in Vietnam. This led to a Memorandum of Understanding being signed between the secondary schools in Vietnam and the Manawatū region to work collaboratively on future activities, including study pathways.
	Increase the employability of international students	Assist students into employment opportunities in essential sectors including delivery of 4 webinars and development of employability resources, linking students with employers or industry	<p>A webinar was delivered for prospective students and international students to the region showing, tertiary education options available, reasons to study here, student experiences and pathways to employment. It was also provided as a resource along with other employability resources to six organisations and on-line at ManawatuNZ.co.nz.</p> <p>The employability resources have also been provided to tertiary providers, Manawatū Network of Skilled Migrants, English Teaching College, Tertiary Providers, English Language Partners and Welcoming Communities.</p>

*These objectives or outcomes may have been impacted by CEDA's requirements to be adaptable and responsive to the needs of the regional economy due to the impact of COVID-19, and additional Regional Business Partner Programme and Strategic Tourism Asset Protection Programme funding received to support regional recovery efforts.

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

Service Level Statement	Performance Measure	2020/21 SOI*	Outcomes to Jun 21
Support our sectors of strength to grow through targeted business development and retention initiatives and activities	Assess and support opportunities for growth through key business engagement, cluster development and sector strategies and relationships with Māori	Implementation of the Destination Management Plan year one actions, including operator capability and product development	<p>Year two implementation of the Manawatū Destination Management Plan included:</p> <ul style="list-style-type: none"> Secured \$700,000 from Government's Strategic Tourism Asset Protection Programme to accelerate the implementation of the Manawatū Destination Management Plan. Funded a Google Destination Management programme to lift the city and regions digital footprint and assist visitor sector businesses, with more than 110 businesses receiving support in the year to date via workshops and one to one sessions. Generated more than 917,000 views on imagery uploaded to Google Maps. Coastal Arts Trail development in partnership with Whanganui and Taranaki to create a multi-region itinerary and touring route. Secured \$375,000 from the Ministry of Business, Innovation and Employment from the Regional Events Fund for the purpose of stimulating domestic tourism. NZ AgriFood Week and Sentinel Homes Trans-Tasman International Hockey tournament were funded for 2020-21. Finalised the Regional Identity with shareholder and partner endorsement. New data and insights secured, and curated. Provided to visitor sector businesses to leverage through marketing and to inform long term decisions.
		Implement year three of the Agritech Strategy 3-year action plan	The implementation of year three of the Manawatū Agritech Strategy included funding for Sprout Agritech, with the Quarterly Roaming Networker reports capturing regional agritech activity and insights. Further funding support was provided to the Sprout Accelerator, and The Factory Innovate programmes (see below). CEDA also partnered with a public relations agency to promote the regions strengths in agritech and agrifood. A review of the Strategy in conjunction with Sprout has been commenced with a view to refreshing for the next three years to ensure a sustained integrated approach for the region.
		Implement year two of the New Zealand AgriFood Week Foundational Strategy	<p>New Zealand AgriFood Week (NZAFW) Collaboration Lunch held in November with 40 senior leaders across the agri value chain, focusing on traceability in the agrifood sector to identify actionable outcomes for the region. As a result, key private sector companies were invited to join the NZAFW 2021 Steering Committee to strengthen private sector participation.</p> <p>New Zealand AgriFood Week 2021 was successfully delivered from 3-9 May. There were 17 events of various sizes, attended by over 1200 people.</p> <p>CEDA delivered three key events across the Week:</p> <ul style="list-style-type: none"> opening Pōwhiri AgResearch Our Food Our Future panel discussion Whakawhanaungatanga – Celebrating Connections & Partnerships

Service Level Statement	Performance Measure	2020/21 SOI*	Outcomes to Jun 21
			<p>We also partnered with The Factory, on the AgTech Hackathon, and supported key events such as Ngā Kai Whakatō Whenua – emerging proteins dinner, Beef + Lamb NZ AgInnovation Conference, and the Emerging Proteins in NZ launch.</p> <p>Digital and marketing campaigns to support and promote the Week generated over 1.3 million impressions and 17 media features across print, radio and digital.</p>
	Retain businesses in the region through engagement and identification of barriers to growth	Business Retention Strategy developed and implemented	Development of the Business Attraction, Retention, and Expansion Strategy is underway. The strategy will ensure structured and regular engagement with existing investors in the region to identify blockages to investments and facilitate attraction, retention and business expansion. Research on best practice has been completed and key industry, businesses and stakeholders identified, with qualitative research underway.
	Develop and grow businesses by delivering information, advice, and support	550 businesses supported through CEDA business development and support activities including the Regional Business Partner Programme.	<p>779 unique businesses received support through engagement with CEDA including 86 Māori owned, 538 businesses impacted by COVID-19, and 19 businesses supported through the government Tourism Transitions Fund. This also includes 37 Businesses who were matched with a Business Mentor through the Business Mentors NZ programme, facilitated by CEDA.</p> <p>\$2,087,329 vouchers issued through COVID-19, Tourism and Regional Business Partner Capability funding.</p> <p>Four Navigating COVID-19 webinars were delivered with 53 people attending the online webinars and 113 views on CEDA.nz.</p>
		Celebrate and showcase business success in the region through a business awards programme	Westpac Choose Manawatū Business Awards were successfully delivered in December. The awards recognised business resilience especially through the impacts of COVID-19. There were 81 entries from businesses across a number of the region's priority sectors with 24 finalists selected and 10 winners announced at an awards dinner of 330 attendees.
	Facilitate access to specialist innovation, business development and startup expertise	Provide support to The Factory including the Innovate Programme	The Factory attracted 61 entries to Innovate 20. With CEDA as a major sponsor, seven finalists were selected, and underwent a 12-week mentorship programme with The Factory, cumulating in an awards night held in November.
		Partner with the Global Sprout Accelerator	Partnership agreement with Sprout Agritech including funding for the Sprout Accelerator Programme, to support profiling the capability and expertise within the region to attract talent and investment. CEDA was part of the 2021 cohorts' selection processes, along with partners such as Callaghan Innovation, Gallagher, Livestock Improvement Corporation and Fonterra, shortlisting 43 applicants from entries from New Zealand, UK, USA, Canada, Ghana, India, Argentina and Jordan across a range of agritech disciplines. CEDA was also in the selection panel to shortlist 12 teams for the Accelerator program.

Service Level Statement	Performance Measure	2020/21 SOI*	Outcomes to Jun 21
		Facilitate access to grants and research and development support through Callaghan Innovation for 35 managed businesses	<p>Callaghan Innovation portfolio of managed companies: 40 as at 30 June 2021</p> <p>Regional Callaghan Research and Development funding support to businesses totalling \$863,081 made up of the following:</p> <ul style="list-style-type: none"> • 2 x Getting Started Grants • 2 x Project Grants • 5 x Student Fellowship Grants • 3 x Student Career Grants (see below) • 28 x Student Experience Grants (see below) <p>In addition, CEDA supported 13 businesses in receiving research and development loans from Callaghan Innovation totalling \$3,734,129 in response to COVID-19.</p>
		30 student opportunities to support business research and development through Callaghan Innovation student grants	31 Student Grants facilitated, linking tertiary students directly to businesses, resulting in increased research and development capacity for 15 businesses.
Attract business and investment to the region	Implementation of Inward Investment strategy with regional partners, targeting the Agriculture, and Distribution and Logistics sectors	Investment profile for the region developed and investment ready opportunities identified	<p>A suite of investment prospectuses for the region have been created, through engaging with sector leaders, landowners and our shareholders. Final design is confirmed, with the new Regional Identity applied and ready for launch in the new financial year.</p> <p>Seven investment opportunities for the region are being supported or led by CEDA including the Australian Defence Apparel relocation from Auckland to Palmerston North, e-waste processing, hydrogen heavy vehicle refuelling, potential investments in bio forestry plants within the wider region, an e-Scooter rental company, a hi-tech audio business looking to setup in Palmerston North, and Te Āpiti Tourism Potential</p>
		Support the development of the PNCC Transport and Logistics Master Plan, by development of roadmap and plan for strategy execution.	The final draft Central New Zealand Distribution Hub Strategy has been completed and socialised with central and local government and stakeholders. The final Strategy is set for launch in the first quarter of 2021-22. Terms of reference for the Reference and Steering Committee have also been completed, with implementation to commence in July. Throughout the year a communications plan was developed in partnership with Palmerston North City Council to support information sharing and profile of the Hub. Work on the Regional Freight Ring Road was also undertaken following KiwiRail's notice of requirement for the acquisition of land for the planned site for the freight hub, with stakeholder workshops held.
		Te Āpiti – Manawatū Gorge tourism investment profile and business case developed.	Following the successful Provincial Growth Fund application earlier this calendar year, CEDA undertook the development of an extensive business case for investment in Te Āpiti's tourism potential, which identified two anchor attractions in Te Āpiti Master Plan. A high-level funding scope has been prepared to identify investment opportunities including public private partnerships, trusts and central government funding.

Service Level Statement	Performance Measure	2020/21 SOI*	Outcomes to Jun 21
	Attraction of Conference and Business Events that bring economic benefit to the region	Targeted conference attraction strategy for region implemented, including development of a local to local initiative to re-establish the conference sector	<p>Targeted conference attraction activities included:</p> <ul style="list-style-type: none"> • Meet in Manawatū local to local initiative, targeting businesses and conference organisers within a three-hour drive time, delivered through a partnership with Meeting Newz with a readership of 20,095. • Attended the BE Reconnected Conventions and Incentives NZ event in Auckland. • Two bids submitted to attract conferences to the region. • Attended MEETINGS 2021 in Auckland and successfully completed 20 pre-scheduled appointments and 2 walk-ins over 2 days <p>A regional Conference and Business Events Strategy was developed in consultation with stakeholders and industry, which defines the strategic regional value proposition and the key initiatives needed for business conference attraction over the next three years. The Strategy was formally launched in May at a gathering of Business Events industry stakeholders. Lisa Hopkins, CEO of Business Events Industry Aotearoa spoke at the event, emphasizing the need for the industry to work collaboratively.</p>

*These objectives or outcomes may have been impacted by CEDA's requirements to be adaptable and responsive to the needs of the regional economy due to the impact of COVID-19, and additional Regional Business Partner Programme and Strategic Tourism Asset Protection Programme funding received to support regional recovery efforts.

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

Service Level Statement	Performance Measure	2020/21 SOI*	Outcomes to Jun 21
Profile Manawatū locally, nationally and globally	Lead and develop the stories of Manawatū, creating a narrative and a unified positioning, incorporating the cultural heritage of iwi	Implement the Regional Identity project outcomes across sectors including talent attraction and retention and visitation (business and leisure)	<p>The regional identity was finalised in May, with support from our iwi partners and shareholders. The resulting identity and regional pepeha provide a strong, modern visual identity that will tie together our areas of work and provide a platform for regional partners.</p> <p>A new Liveability Prospectus was created for the region in partnership with Neat Places, to showcase the region and provide to recruitment agencies and our wider business community to help attract more talent here.</p> <p>To showcase the best of our people and places, CEDA has curated 79 stories and content pieces across business, visitor, talent, investment and innovation. These stories are published on ManawatuNZ.co.nz, in PalmyProud and OnTrack magazines as well as in partner publications such as NZ Entrepreneur and Neat Places.</p> <p>A full audit of ManawatuNZ.co.nz was undertaken and new wireframe developed, ready for implementation in the new financial year encompassing the Regional Identity.</p> <p>Using the insights and theme of the regional identity, CEDA led a targeted Spring & Summer campaign 'Anything But Square', to drive visitation to the region. The campaign delivered 3,620,632 impressions.</p> <p>A curated photo shoot capturing fresh new imagery and video and footage of 18 locations and businesses across Palmerston North and Manawatū over January and February 2021. In total 440 images were captured and one hour of footage segments.</p> <p>In late 2020 the 'Paddock to Plate' six-week campaign targeted potential visitors from Wellington, to support the hospitality sector through the impacts of COVID19, had a digital reach of more than 1 million people, while media partnerships resulted in 11 features and interviews.</p> <p>200 photographs added to Google Maps as Places of Interest across the city and district in late 2020, and new content was captured to create new Google Maps footage to raise the profile of the city and region nationally and globally, which has resulted in 917,104 views since we uploaded.</p>
	Lead the creation of quality, targeted regional content for distribution on owned and third-party platforms, working with media partners to showcase our region's strengths.	20 direct media features published profiling the region	119 media features profiling the city and region were achieved across a variety of publications and with a calculated combined audience reach of more than 19 million readers, viewers and listeners. Publications included Kia Ora Magazine, Stuff Travel, New Zealand Herald, NZ Entrepreneur, Business Central, The Country, Magic Talk, For The Love of Travel, Food Ticker, Food NZ Magazine, NZ Manufacturer, The Spinoff, NewsTalk ZB, Radio New Zealand and NZ Trucking.

Service Level Statement	Performance Measure	2020/21 SOI*	Outcomes to Jun 21
			<p>Highlights include:</p> <ul style="list-style-type: none"> • a four-page spread in Kia Ora Magazine on a 'Weekend in Palmy'. • more than 35 minutes of coverage on TV1 Breakfast as part of The Breakfast Backyard Break, showcasing the region. Makoura Lodge, Manawatū Blokart Club and Awastone were featured. A reported reach of 1,053,680 people viewing the Manawatū segment and competition giveaway. <p><i>Note the high level of features can be partially attributed to the Strategic Tourism Asset Protection Programme funding that was secured through MBIE to support Regional Tourism Organisations as a result of the impact of COVID-19.</i></p> <p>15,000 Neat Places pocket guides were published and distribution across motels, venues and activities throughout the lower North Island. The 35 pieces of digital content created through this partnership gained more than 480,000 impressions up to May 2021 across social media and online at neatplaces.co.nz.</p> <p>ManawatuNZ Media Library launched, creating a free resource of high-quality images and videos for businesses and media to use. More than 1,746 downloads were made by businesses and organisations since launch.</p>
	Grow engagement on regional web and digital platforms for increased promotion of and information on the region	10% increase in 'sessions' on ManawatūNZ.co.nz, and social media engagement across all channels	<p>ManawatuNZ.co.nz has had a 39.10% increase on 'sessions' year to date (229,586 to 319,344). Palmerston North city & Manawatu Facebook followers up 12.27% year to date (13,337 to 14,973).</p> <p>MyManawatu Facebook followers up 6.53% year to date (10,579 to 11,270).</p> <p>ManawatuNZ Instagram followers up 50.16% year to date (5,106 to 7,667).</p>

* These objectives or outcomes may have been impacted by CEDA's requirements to be adaptable and responsive to the needs of the regional economy due to the impact of COVID-19, and additional Regional Business Partner Programme and Strategic Tourism Asset Protection Programme funding received to support regional recovery efforts.

4. Lead inclusive and sustainable economic development for the region

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

*These objectives or outcomes may have been impacted by CEDA's requirements to be adaptable and responsive to the needs of the regional economy due to the impact of COVID-19, and additional Regional Business Partner Programme and Strategic Tourism Asset Protection Programme funding received to support regional recovery efforts. ** Dependent on Statement of Intent being signed off by 30 June



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	Actual 2019	Actual 2020	Actual 2021	Regional target*
Change in total number of jobs	1.9% increase (+1,192 jobs. 64,395 total employees and self-employed as at March 2019)	1.6% increase (+1,021 jobs. 65,384 total employees and self-employed as at March 2020)	<i>Employee counts published 28 October 2021</i>	1.9% average annual increase over three years.
Change in average salaries and wages	4.6% increase (\$58,081 to year end March 2019)	3.9% increase (\$60,331 to year end March 2020)	<i>Published May 2022</i>	2.6% pa increase.
Change in total earnings (salaries, wages and self-employment income)	4.9% increase, \$168 million increase (\$3,485 million to year end March 2018)	5.3% increase, \$185 million increase (\$3,670 million to year end March 2019)	<i>Year end March 2020 published 30 November 2021</i>	3.7% pa increase, average annual increase of \$104 million.
Change in total GDP and per capita GDP	2.9% increase in annual GDP (to year end June 2019) 1.8% increase per capita (year end June 2019)	0.1% increase in annual GDP (to year end June 2020) 1.3% decline per capita (year end June 2020)	4.5% increase in annual GDP (to year end June 2021) <i>Published 22 October 2021</i>	1.8% average annual increase in total GDP. 0.6% average annual increase in per capita GDP.
Estimated population change	1,300 estimated increase to June 2019, 1.1% annual increase	1,800 estimated increase to June 2020, 1.5% annual increase	<i>Published 22 October 2021</i>	1,350 population increase pa, 1.2% average increase pa.
- 65 years and over population (for demographic monitoring)	629 increase in NZ Superannuation recipients to year end June 2019, 3.6% increase	459 increase in NZ Superannuation recipients to year end June 2020, 2.6% increase	498 increase in NZ Superannuation recipients to year end June 2020, 2.7% increase	Estimated 530 population increase pa, 3.3% pa.
Net overseas migration	910 net gain to year end June 2019	1,170 net gain to year end June 2020	<i>Published 22 October 2021</i>	660 average annual net migration gain.
Electronic card spend by visitors in Manawatū region (domestic and international)	Not available	8.7% decline (to \$242 million) year end June 2020 (\$22m decline)	20.5% increase (to \$312 million) year end June 2021 (\$53 million increase)	5.7% pa increase, average annual increase of \$22 million.
Number of visitor nights in Manawatū region	not available 8.2% increase, commercial accommodation guest nights year to June 2019	<i>Not available</i> <i>Not available</i>	<i>Not available</i> <i>Not available. Annual change data published August 2022</i>	1.6% pa increase.
Change in MSD benefit numbers	2.7% increase (208 increase) to June 2019	13.4% increase (1,059 increase) to June 2020	1.9% decline (170 decline) to June 2021	1.6% pa decline, average annual decline of 130 people.
Reputation of Manawatū / Palmerston North as a great place to live and do business**	83% of people 'Proud to tell people they live in the Manawatū' up 7% from 2016	Available in 2021		3% increase over 3 years.

*excludes any annual inflation increase

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

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 Manawatū 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 Manawatū and beyond. CEDA's principal activities are directed by its Statement of Intent for the current year.

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 Manawatū 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 Manawatū 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.

Corporate Report

For the year ended June 2021

Ownership

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

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

CEDA’s Mission and Principal Activities

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

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

Company’s Affairs

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

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

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

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

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

Directors

Retirements

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

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

Appointments

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

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

Directors remuneration

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

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

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

Directors indemnity and insurance

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

Use of company information by Directors

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

Shareholding by Directors

During the year there were no shareholding transactions involving Directors.

Directors interests

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

M G Bailey

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
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
Director/Shareholder	AGInvest Holdings Ltd	Has received business support from CEDA in the form of training vouchers

Shareholder	Nutrimix NZ Ltd	Has received business support from CEDA in the form of training vouchers
Chairman/shareholder via Tadpole	Frog Parking Ltd	Has received a Callaghan Innovation grant
Director/shareholder	Tadpole NZ Ltd	None
Director/shareholder	Greentech NZ Ltd	Greentech Robotics has received a Callaghan Innovation grant
Director	Etech Engineering Services Ltd	None
Director	BDD No 2 Ltd	None

SP Foley

INTEREST	NATURE OF INTEREST	RELATIONSHIP TO CEDA
Director	Meole Brace Investments Ltd	None
Director External Relations	Westpac Banking Corporation	Supplier and Westpac sponsor the
Manawatū Business Awards	Food HQ	CEDA provides funding support to FoodHQ
Chairperson	Food HQ	CEDA provides funding support to FoodHQ
Trustee	ISport	None
Board member	Huntley Prep School	None
Committee member	Rangitikei Racing Club	None

BA O'Keeffe

INTEREST	NATURE OF INTEREST	RELATIONSHIP TO CEDA
Trustee	K & B Trust (family trust)	None
Managing Director	Endzone Commercial Limited, consults for HBRIC and HBRC	None
Acting CEO (to 31 Dec 19)	HBRIC	None
Trustee - Chairperson	Hawkes Bay Rescue Helicopter Trust	None
Director	Z Energy	None

Director	Port of Napier Limited and Napier Port Holdings Limited	None
Board Director	Central Air Ambulance Rescue Limited	None

F Y Wineti

INTEREST	NATURE OF INTEREST	RELATIONSHIP TO CEDA
Director	Ngāti Tuwharetoa Fisheries Limited	None
Director	Awariki Limited	None
Independent Director	Bioprocessing Resource Alliance	None
Trustee	Te Huarahi Tika Trust	None
Director	Te Kupenga Hou	None
Director/Shareholder	Awariki Investments Limited	None
Director	Hautaki Limited	None

RA Pickford

INTEREST	NATURE OF INTEREST	RELATIONSHIP TO CEDA
Daughter is an employee	Nelson Regional Development Agency	CEDA and Nelson RDA both deliver services under the Regional Business Partner Programme
Director/shareholder	Robbie Pickford Consulting	None
Shareholder	Epic M-Sport Ltd	None

RR O'Fee

INTEREST	NATURE OF INTEREST	RELATIONSHIP TO CEDA
Director	O'Fee and Associates Ltd	Service Provider for the Regional Business Partner Programme that CEDA delivers
Shareholder/Director	AE & R McGregor Trustee Service Limited	None
Director	Amorini NZ Limited	None
Shareholder/Director	AMQ Trustee Services Limited	None
Shareholder/Director	At Home Childcare Trustee Services Limited	None

Shareholder/Director	Bendall Trustee Services Limited	None
Shareholder/Director	Bly Holdings	None
Shareholder/Director	Cafee Limited	None
Director	Carpenters Dental (2012) Limited	None
Shareholder/Director	Christina McNeill Trustee Services Limited	None
Shareholder/Director	CSM Trustee Services Limited	None
Shareholder/Director	DJ & GS Dench Trustee Company Limited	None
Shareholder/Director	DJ & JP Bridges Trustee Services Limited	None
Shareholder/Director	Doyle & O'Fee Trustee Services Limited	None
Shareholder/Director	GKFT Trustee Co Limited	None
Shareholder/Director	Gone West Now Limited	None
Shareholder/Director	GR & LM Tattle Trustee Services Limited	None
Shareholder/Director	HTK Liu Trustee Services Limited	None
Board Member	Himatangi Beach Community Trust	None
Shareholder	Instep Trust Limited	None
Shareholder/Director	Jagan Trustee Services Limited	None
Shareholder/Director	Jondannic Trustee Services Limited	None
Shareholder/Director	JS & KL Barber Trustee Services Limited	None
Shareholder	KBMR Trustee Services Limited	None
Shareholder	KN2NZ Limited	None
Shareholder/Director	Lakasa Trustee Company Limited	None
Shareholder/Director	Lake Taupo Motor Inn Limited	None
Shareholder/Director	Lowland Trustee Services Limited	None

Shareholder/Director	Manxy Trustees Limited	None
Shareholder/Director	Maratak Trustee Services Limited	None
Shareholder/Director	Mellor Trustee Services Limited	None
Shareholder/Director	Nichol Nominees Limited	None
Trustee	M E & R R O'Fee Family Trust	None
Shareholder/Director	O'Fee Pringle Trustee Services Limited	None
Shareholder/Director	O'Fee Trustees 2010 Limited	None
Shareholder/Director	O'HFT Trustee Services Limited	None
Shareholder/Director	Omega Corporate Trustee Limited	Has received business support from CEDA in the form of training vouchers
Shareholder/Director	Palmer-Chrystall Trustee Limited	None
Shareholder/Director	RH Polson Trustee Services Limited	None
Shareholder	SBF Trustee Services Limited	None
Shareholder/Director	Skinner Trustee Services Limited	None
Board Member	SPCA	None
Shareholder	TBF Trustee Services Limited	None
Director	WJO Investments Limited	None
Shareholder/Director	Worthington Trustee Services Limited	None
Shareholder/Director	W&J Jensen Trustee Services Limited	None
Shareholder/Director	T A Trustee Service Limited	None

A I S Chin

INTEREST	NATURE OF INTEREST	RELATIONSHIP TO CEDA
Owner	Curation	Service Provider for the Regional Business Partner Programme that CEDA delivers

Shareholder/Director	New Zealand Nature Highlights Limited	Has accessed capability development funding through the Regional Business Partner Programme
Shareholder/Director	Chin-Lin Investments Limited	None
Shareholder/Director	New Zealand Education Indicator Limited	None
Shareholder/Director	Karo Ridge Limited	None
Shareholder/Director	Simply Works Limited	None

MA Mare

INTEREST	NATURE OF INTEREST	RELATIONSHIP TO CEDA
Director	DKSH New Zealand Limited	None
Director	DKSH Services New Zealand Limited	None
Director	Loaded Drinks Limited	None

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

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

Remuneration of employees

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

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

Auditors

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



Financial Performance

Central Economic
Development Agency Limited

Group Statement of Comprehensive Revenue and Expense

For the year to ended 30 June

Account	Notes	Actual 2021	Budget 2021	Actual 2020
Revenue				
Council Funding	4	2,513,472	2,492,980	2,469,382
Other Services Revenue		1,170,765	630,928	731,594
Project Revenue		304,120	321,591	169,992
Total Revenue		3,988,356	3,445,499	3,370,968
Cost of Sales				
Other Services Expenses		1,466,297	1,084,978	1,328,158
Project Expenses		422,242	306,591	112,108
Total Cost of Sales		1,888,539	1,391,569	1,440,266
Gross Surplus (Deficit)		2,099,818	2,053,930	1,930,702
Other Revenue				
Interest Revenue		3,155	6,000	7,349
Sundry Revenue		0	0	2,847
Total Other Revenue		3,155	6,000	10,196
Expenses				
Depreciation		7,510	9,469	14,218
Directors' Fees		177,467	180,000	180,000
Employee Expense	5	1,565,613	1,703,854	1,474,969
Financing Expenses		117	500	470
Loss on Sale of Property, Plant and Equipment		15,250	0	3,876
Other Operating Expenses	6	520,693	348,968	458,026
Total Expenses		2,286,651	2,242,791	2,131,559
Surplus (Deficit) Before Taxation		(183,678)	(182,861)	(190,662)

Group Statement of Comprehensive Revenue and Expense

For the year to ended 30 June

Account	Notes	Actual 2021	Budget 2021	Actual 2020
Taxation				
Income Tax Expense		0	0	0
Total Taxation		0	0	0
Surplus (Deficit) after tax		(183,678)	(182,861)	(190,662)
Other comprehensive revenue and expense				
Items that could be reclassified to surplus (deficit)		0	0	0
Total Other comprehensive revenue and expense		0	0	0
Total comprehensive revenue and expense				
Total comprehensive revenue and expense		(183,678)	(182,861)	(190,662)
Total comprehensive revenue and expense attributable to:				
Palmerston North City Council		(91,839)	(91,431)	(95,331)
Manawatū District Council		(91,839)	(91,431)	(95,331)
Total comprehensive revenue and expenses		(183,678)	(182,861)	(190,662)

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

Group Statement of Financial Position

As at 30 June 2021

Account	Notes	Actual 2021	Budget 2021	Actual 2020
Assets				
Current Assets				
Cash and Cash Equivalents	8	1,515,833	722,802	878,163
Receivables and Accruals	9	29,690	366,571	151,459
Prepayments		7,268	17,211	49,907
Total Current Assets		1,552,792	1,106,584	1,079,530
Non-Current Assets				
Property, Plant and Equipment	11	31,508	22,202	48,962
Total Non-Current Assets		31,508	22,202	48,962
Total Assets		1,584,299	1,128,786	1,128,492
Liabilities				
Current Liabilities				
Payables and Deferred Revenue	12	963,257	578,446	306,231
Employee Entitlements		63,699	56,745	81,240
Total Current Liabilities		1,026,956	635,191	387,471
Total Liabilities		1,026,956	635,191	387,471
Net Assets		557,343	493,595	741,021
Equity				
Contributed Capital	14	1,000	1,000	1,000
Retained Earnings	14	556,343	492,595	740,021
Total Equity		557,343	493,595	741,021

For and on behalf of the Board



Malcolm Bailey, Director



Robyn O'Fee, Director

Dated: 27 April 2022

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

Group Statement of Changes in Equity

For the year ended 30 June 2021

Account	Notes	Actual 2021	Budget 2021	Actual 2020
Equity				
Opening Balance		741,021	676,456	931,683
Increases				
Total comprehensive revenue and expense for the period		(183,678)	(182,861)	(190,662)
Total Increases		(183,678)	(182,861)	(190,662)
Total Equity		557,343	493,595	741,021
Total comprehensive revenue and expense attributable to:				
Palmerston North City Council		(91,839)	(91,431)	(95,331)
Manawatū District Council		(91,839)	(91,431)	(95,331)
Total comprehensive revenue and expense		(183,678)	(182,861)	(190,662)

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

Group Statement of Cash Flows

For the year ended 30 June 2021

Account	Notes	Actual 2021	Budget 2021	Actual 2020
Cash Flows from Operating Activities				
Receipts of council funding		2,729,368	2,607,918	2,584,982
Interest received		2,270	6,000	5,450
Receipts from other operating activities		1,965,453	1,089,173	992,581
Income tax refunded/(paid)		2,035	52,465	35,897
GST		15,845	(246,714)	3,470
Payments to suppliers and employees		(4,071,879)	(3,742,462)	(4,050,222)
Finance costs		(117)	(500)	(470)
Total Cash Flows from Operating Activities		642,976	(204,120)	(428,312)
Cash Flows from Investing Activities				
Proceeds from sales of property, plant and equipment		722	0	28,157
Payment for property, plant and equipment		(6,027)	0	(16,583)
Total Cash Flows from Investing Activities		(5,306)	0	11,574
Net Cash Flows		637,670	(204,120)	(416,738)
Cash Balances				
Cash and cash equivalents at beginning of period		878,163	691,953	1,294,901
Cash and cash equivalents at end of period		1,515,833	487,833	878,163
Net change in cash for period		637,670	(204,120)	(416,738)

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

Notes to Accounts

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 2021.

2. Statement of Accounting Policies

Basis of Preparation

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

Statement of Compliance

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

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

Presentation Currency

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

Historical Cost

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

Changes in Accounting Policies

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

Revenue Recognition

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

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

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

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

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

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

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

Inventories

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

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

Property, Plant and Equipment

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

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

Depreciation

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

Income Tax

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

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

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

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

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

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

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

Cash and cash equivalents

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

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

Receivables

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

Impairment of financial assets

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

Loans and receivables

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

Loans and receivables

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

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

Payables

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

Equity

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

Good and Services Tax

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

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

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

Commitments and contingencies are disclosed exclusive of GST.

Employee Entitlements

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

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

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

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

Provisions

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

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

Leases - Where CEDA is the Lessee

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

Critical accounting estimates and assumptions

In preparing these financial statements CEDA has made judgements, estimates and assumptions concerning the future.

These 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.

Critical judgements in applying accounting policies

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

- Funding received – refer to Note 4.

3. Subsidiaries

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

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

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

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

Council Funding included in Project Revenue

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

Critical judgements in applying accounting policies - funding received.

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

5. Employee Expenses

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

6. Other Operating Expenses

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

Account	2021	2020
7. Income Tax Expense		
Net Profit (Loss) Before Tax	(183,678)	(190,662)
Tax at 28%	(51,430)	(53,385)
Plus (less) tax effect of:		
Non deductible expenditure	1,165	807
Non-taxable income	0	0
Tax loss not recognised	53,598	61,410
Deferred tax adjustment	(3,333)	(8,832)
Tax expense	0	0

A deferred tax asset has not been recognised in relation to tax losses of \$420,502 (2020:\$229,087) and temporary differences of \$72,818 (2020:\$84,723).

Components of tax expense

Current year	0	0
Deferred tax	0	0
Total Deductions from Tax Payable	0	0

8. Cash and Cash equivalents

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

Account	2021	2020
9. Receivables and Accruals		
Accounts Receivable	23,332	149,419
Less: Provision for impairment	0	0
Accrued Interest	8	5
Funding Accruals	5,468	0
GST	0	0
Income Tax	883	2,035
Total Receivables and Accruals	29,690	151,459

Total Receivables and Accruals Comprise

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

10. Inventory

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

No inventories are pledged as security for liabilities (2020:\$nil)

11. Property, Plant & Equipment

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

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

Account	2021	2020
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12. Payables and Deferred Income

Accounts Payable	277,732	183,623
Accruals General	41,067	61,339
Funding in Advance	285,000	78
Funding in Advance - Sector Development	349,138	0
Funding in Advance - International Education	0	17,000
Funding in Advance - NZ AgriWeek	0	15,000
GST	5,238	21,441
Income Tax	0	0
Operations Credit Card	5,082	7,750
Total Payables and Deferred Income	963,257	306,231

Total Payables and Deferred Income Comprise

Payables under exchange transactions	323,628	267,097
Payables under non-exchange transactions	639,629	39,134
Total Payables and Deferred Income Comprise	963,257	306,231

13. Provisions

Restructuring

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

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

Account	2021	2020
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Movement in provisions

Balance at 1 July 2020	0	60,000
Amounts used	0	(60,000)
Balance at 30 June 2021	0	0

14. Equity

Share Capital

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

Retained Earnings

Opening Balance	740,021	930,683
Current Year Earnings	(183,678)	(190,662)
Total Retained Earnings	556,343	740,021
Total Equity	557,343	741,021

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

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

15. Key personnel compensation

	2021	2020
Directors		
Remuneration	180,139	180,000
Full-time equivalent members	6	6
Senior Management Team		
Remuneration	706,313	619,518
Full-time equivalent members	5	5

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

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

16. Related Parties

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

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

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

17. Major Variances Explained

Account	Actual	Budget/ SOI	Variance	Notes
Other Services Revenue	1,170,765	630,928	539,837	Variance due to additional funding received through the Regional Business Partner Programme for COVID-19 business support, and Strategic Tourism Asset Protection Programme for tourism sector support
Other Services Expenses	1,466,297	1,084,978	381,319	Variance due to partial subcontracting of Regional Business Partner programme and additional resource for COVID-19 business support, and Strategic Tourism Asset Protection Programme fund spend
Employee Expenses	1,565,613	1,703,854	(138,241)	Savings in employee expenses due to staff vacancies
Other Operating Expenses	520,693	348,968	171,725	Variance mainly due to additional office and IT costs due to relocation and staff costs in relation to recruitment costs

Account	2021	2020
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18. Financial Instruments

Financial Assets

Loans and Receivables

Accounts Receivable

Accounts Receivable	23,332	149,419
Total Accounts Receivable	23,332	149,419
Accrued Interest	8	5
Cash and cash equivalents	1,515,833	878,163
Funding Accruals	5,468	0
Total Loans and Receivables	1,544,641	1,027,587
Total Financial Assets	1,544,641	1,027,587

Financial Liabilities

Financial Liabilities at amortised cost

Payables	(318,799)	(244,962)
Total Financial Liabilities at amortised cost	(318,799)	(244,962)
Total Financial Liabilities	(318,799)	(244,962)

Account	2021	2020
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Operating leases as lessee

Operating leases as lessee		
Not later than one year	126,905	134,479
Later than one year and not later than five years	245,568	358,021
Later than five years	0	0
Total non-cancellable operating leases	372,473	492,500

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

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

20. Events after balance date

There are no significant events after balance date.

21. COVID-19 impact

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

22. Legislative Compliance

CEDA was required under section 67(5) of the Local Government Act 2022 to complete its audited financial statements and service performance information by 30 November 2021. This timeframe was not met because Audit New Zealand was unable to complete the audit within this timeframe due to an auditor shortage and the consequential effects of COVID-19, including lockdowns.

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 2021

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 14 to 28, that comprise the group statement of financial position as at 30 June 2021, the group statement of comprehensive revenue and expense, group statement of changes in equity and group statement of cash flows for the year ended on that date and the notes to accounts that include accounting policies and other explanatory information; and
- the statement of service performance of the Group on pages 29 to 42.

In our opinion:

- the financial statements of the Group on pages 14 to 28:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2021; 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 29 to 42 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 2021.

Our audit was completed late

Our audit was completed on 27 April 2022. This is the date at which our opinion is expressed. We acknowledge that our audit was completed later than required by the Local Government Act. This

was due to an auditor shortage in New Zealand and the consequential effects of Covid-19, including lockdowns.

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 to 13, 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: International 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

Partner Organisations

Current partner organisations that CEDA works with:

Local

Central Skills Hub
Feilding and District Promotion
FoodHQ
IPU New Zealand
Lamberts
Manawatū Chamber of Commerce
Manawatū District Council
Manawatū Standard
Manfeild
Massey University
MediaWorks
National Driver Training Centre
Palmerston North City Council
Palmerston North Airport
Rantitāne o Manawatū
Regional Schools
Spearhead Manawatū
Sport Manawatū
Sprout Agritech
Talent Central
Te Au Pakihi
Te Manawa
The Factory
UCOL
Venues and Events Palmerston North

Regional

Accelerate 25
Business Central and Export NZ
Horizons Regional Council
Horowhenua and Company
Horowhenua District Council
Ruapehu District Council
Rangitīkei District Council
Taranaki District Council
Te Manu Atatu
Whanganui and Partners
Whanganui Chamber of Commerce
Whanganui District Council

National

AgResearch
Air New Zealand
ASB Bank
Business Events Industry Aotearoa
Business Mentors New Zealand
Callaghan Innovation
Economic Development New Zealand
Education New Zealand
Immigration New Zealand
i-SITE New Zealand
Ministry of Business, Innovation and Employment
Ministry of Social Development
New Zealand Chef's Association
New Zealand Events Association
New Zealand Trade and Enterprise
New Zealand Media and Entertainment
New Zealand Motor Caravan Association
Regional Tourism New Zealand
Regional Business Partners Network
Regional Tourism Organisations New Zealand
Stuff
Te Puni Kōkiri
Tourism New Zealand
Westpac

CEDA
CENTRAL ECONOMIC
DEVELOPMENT AGENCY