

# Half Yearly Report

to 31 December 2018

28 February 2019

# Company Directory

## Central Economic Development Agency Limited Ltd

Level 1, 478 Main Street  
Palmerston North 4410

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

### Chief Executive

Linda Stewart

### Directors

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

### Registered Office

Morrison Creed Advisory  
Cnr Victoria Ave & Main St, Palmerston North

### Bankers

Westpac New Zealand Ltd

### Auditors

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

### Legal Status

Central Economic Development Agency Limited (“CEDA”) was incorporated in New Zealand on 15 October 2015 under the Companies Act 1993 (NZBN 9429042001096). As the shareholders of CEDA are Palmerston North City Council (50%) and Manawatū District Council (50%) CEDA is a Council Controlled Organisation as defined in section 6 of the Local Government Act 2002.



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# Joint Report of Chairman and Chief Executive

Tēnā Koutou Katoa

Our aim for this year has been to build upon the strong foundation we put in place in our first full year of operation. The focus on building our internal capability and capacity has enabled us to begin to tackle some of the big issues that have constrained our region over the years; our identity and sense of regional pride, our labour market and our ability to attract the skills and talent we need, our ability to attract investment into our region, and to position Manawatū as a destination of choice for visitors

Manawatū is one of several regions around the country where the rate of economic growth is exceeding New Zealand's major cities and current conditions show there are no signs of slowing. Our economy grew by 3.4 per cent, well ahead of the national average of 2.9 per cent, in the September 2018 quarter. High lamb and beef prices as well as favourable dairy supply conditions, strong global demand and a weaker New Zealand dollar have played a large role in this. Household incomes are rising, people are employed and, as reflected in growth in retail spending and strong levels of investment, households and businesses are confident to spend and invest in the local economy. We expect to see sustained economic growth over the next 10 to 15 years, primarily driven by high levels of central government capital investments and businesses increasingly recognising the benefits of investing here.

With projects such as the Manawatū Gorge replacement route, which is estimated to be worth \$450-\$500 million, the regional ring road, and more than \$30 million worth of commercial and government construction and development projects, it's not a wall of wood that is approaching our region, it is a wall of work. We must consider how to position the region to take full advantage of this and preparation is key. Labour and talent constraints are already a very real issue for our businesses, our housing is at a premium with demand outstripping supply, and our infrastructure, healthcare, education and service sectors will come under increasing pressure to meet the needs of levels of growth not seen in our region for many, many years.

But these are positive issues to face. With the rise of the regions across New Zealand, a Government that is focused on supporting regional economic growth, and strong leadership from our local councils, we are well positioned to respond to the challenges that growth brings with it. Initiatives such as the National Driver Training Centre and the improved efficiencies of residential consenting processes are real examples of how our region is responding to and beginning to get ahead of some of the key pressure points.

As well as supporting our shareholders in their drive to secure funding for the regional freight ring road and multimodal hub, we have supported FoodHQ in their plans to develop the Food Precinct, a significant project that will, in time, position Manawatū as one of the top agrifood hubs in the world. We led a multi-stakeholder application to the Provincial Growth Fund to transform Te Apiti - Manawatū Gorge into a cultural, education, conservation and visitor destination like no other in New Zealand. And the launch of Te Aho Tāmaka saw us taking the lead in connecting with our region's greatest leaders and achievers, with the aim of developing leadership and mentoring opportunities, as well as investment and celebrating what it means to be made by Manawatū. A number of these projects and initiatives stem from our work with McKinsey and Company, and we will continue to lead and enable those that we believe will make the greatest positive impact on our community.

The perception of our region, from our cultural and commercial centre Palmerston North city, the vibrant and growing agricultural hub of Feilding, through to our rural communities such as Apiti and Kimbolton have long suffered due to a lack of a cohesive and compelling identity, from which they can base their story telling and marketing. We have been working with our shareholders, iwi, Air New Zealand and New

***“Economic growth is exceeding New Zealand’s major cities and current conditions show there’s no signs of slowing.”***

***“The opportunities that lie before our region are plentiful,”***

Zealand Story to tackle this long-standing issue; aiming to provide each individual place within our region a unified platform

from which they can promote their own unique value proposition, their events and activities, and their own stories.

Along with this, we commenced the development of a visitor strategy for the region, which brings together destination management and marketing, product development, infrastructure planning and development, and events and conferences to produce a strategic road map that will guide investment and resources over the next ten years.

The opportunities that lie before our region are plentiful, and CEDA is well positioned to support our region to capitalise on them for the benefit of our community. Over the past six months much has been achieved, and we thank our shareholders and our many partners for their continued support and commitment to growing our region together.

Ngā mihi nui ki a koutou katoua,



Malcolm Bailey  
*Chairperson*



Linda Stewart  
*Chief Executive*

# Our Vision

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

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

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



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



We are the renowned central hub for agribusiness



We are growing sustainably



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

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









# Our Strategic Objectives

## Powering our progress; achieving the vision

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

These key objectives guide the development of the short and medium-term programmes of work for CEDA as articulated through our Statement of Intent for 2018/19.

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









# What We Do



# Grow and Retain

# Education and Talent

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

## Talent and Skills

Building on our regional talent and skills action plan, CEDA is partnering with priority sectors, Talent Central and central government to deliver specific programmes to address regional skills shortages. We will continue to connect and inspire young people on the career opportunities that lie within our priority sectors through key events such as the Sort It Careers Expo, and through sector specific public relations campaigns.

## International Education Market Development

Through the implementation of the Regional International Education Strategy 2016-20, CEDA supports the region's schools and tertiary providers to increase the number of international students studying here. In partnership with Education New Zealand, CEDA drives collaborative activities in the priority target market of China while identifying other potential markets for development. CEDA provides marketing and communications support to help institutions tell the regional story.

## Student Experience

To further enhance the desirability of Palmerston North and Manawatū as a study destination, CEDA works alongside education institutions, Palmerston North City Council and other key stakeholders to identify opportunities to help integrate international students into the local community.

## Student Employability and Pathways to Employment

CEDA works in partnership with Talent Central, the Manawatū Chamber of Commerce and the Ministry of Business, Innovation and Employment, to identify regional skills gaps, help international tertiary students become more employable and identify opportunities for increased pathways into local employment.

## Te Aho Tāmaka

Internationally there are many influential and highly successful leaders that were grown right here in Manawatū. From business and academia through to sports and arts, these are highly influential ambassadors for our region. CEDA is leading the development of a global network of these leaders to establish a strong base of Manawatū ambassadors that we, as a region, can partner with to reignite their connection with Manawatū, identifying community initiatives and developing regional investment opportunities for them to engage in.

# 40

Exhibitors booked to date for Sort It 2019  
(2017/18 Annual Report total 73)

## Te Aho Tāmaka

Manawatū Leaders programme launched



# Te Aho Tāmaka

**Te Aho Tāmaka was launched in December, following its design and development of the initiative.**

**[ManawatuNZ.co.nz/te-aho-tamaka](http://ManawatuNZ.co.nz/te-aho-tamaka)**

A Project Steering Group was engaged in July to assist with identifying Manawatū's greatest achievers. As a regional project, having the input and guidance of local leaders and experts in their fields was a critical component to ensure the project's success.

Te Aho Tāmaka is a first of its kind in New Zealand and its meaning is integral to what the programme is about. Tāmaka means distinguished leaders and Te Aho Tāmaka is symbolised by a round cord representing whakapapa (a connection to the region and the people), whakanui (to celebrate individual and collective success), whakamana (to empower, enable and endorse) and whakaawe (to influence, develop and grow).

At the time of the launch, eight leaders across multiple industries had accepted the invitation to be involved in Te Aho Tāmaka and all were excited to recognise the role that Palmerston North and Manawatū played in their lives and to have a platform through which they could give back to the people, city and region that helped them to achieve their success.

The launch of the programme resulted in digital and print news articles, a video news story and an editorial by Chief Executive Linda Stewart in the Manawatū Standard to highlight Te Aho Tāmaka's purpose and what we aim to achieve for the region.

Te Aho Tāmaka aims to capture their stories and experiences to help inspire our younger people and grow regional pride. By strengthening our leaders' connection or reconnection to the region, Te Aho Tāmaka provides a platform to explore ways in which their expertise could contribute to the region's economic development and growth, including mentoring, internships or investment in projects or initiatives that are of mutual importance and interest. Having their support and involvement will help to put Manawatū on a national and international stage by building a network of global leaders and ambassadors for our region.

**Te Aho Tāmaka will continually grow and evolve with the identification and inclusion of new leaders. It is a living project with endless opportunities around ways the leaders can help to grow the region, businesses and residents.**

**Hon. Steve Mahary, Former Minister of Education and Massey University Vice Chancellor**

***“Palmerston North is my tūrangawaewae. The city has opened opportunities for me throughout my life and been the place I return to after working/travelling around New Zealand and the world.”***

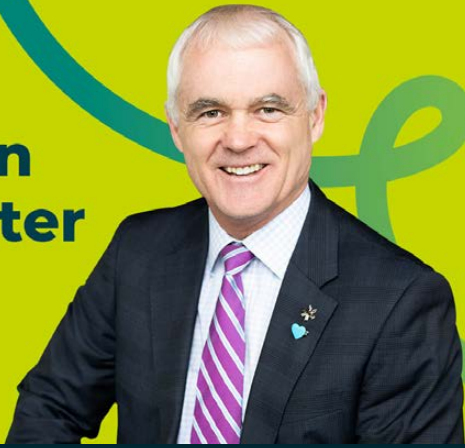
**Simon Moutter, Managing Director, Spark**

***“Growing up in Palmy rubbing shoulders with people from all walks of life, helped shape my approach to leadership and my determination to chase big dreams.”***

**Linda Jenkinson, Global Entrepreneur**

***“Coming from a Hiwinui farm in the Manawatū, I learned as a CEO apprentice to my father in his many ventures how to build a business. I then went to Massey University and did Computer Science to learn how to scale and Accounting and Finance to learn the numbers – and then I took that to the world!”***

**Simon  
Moutter**



**Sir Brian  
Elwood**



**Linda  
Jenkinson**



**Sir David  
Moxon**



**Steve  
Maharey**



**Gerard  
Gillespie**



**Colonel  
Helen  
Cooper**



# International Education

**As part of the delivery of our strategic objective to grow and retain education and talent, and to showcase the region, CEDA hosted two groups of international education recruitment agents.**

These visits showcase the city and region and help to familiarise agents with the tertiary institutions and lifestyle offering here.

The first group of eight Japanese agents, sponsored by Education New Zealand and Air New Zealand, visited in October. The group met the city's Mayor Grant Smith and were introduced to schools that offer a technology component in their curriculum. Their aim is to send short and long-term students to local intermediate schools.

The second group, who visited in November, included five Auckland based agents and one agent from Guiyang, our Sister City in China. Of the five Auckland agents, four are recruiting students from China and the other from the Middle East. The agents visited several high schools and three tertiary institutes over a three-day period and following the visit, all said they are now more likely to send students to our region as a result of experiencing first-hand the lifestyle and quality of education offered here. Several agents posted live videos while they were here, sharing their experience with their extensive network of social media followers.

To build on the profile of Palmerston North and Manawatū as a great place to study in New Zealand, CEDA has also driven promotion of our region in China via social media channels such as WeChat and through our central government funding partner, Education New Zealand. This work has resulted in increased awareness of our region as a study destination, with more than 700 hits on our Mandarin language stories over a two-month period. Along with this, new marketing collateral was produced in two additional languages of Vietnamese and Thai - adding to the suite of English, Japanese and Chinese.

## Student Experience

A second Mayoral Welcome was organised by CEDA in September 2018 to welcome 140 international secondary and tertiary students. The event, held in the Palmerston North City Council chamber, provides the students with an opportunity to connect with one another, and to meet the city's Mayor, Grant Smith. Students heard from CEDA, Palmerston North City Council, Palmerston North City i-SITE and Sport Manawatū about activities and events on offer in the city and region, and how to get involved in the community. Feedback from students was very positive, with many saying that these events help them to feel more connected to their host city. The event will be run twice a year moving forward, in conjunction with Palmerston North City Council's Welcoming Communities programme.

## Pathways to Employment

CEDA is working closely with Education New Zealand on an Employability Project that aims to ensure international students who are studying in Manawatū have the skills that meet the needs of local employers, when they graduate. This project will help these students be work ready, so they can extend their time in Manawatū and help to meet the region's skills gaps.





### Rise in International Student Numbers for Manawatū-Whanganui

Immigration New Zealand figures reveal that Manawatū-Whanganui was one of the few regions to experience double-digit growth in the number of new student visas issued in the year to December 2018. Manawatū numbers grew by 11 per cent compared to a national decline of four per cent. Auckland, Wellington and Southland figures all showed zero or backward growth. Official figures relating to actual student numbers for 2018 will not be released until late 2019, but early indications are that Manawatū is growing modestly against a downward national trend. Growth in the number of first-time visas is significant because these represent new students who have applied to come to New Zealand and have chosen to study and live in Manawatū, indicating that the strategy and approach taken, is delivering positive outcomes for the region.

# Enhance the Brand and Experience

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

## Regional Identity Strategy

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

## Destination Marketing

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

With a fast-growing visitor sector in Manawatū, CEDA works with regional tourism operators to provide support, marketing tools and market insights through the CEDA Resource Hub.

CEDA's management of the Palmerston North City i-SITE, and close alignment with the Feilding and Districts Information Centre means that we can offer both visitors and residents expert local knowledge, information and national travel booking services.

## Destination Development

CEDA's role is to entice and attract visitors to our region by promoting Palmerston North and Manawatū as a destination for domestic and international travellers, event organisers and international students. CEDA is taking leadership through the development of a destination management plan to fully leverage all that our region currently has to offer, to identify and address barriers and product gaps, and to initiate long term, high impact projects that will capture a day in a tourist's journey.

The Country Road experience continues to be managed and developed by CEDA, enabling us to connect with operators and communities to offer expertise, support and connections. This ensures our region's visitor experience is exceptional, and that our operators and communities are benefiting from increased, sustainable visitation.

93%

i-SITE Net Promoter Score  
(2017/18 Annual Report 90%)

51,913

i-SITE customer visits  
(2017/18 Annual Report total 117,726)







# Regional Brand and Visitor Strategy

## Regional Identity

CEDA partnered with TRA, 'The Research Agency', an internationally renowned insight agency to help us solve one of our city and region's more challenging issues, our perception. This issue has an impact on so many facets of what we are tasked to do as an economic development agency: attract business and investment, new residents, new talent and skilled employees, more visitors, conferences and events. We know that overcoming this has been attempted many times before, and we sought to understand why they have not been as successful as they aspired to be. One learning ran through them all: they were created internally, within our region. They were not driven by data and insights, or by the voice of those we wanted to bring here.

Through TRA, CEDA has worked with shareholders, iwi, and national partners (Air New Zealand and New Zealand Story) over the last six months to distil the essence of our city and region, to capture the definition of our identity, using target market research, consumer insights and workshop results to inform this. We are now working closely with our shareholders on further refinement, ensuring the identity aligns with their bold and ambitious plans for growth, and is reflective of the voice of our community. The next stage of this project will be to bring to life the identity and profile of who we are as a city, a district, and a region, through design - style, imagery, colours, impact, and messaging. This design will help to showcase our personality and character and will underpin the development of a cohesive marketing identity for our region.

When the Regional Identity is complete, it will enable our stakeholders, partners and community to utilise a suite of tools and messaging to showcase the region and its constituent parts through their channels, in one cohesive voice. This will help Palmerston North and Manawatū to build our profile and identity, on a local, national and global stage.

This identity will underpin all of CEDA's work across investment, talent, visitor and overall regional marketing and will enable us to target key audiences under one consistent rhetoric – dialled up or down to meet the needs of each target audience.

## Visitor Strategy

CEDA has engaged Fresh Info consultancy to begin the development of a Visitor Strategy for Palmerston North and Manawatū, pulling together the data and insights available, the Regional Identity research and our work in product development to date. A workshop with our shareholders has set the direction of the Strategy through to 2028, which will be led by CEDA and delivered by many agencies and partners throughout the region.

The Visitor Strategy will inform future decision making in this sector, from investment and infrastructure to marketing, visitor experience and collaborative opportunities. The strategy will enable us to leverage and target investment into the region through central government, such as the Tourism Infrastructure Fund and Provincial Growth Fund and target commercial investors. To attract funding and investment, well researched and presented action plans are required to strengthen each case, which the strategy will help to deliver. Most importantly, the strategy will also enable stakeholders to contribute and engage in destination marketing and management and will create a platform for ongoing collaborative marketing initiatives.

The visitor economy is an important part of quality of life for residents, and therefore talent. A strong and vibrant visitor sector has significant positive flow-on effects for locals, with businesses such as restaurants, attractions, arts and entertainment, thriving and growing. Likewise, any activity aimed at making the region the best place to live and work will naturally make it more appealing to visit.

## Visitor Sector Development

Capturing a Day in a Visitor's Journey project was undertaken last year by CEDA to identify the region's visitor industry gaps and opportunities, and to audit Manawatū's existing visitor product. This was done by looking at the product offering in other New Zealand regions (the good and the bad), exploring funding options (including the Provincial Growth Fund), and identifying our visitor industry operators who have long term aspirations to grow. Outcomes from this project will be visible in 2019, with a product development framework being established that focuses on creating clusters, training, mentoring and undertaking further investigation into funding and investment options. This sector development project is an important strand within CEDA's Visitor Strategy and is supported by the Regional Identity activity. It is one of many projects underway that supports our work to grow the region's profile and ultimately increase visitation. We have worked with travel trade and sellers to look at what our short and medium-term opportunities are, as well as hosting agents specialising in independent travel, including Once Upon a Trip, and Off the Beaten Track.



## Palmerston North City i-SITE recognised as NZ best

The Palmerston North City i-SITE team was recognised as a national leader in their field, winning the 2018 New Zealand Customer Service Award.

The Annual i-SITE Awards celebrate the best amongst the network and set a benchmark for i-SITE Visitor Centres across the country. The team places customers at the forefront of their decisions to ensure they not only gather feedback from them, but act on it.





## Economic Impact - National Young Performers Awards

In 2018 the organisers of the National Young Performers Awards, deemed the country's top performing arts competition, decided to make Palmerston North the awards' permanent home, after previously shifting it around the country in five-year cycles. With Palmerston North's growing reputation as an arts powerhouse, the decision strongly aligns with the city's strengths.

For the past six years, CEDA has supported the organisers of the National Young Performers Awards with venue options, ideas and contacts for accommodation, activities and support services, and event promotion through regional social media channels. CEDA has also measured the economic impact for the past three years and supplied the feedback to the organisers to help with future planning.

"With the amazing support both locally and nationally and the positive feedback from attendees and supporters it was time to recognise Palmerston North was the most accessible city in New Zealand, which is imperative for a national event with attendees from Cape Reinga to Bluff," says Performing Arts Competitions Association Executive Officer, Nikki Cunningham.

A CEDA Economic Impact Report for the 2018 event showed record numbers of competitors and supporters brought an estimated \$920,000 in visitor spend to the regional economy during the three-day event.

This important event attracted more than 1,700 visitors from around New Zealand who spent an average of \$170 per day, per person.

"The city's infrastructure has coped with the steady increase in visitors and continues to provide a wide range of accommodation and hospitality options. The National Young Performers Awards brand is receiving greater recognition and businesses are now contacting us to see if they can add value to our event and for the visitors to the city."

## China Year of Tourism

In the lead up to the 2019 China - New Zealand Year of Tourism, CEDA has been working to profile Palmerston North and Manawatū to Chinese residents living in New Zealand, as research indicates they influence five to seven of their friends and family residing in China.

Although our region does not currently have a strong commissionable product base, our Sister City relationships, central location between Taupō and Wellington and having three tertiary institutions here means we do attract a share of the Chinese visitor market.

To raise the profile of our region to this market, CEDA exhibited at the Xiyangyang Lifestyle and Travel Expo in Auckland at ASB Showgrounds in October. The expo attracted more than 14,500 visitors, largely domestic Chinese residents, over two days and involved a full media campaign through existing Chinese media channels. We were lucky enough to be joined by Palmerston North City Council Deputy Mayor Tangi Utikere for one of the days.

Following the expo, we secured a successful feature on the WeChat channel of Go\_Kiwi. The post was a feature length article showcasing the best of Palmerston North and Manawatū, and received more than 37,000 views. This was a direct result of CEDA's work with Go\_Kiwi while we were at the Xiyangyang Lifestyle and Travel Expo in October. CEDA continues to work with our regional partners to produce regional itineraries and feature imagery to appeal to the Chinese Free and Independent Traveller (FIT) market, which will be published and targeted through existing channels including the regional WeChat official account, *ManawatūStories*.







# Digital Platforms

**CEDA has a suite of digital channels to profile Palmerston North and Manawatū, aimed at inspiring people to come here to live, visit or study and to encourage our residents to explore and feel proud of their own region.**

## ManawatuNZ.co.nz

The new look ManawatuNZ.co.nz website went live in the first week of July with refreshed content, new imagery and improved user experience. Stage two was then implemented with the creation of Manawatu Stories, 16 new content articles which were tailored to our key audiences and featured topics such as Local Markets You'll Love, Top Summer Instagram Spots, Hiking the Rangiwahia Hut Track, Little Shops that Spark Joy, Top Playgrounds and Where to Run like the Wind in Manawatū.

For Stage two, we worked to raise awareness of the relaunched website, and increase traffic through a partner campaign with MediaWorks called Face of Manawatū. The purpose of the campaign was to raise locals' awareness of ManawatuNZ.co.nz and all there is to do and see in the region. As the region's biggest visitor market is visiting friends and relatives, we want and need our residents to be positive advocates for Manawatū. The campaign encouraged locals to share their own 'Face of Manawatū' photo, and included radio and social media content, supported by a mobile billboard that was moved around the city and district throughout the campaign.

The multi-channel campaign ran for eight weeks and was promoted via outdoor advertising, eight MediaWorks' radio stations, MediaWorks and ManawatuNZ social media channels (Instagram and Facebook) and both websites.

Highlight campaign statistics:

- Radio promotion across eight MediaWorks radio stations
- MediaWorks Facebook reach 20,000+
- MyManawatu and ManawatuNZ Facebook reach – 38,000 people
- Instagram reach – 2,139 people
- Photo entries – 600

Further to this work, CEDA exhibited at the November Central Districts Wine and Food Show, which we used to showcase ManawatuNZ.co.nz and the many things to see and do in the city and region. The expo was attended by visitors and locals and was a great opportunity to showcase some of the lesser known gems and experiences that many locals do not know about. The stand was well received, with a high engagement and sign ups to our email newsletter on the day.

# 109,928

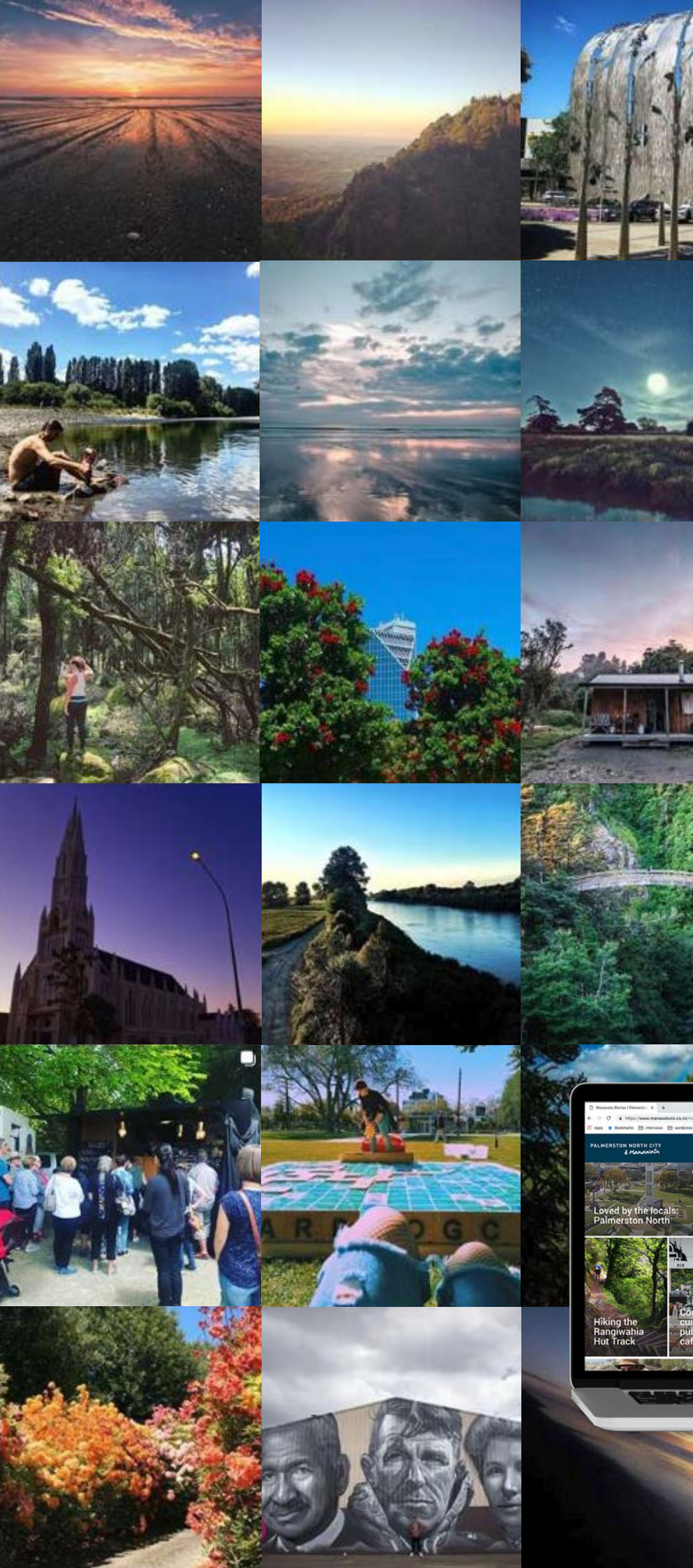
**Sessions on ManawatuNZ.co.nz website**

(2017/18 Annual Report total 228,441)

# 3,252

**Instagram followers**

(2017 / 18 Annual Report total 2,870)

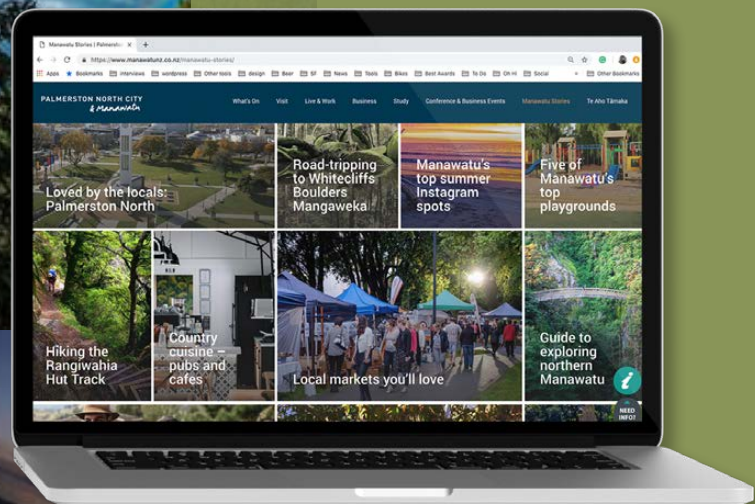


# 10,220

ManawatuNZ Facebook page likes  
(2017/18 Annual Report total 9,363)

# 8,507

MyManawatu Facebook page likes  
(2017/18 Annual Report total 7,900)





# Media Features

**Our work with local, national and international media continues to grow, ensuring a strong, consistent regional presence across various channels and media, including digital, social, ceda.nz and the regional website ManawatuNZ.co.nz.**

From our visitor and events sectors, through to international education and business support services, telling our region's story and building increased awareness of the breadth of what Palmerston North and Manawātū has to offer is a crucial role that we lead and manage. Targeted collaboration with third party websites and publications, along with attracting, supporting or facilitating national media coverage is just one way of shifting perceptions and raising awareness of the city and region.

Over the last six months, CEDA has secured significant coverage for the city and region including:

- AA Directions – double page spread on the city's arts scene
- AA 101 Must Do's this Summer – Te Apiti - Manawatu Gorge and Limestone Creek Reserve Glow Worm Caves features
- AA Traveller digital – three feature articles
- Kia Ora Magazine – On the Menu
- Kia Ora Magazine – Agenda Section
- Korean news sites Nate News, Momo News, Property Journal and Dio Deo featured a Manawātū Farmstay in their NZ travel story

## Kia Ora Magazine

As part of our relationship with Air New Zealand, CEDA has pitched key events for the monthly magazines' Agenda Section, which has resulted in events such as IPU New Zealand International Spring Festival and Feilding Rural Day being featured.

Further to this, we worked with one of Kia Ora's travel writers to connect them with local bars, cafes and restaurants in the city, which resulted in a three-page feature called On The Menu, in the October edition.



Culture Food & Drink



**ON THE MENU**  
**Palmerston North**

Roam around this Manawatu city and you'll find restaurants, cafes and bars serving up fine fare and delicious drinks.

STORY SHARON STEPHENSON

**Eat**

**LOCAL CAFE & EATERY**

240 Broadway Avenue. Mon-Wed 7am-3.30pm, Thu-Sun 8.30am-3pm, Fri-Sun 7pm-3pm. Sat 10am-3pm. It's easy for cafes to fling around words such as fresh, seasonal and locally sourced. But this stylish eatery, with its locally inspired interior, really walks the local talk with ingredients sourced from the provinces, usually from small, family-run businesses. The provincial platter, for example, features cheese from Pokangan Valley, salmon from Greymouth and fruit from Levin. And the Aroona coffee comes from just 100km up the road. Get in early for the build your own salad bowl and gluten free brownies. [localcafe.co.nz](http://localcafe.co.nz)

**HARU JAPANESE RESTAURANT**  
29 Broadway Avenue. Mon-Wed 5pm-10pm, Thu-Sun 11.30am-2.30pm then 5pm-9.30pm. Izu Shabu and Grace Live must be the hardest



Above and left: Local Cafe & Eatery. Below: Haru Japanese Restaurant.



working couple in Pālymy. But they love feeding people and are rewarded with a loyal following at their modern Japanese restaurant. Minimalist bamboo walls, timber flooring and sleek lighting provide the canvas for the culinary brushstrokes of Shin, who trained in his native Korea. The dinner menu runs for 11 pages and features delights including Hokkaido scallops and miso-glazed eggplant. Wash it down with a cocktail such as a Lavender Sakeletai or Ume Mojito. [facebook.com/harujapanese](http://facebook.com/harujapanese)

**SAIGON CORNER**

51 Prince Street. Mon-Sat 11am-3pm, Tue-Sat 5pm-8.30pm. They're creative on the outside and pillow-soft within - they're the popular Vietnamese street food, banh mi, and Vietnam Pham and his wife Anne-Nguyen have cornered the market in Palmerston North. After studying and working in hospitality in Switzerland, Macau and Wellington, the couple started with a small kiosk in Palmerston North in 2015. But demand was such that it quickly expanded into a 52-seat restaurant and food truck. There's a small but tasty all-late menu: six varieties of banh mi, noodle salad and their award-winning beef pho. [saigoncorner.co.nz](http://saigoncorner.co.nz)

**THE FAT FARMER**  
360 Albert Street. Tue-Wed 4.30pm-late, Thu-Sat 1.10pm-late. This restaurant takes sharing plates to the next level. Guy Sargent, Deborah Banks and Hannah McCauley also run the popular



Clockwise from far left: Five from Saigon Corner, steamed fish balls from The Fat Farmer, Saigon Corner, Five Union Brewing Company.



Culture Food & Drink

Aberdeen on Broadway eatery, Chef McCauley's menu brims with creative splashes such as lamb chops made from slow-cooked lamb shoulder pressed into wedge-sized chunks and deep-fried to perfection, as well as "roll your own" soy-braised duck served with hoisin and cucumber pancakes. [thefatfarmer.co.nz](http://thefatfarmer.co.nz)

**Drink**

**BREW UNION BREWING COMPANY**  
39-41 Broadway Avenue. Mon-Wed 5pm-10pm, Thu-Sat 11am-10pm, Sun 11am-5pm. This is what you get when two hop-heads who've been brewing in their garages for years go into business: a 700sqm microbrewery, bar and restaurant. Jules Grace and Murray Cleghorn swapped international careers in Starbucks' management for a passion project in what was once a meatworks. There are 21 beers on tap, 10% off on the site brewery, including their popular Eagle Strikes Back American IPA. Burgers, shared plates, platters and wood-fired pizzas are also available. [brewunion.co.nz](http://brewunion.co.nz)

**LITTLE SAVANNA**  
41-47 Princess Street. Mon 5pm-late, Tue-Sat 11am-late, Sun 11am-10pm. We have Kivi Andy Holmes to thank for bringing his South African braai magic firstly to Whararapa and, for the past year, to Palmerston North, where she opened this bistro-restaurant with its 3.2m-long concrete bar and flame-grilled menu. The tikiery will be rewarded with a range of craft beers, local and international wine and spirits and a lengthy cocktail menu, including the delicious Lemon Meritage (limoncello, Frangelico and Drambuie which comes topped with a flaming meritage). [littlesavanna.co.nz](http://littlesavanna.co.nz)

**HALCYON**  
241 Cabs Street. Mon-Wed 10am-4.30pm, Thu-Fri 8am-late. When Aucklander Alesha McQuinn followed beau Wade Cashmore to Palmerston North, where he'd been posted with the army, the long-time cafe worker saw it as a chance to open her own cocktail bar/caf . The result is Halcyon, which offers coffee and sweet treats in the morning but later morphs into a bar specialising in cocktails such as the Aviation, featuring generous sips of gin, maraschino liqueur and creme de violette. All the furniture is 100% local, including the piano, which guests are encouraged to play. Don't leave until you've signed the blackboard wall. [facebook.com/halcyonpwn](http://facebook.com/halcyonpwn)



From above: Halcyon; Little Savanna, organics menu at Wholegrain Organics.



**Shop**

**WHOLEGRAIN ORGANICS**  
134 The Square. Mon-Wed 9am-6pm, Thu-Sun 9pm, Sat 11.30am-4pm. Robert Hall learned how to bake bread in Germany but when he and his wife Naomi recognised the need for young people to learn about healthy, nutritious food and how to prepare it, they opened this organic bakery/mill/caf /shop. It's run as a charity, with profits channelled into the Hands-on Food-education programme for 12 to 19 year-olds. All the food is vegan and as organic as possible, including the open-faced grain bread and moreish pizza topped with cashew "cheese" made on the premises. [wholegrainorganics.co.nz](http://wholegrainorganics.co.nz)



PHOTOGRAPHY: ANDREW WATSON, MANAWATU, NZ, FOR WATSON

**AA Traveller**

Take in the views over Te Āpiti – Manawatu Gorge. © ManawatuNZ.co.nz

## Get active in Te Āpiti – Manawatu Gorge

By Jo Percival | 19 October 2018

View the map

TAP FOR MORE INFO:

Start looking

While now closed to vehicles, the Manawatu Gorge is busy with birdlife, bikers and people enjoying the native bush.



# Support the Growth of Business

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

## Regional Business Partner Network

CEDA's team of Business Growth Advisors support businesses on their journey through the business lifecycle, enabling growth and development through the Regional Business Partner Network. CEDA works in conjunction with seven councils and holds strong working relationships with businesses throughout the Manawatū-Whanganui region. CEDA champions growth orientated businesses to help them achieve export readiness, be bold enough to explore research and development opportunities, and build their management capability. By partnering with New Zealand Trade and Enterprise, Business Mentors New Zealand and Callaghan Innovation, CEDA delivers an extensive programme of activities and support networks.

including defence, health and education, and digital/technology - is central to achieving the region's growth aspirations. By partnering with our councils, central government agencies, iwi, The Factory and the private sector, CEDA works to ensure that Palmerston North and Manawatū are seen as investment ready and deliver compelling reasons for establishment in our region. Post investment or relocation support services to companies or individuals ensures ease of settlement, retention, and the identification of future expansion opportunities.

## Business Growth and Development

CEDA actively identifies growth opportunities, and implements tailored support programmes, action plans and initiatives that can enable our businesses to develop and scale up. We work to support business growth, focusing on driving a vibrant, connected business community with programmes such as the Westpac Manawatū Business Awards and supporting Accelerate25 projects.

## Business Attraction and Retention

A strategic approach to business attraction and inward investment, aligned to our priority growth sectors - distribution and logistics, agriculture including foodtech, government

# 255

**Business assisted through a CEDA intervention**  
(2017/18 Annual Report total 402)

# \$155,343

**Business Capability Development vouchers issued**  
(2017/18 Annual Report total \$248,862)

# 23

**Businesses matched with a Business Mentor**  
(2017/18 Annual Report total 44)

# 6

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





# Waireka Honey

## Waireka Honey is a case study of how CEDA can provide support, resources and tools to help businesses grow.

It was on a trip to Australia that Kate Smith recognised the opportunity to tap into the tourism market with her honey business, Waireka Honey.

“I popped into a honey shop and thought, ‘Wow, it wouldn’t take a lot for me to make some changes and draw in the tourists that drive right past my door each day’.”

Her bright yellow honey shop on State Highway One just south of Sanson, is enough to attract drivers’ attention, but she wanted to wrap a more strategic approach around making them stop and spend. Waireka produces and stocks an extensive range of honey products including natural honey, honey mead, health care and skincare products. They also stock a variety of bee keeping equipment for hobbyists through to commercial bee keepers.

Smith’s brother works in marketing and encouraged her to get professional help with marketing and sales – and he prepared her to spend some money.

On her return to New Zealand, she called Tourism New Zealand who connected her with CEDA. Through a CEDA Business Growth Advisor and the Regional Business Partner Network, Smith was connected to the consultancy Business Group who she worked with to create a marketing plan.

A two-year plan was developed and further guidance from CEDA’s Marketing and Communications Team meant Smith had a list of marketing must-dos, to ensure Waireka Honey was listed on all the right websites and connected with the relevant organisations. CEDA’s team work together closely to connect clients with the right internal support within the

organisation and Waireka Honey sits at the intersection of two focus areas: agriculture and the visitor sector.

Smith attended several workshops and training for social media such as Facebook, which was partially funded through RBP’s training vouchers. She says the most valuable part of connecting with CEDA was guidance and clarity on a direction forward.

***“I popped into a honey shop and thought, ‘Wow, it wouldn’t take a lot for me to make some changes and draw in the tourists that drive right past my door each day’.”***

“This process has really shown me the value of investing in training and having a planned approach to the development of my business and any projects I wish to undertake. CEDA has given me the direction and tools to allow me to drive the process, do the work and invest in what I need to take my business to the next level.”

In late 2018, Smith had just completed a rebranding phase of Waireka Honey, a step she is most proud of.

“We have almost finished the rebranding phase, which includes a new logo, colours, tag lines and repainting the exterior of the shop. We have worked through some big projects and we are proud of our achievements. We can’t wait to work through the next stages.”





# Provincial Growth Fund

**As a surge region, investment from the Provincial Growth Fund has brought significant opportunities for Manawatū.**

To ensure applicants had localised support and guidance, CEDA took a lead on facilitating and triaging applications to the Provincial Growth Fund to help them progress. This was done in partnership with our shareholder councils and support included reviewing multiple applications and meeting with several applicants to provide guidance on their applications, ensuring they correlate to other Manawatū regional strategies, objectives and applications within the region and where appropriate, endorsing applications. This has ensured a cohesive approach from our region, and enables us to identify and connect opportunities, linkages and duplications.

Through [ceda.nz](http://ceda.nz), we provided applicants and those with potential projects and ideas with a comprehensive overview on what's required, where to find out more, and our role in supporting applications.

## Te Apiti Opportunity

CEDA has submitted a Provincial Growth Fund application for Te Apiti - Manawatū Gorge, which seeks to undertake an initial feasibility study to consult on and assess the commercial, education, conservation and tourism opportunities that lie within Te Apiti. The aim is to then develop a business case for significant investment, with a purpose to develop and build on Te Apiti's offering as a visitor destination for New Zealand.

## Economic Development New Zealand Successful Application

As a board member of Economic Development New Zealand (EDNZ), Chief Executive Linda Stewart was involved in a successful bid to the Provincial Growth Fund which resulted in EDNZ being granted almost \$1 million to build the expertise of economic development agencies in regional New Zealand. The Government announced it will invest \$985,000 over three years to enable EDNZ to roll out a comprehensive professional development programme and a suite of best practice resources for development agencies.

***“CEDA connected us to other initiatives with complementary goals and their feedback helped us to improve the quality of our application.”***

**Heike Schiele, Manawatū River Source to Sea and Environment Network Manawatu**

## Support the Growth of Business

### Sector Development

CEDA lead the development and growth of our priority sectors; distribution and logistics, agriculture including foodtech, government including defence, health and education, and digital/technology.

In partnership with The Factory, FoodHQ, Massey University, our councils, iwi and industry, CEDA is leading the development of an agri cluster strategy for Manawatū which aims to achieve a virtuous dynamic cycle of attracting top academics, researchers, students, venture capitalists, and businesses that in turn encourage collaboration and partnerships with other relevant leading national and international peer organisations.

Building on our work to date in the distribution and logistics sector, we remain focussed on strengthening the talent pipeline, while further developing the business attraction and retention proposition for this sector. Partnering with Accelerate25 ensuring their infrastructure projects support the ongoing development of Manawatū as the central logistics hub for the North Island.

Over the medium term we're researching the feasibility of a Manawatū trade zone – moving products direct from producers to global export markets and leveraging the opportunities of global digital trading platforms.

Our relationships with Massey University, UCOL, IPU New Zealand, as well as the New Zealand Defence Force through our chairing of the Regional Committee are a continued focus; delivering initiatives which foster connectivity and collaboration with the business and resident communities.

### Advancing Innovation

Working with Massey University, crown research institutes and businesses, our focus is on building the skills and capabilities of regional businesses to engage and grow in the global digital environment. This ensures we can collectively support and capitalise on innovation opportunities at a national and global level. This is further enhanced by CEDA's collaborative partnership with Callaghan Innovation, FoodHQ and The Factory, providing access to global expertise, accelerator programmes such as Innovate, as well as research and development funding avenues and support of technology businesses in the region, particularly where they align with core sectors e.g. agritech.

# \$432,022

**Research & Development Grants issued**

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

# 26

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

(2017/18 Annual Report total 9)



# Westpac Manawatū

# Business Awards

The biennial Westpac Manawatū Business Awards were successfully delivered in 2018, recognising and celebrating the best in business in Palmerston North and Manawatū.

CEDA's vision is for Manawatū to be New Zealand's most progressive region by 2025 and indicators which underpin this include; our regional story being embraced, promoted and stated proudly by residents and businesses, sustainable growth and that innovation thrives and is celebrated in the community. The Westpac Manawatū Business Awards, the business entrants and their staff, embrace and promote this vision.

Twenty-two finalists were selected from 106 unique nominations and 10 businesses were named winners across 12 categories.

CEDA facilitated the entire awards process: sponsorship, promotion, business nominations, facilitating judging, communications and marketing and hosting of the finalist Gala Awards evening. A wide range of marketing channels were utilised to raise awareness within our wider business community, and included outdoor billboards, print, radio, digital and social media.

In the lead up to and throughout the awards, the Facebook campaign achieved 72,000 impressions, with almost 11,000 post engagements and 8,000 click throughs to content. The audience on Facebook grew by 19 per cent and there were more than 2300 unique views of the awards' website, and more than 1700 radio mentions between July and December across local NZME stations.

The awards are one example of how CEDA helps to grow and develop businesses, and entrants say the most valuable part of involvement is the judges' fresh eyes and feedback on their business practices. The awards also provide an opportunity to celebrate why Manawatū is a great and supportive place to own and operate a business and the Gala Awards evening drew a crowd of more than 400 people.

## 2018 Westpac Manawatū Business Awards Winners

Westpac – Manawatū Supreme Business Award winner

### Tui Early Learners

Manawatū Standard – Lifetime Service Award winner

### Simon Barnett – OBO

Higgins – Spirit of the Manawatū Award winner

### Long Building Solutions

Universal College of Learning (UCOL) – Small Business Award winner

### Saigon Corner

Central Energy Trust – Medium Business Award winner

### RICOH

Massey Business School – Large Business Award winner

### Tui Early Learners

Central Economic Development Agency (CEDA) – Distribution & Logistics Award winner

### Base Logistics

FoodHQ – Agriculture and Food Award winner

### Norwood

Central Demolition – Construction & Manufacturing Award winner

### Beca

Powerco – Education, Research and Technology Award winner

### Tui Early Learners

BigaVision – Professional Services and Retail Award winner

### Totally Vets

Palmerston North City Council and Manawatū District Council – Not for Profit Award winner

### MASH Trust







# Investing in Talent

## Connecting Fonterra with students

Callaghan Innovation offers the Research and Development Experience Grant which provides funding to a company for a tertiary student to work on a project over the summer break. The funding is for 10 weeks and the number of grants that a company can get is related to the number of research and development staff they employ, with the maximum being 15.

CEDA, through the Regional Business Partner Network, connected Fonterra Research and Development Centre in Palmerston North with the programme, which resulted in 15 undergraduate students working on projects at the Palmerston North research facility over the university summer break. The projects are diverse, and range from food functionality, and processing plant hygiene studies through to the mechanical design of equipment used in the manufacture of dairy products.

The 15 students benefited from the experience gained in a world-class research facility where they worked with more than 300 researchers many of whom have PhDs in Food Science, Microbiology, Molecular Biology and Genetics, Engineering, Information Technology and Mechatronics.

Fonterra Research Centre sees the scheme as an ideal stepping stone to give undergraduate students a real-life research and development experience, and this is an example of how CEDA connects businesses with talent to help retain the exceptional students in Manawatū and showcase the career opportunities within the region.

***The projects are diverse, and range from food functionality, and plant hygiene studies through to the mechanical design of equipment used in the manufacture of dairy products.***







# How We Work

## Insights and Analysis

CEDA strives to be the go-to experts for insights and data on the local economy and national trends across priority sectors including the visitor economy. We keep our finger on the pulse through research and partnerships that enable us to better understand the strengths our region can build on, the weaknesses we can improve on and barriers we can bring down.

We have a crucial role in enabling the coordination, connection and delivery of outcomes by striving for the transparency and alignment of the many economic development projects and initiatives that are occurring, or are planned across our region. In the 2017/18 year, more than 130 projects that are drivers or enablers of economic growth were identified. With this knowledge CEDA can ensure smart investment of resources, funds and expertise, and is able to achieve high impact results for our region.

Regular Meet the Board sessions held with local businesses and stakeholders assists CEDA to share these insights with our business community.

## Our Partners

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

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

As part of our drive towards greater collaboration across entities involved in economic development throughout the wider region, we've led the development of a commercial business hub and co-working

space. This venture will become a reality in 2018/19; a social place where community, businesses, and individuals can meet, connect and grow together.

See Appendix, Page 70, for a list of partners we currently work with.

## Our Funding

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

CEDA also receives 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.

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

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

With my basket and  
yours, the people  
will thrive



# How We Operate

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

CEDA is working to optimise existing funding and generate savings from within the current funding arrangements in its early stages of operation in order to deliver value for money to the shareholders and the rate payer.

CEDA will regularly review its internal processes, improving practices, removing duplication, and finding efficiencies. Continual review of processes will ensure CEDA has enough working capital to fulfil any project or service commitments and contribute to delivery on regional growth opportunities identified.

As a Council Controlled Organisation (CCO) CEDA is also aware that much of its funding is derived from public monies and therefore all expenditure should be subject to a standard of probity and financial prudence that is to be expected of a CCO and be able to withstand public scrutiny. CEDA recognises the principles of the Treaty of Waitangi and acknowledges the importance of partnering with local iwi and recognition of Tangata Whenua in the region.

## Health and Safety

CEDA regards the promotion and maintenance of health and safety as a mutual objective for everyone who works, visits, or has business with CEDA. CEDA is committed to the health and safety of all workers, visitors and the public across all business premises and work sites by undertaking all measures reasonably practicable to provide a safe working environment. CEDA believes that creating and maintaining a healthy work environment is a shared, co-operative venture, where both employees and employers have roles and responsibilities, including the maintenance of a balance between work and non-work activities.

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

As the region's Regional Tourism Organisation, CEDA will ensure that its consumer communications and channels convey the appropriate health and safety messaging.

## Our People

We are a team of thought leaders and enablers working together with a united purpose – prosperity for all our communities.

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

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

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

## Our Values:



### Work Together

Actively work together to deliver exceptional outcomes for all our stakeholders



### Be Bold

Back ourselves so that we make individual and collective decisions that take the region to a new level



### Own It

Take ownership of our work and make great things happen





# 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 to December 2018

## 1. Grow and Retain Education and Talent

| Service Level Statement   | Performance Measure  | 2018/19  | Outputs/achievements Jul – Dec 18   |
|---|--|--|---|
| Deliver information, advice, programmes and initiatives to attract more international students to the region by implementation of the Regional International Education Strategy 2016-2020 | Increase the value of international students in the region | <p>Increase on 2016 baseline<br/> <b>(\$72.5m* 2016)</b></p> <p>Result: 2017/18 year to June is<br/> <b>\$115m**</b></p> | <p><b>Showcasing the Region</b><br/>                     CEDA hosted six international education recruitment agents, five from Auckland and one from Guiyang, our Sister City in China. The agents all reported they were more likely to send students to Palmerston North as a result of this visit.</p> <p><b>Student Experience</b><br/>                     Mayoral Welcome event held for 140 international secondary and tertiary students, resulting in international students feeling more connected to their host city.<br/>                     “<i>Student Connect</i>” event held where international students met up for pizza and a walk to watch the city fireworks display.</p> <p><b>Pathways to Employment</b><br/>                     A CEDA staff member attended an “<i>Employability Masterclass</i>” hosted by Education NZ as a prerequisite to their funding of a cross-regional employability scoping study due to be completed in early 2019.</p> |

## Grow and Retain Education and Talent

| Service Level Statement   | Measure  | 2017/18   | Outputs/achievements Jul – Jun 18   |
|---|--|---|---|
| Grow a skilled workforce and talent pipeline that meets the needs of priority sectors | Programmes and initiatives developed and delivered to meet needs identified through regional skills gap analysis | 2 programmes delivered<br><br>YTD Result:<br>2 programmes delivered/implemented | <p>CEDA funded Talent Central \$50k to identify and connect talent, particularly youth, with employment opportunities across our region. Outcomes as a result of note:</p> <ul style="list-style-type: none"> <li>- Delivery of the Work Ready Portfolio in schools, the development of a work experience programme for the Logistics and Distribution Advisory Cluster and for organisations that exhibited at JobFest.</li> <li>- Two Distribution and Logistics business and education events, one of which was to investigate an apprenticeship for Class 2-5 licences.</li> <li>- Partnership developed with National Driver Training Centre to deliver Class 1 licences to school students – a key component of being work ready and the Work Ready Portfolio.</li> <li>- Awesome Summer Jobs – a summer work programme for graduates was delivered (75 graduates applied, 32 successfully interviewed and 8 were placed into roles), with some grads doing the Work Ready programme and receiving help with CV writing and interview techniques.</li> </ul> <p>Research has been undertaken to understand the challenges and opportunities that we face as a region when it comes to attracting talent. Engagement with 7 businesses in key sectors (including recruitment agencies) and 5 in depth interviews with couples or families that have relocated to the region in the last few years, has provided us with key insights on the factors people consider when relocating. This work has provided the platform for profiling our region and has resulted in several feature articles on Stuff.co.nz and Manawatu Standard.</p> <p>Active role in the Accelerate25 Talent and Skills Sub-committee. Results:</p> <ul style="list-style-type: none"> <li>- Proposal developed to establish a Skills and Employment Hub on Manfeild focused on Distribution and Logistics Sector, including civil engineering and construction in 2019. This aims to deliver in part to the labour market requirements of major roading projects coming to our region.</li> </ul> |

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

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



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

| Service Level Statement  | Performance Measure   | 2018/19   | Outputs/achievements Jul – Dec 18  |
|--|---|---|--|
| Enhance and grow awareness of the region to inspire visitors to travel here, new residents to live here, businesses to choose here and students to learn here. | Year on Year growth of unique visitors to the regional website ManawatuNZ.co.nz | 10% growth<br><br>Result YTD: 0.1% decrease   | <p><b>ManawatuNZ.co.nz</b> regional website:</p> <p>109,928 sessions, 0.1% decrease on 2017, 68.94% were new users, an increase of 0.6% on 2017. ManawatuNZ.co.nz was relaunched in July 18 with a new look, improved visibility and additional content. As a result, there has been a slight decrease in web traffic (common with website relaunches). However, the three months from October to December saw both users and sessions increase by 10.6% primarily through organic traffic. We are confident we will reach our year end target as a result.</p> <p>16 new articles were published on ManawatuNZ.co.nz as part of our work to increase web traffic. These articles were tailored content based on what our users are looking for and include stories such as: Local Markets You'll Love, Country Cuisine Pubs and Cafes, Gardens to Visit This Season, Family Friendly Farm Stays and Top Winter Day Trips.</p> <p>An eight-week Campaign – Face of Manawatū - was run in partnership with MediaWorks to raise awareness of ManawatuNZ.co.nz. The campaign reached over 58,000 people through Facebook, over 2100 through Instagram, and received 600 photo entries. ManawatuNZ.co.nz was featured across eight MediaWorks radio channels, and was supported by a mobile billboard which featured throughout the city and district during the campaign.</p> |
|  | Consumer social media and e-Newsletter growth                                   | 10% growth<br><br>Result YTD:<br>Social media average 12% increase,<br>eNewsletter 23.9% increase | <p><b>Consumer Social Media</b></p> <ul style="list-style-type: none"> <li>- Facebook: As at 31 December 2018 the MyManawatu Facebook had 8,507 page likes (7.6% increase on previous 6 months) and ManawatuNZ Facebook 10,220 page likes (9.1% increase on previous 6 months).</li> <li>- Instagram: As at 31 December 2018 Manawatu_NZ had 3252 followers (13.3% increase on previous 6 months)</li> <li>- Our regional hashtag #ThisIsManawatu was used 10,686 times (18.3% increase on previous 6 months)</li> <li>- What's On eNewsletter: Our consumer email database grew by 23.9% increase to 4,254 subscribers</li> </ul> <p>To better understand our audiences within our digital channels, CEDA undertook research through an incentivized survey in December. The data and insight from this will inform our future activities for 2019 to ensure we can better leverage this growing audience.</p>  |

## Build the Reputation and Experience of the Region

| Service Level Statement      | Performance Measure   | 2018/19   | Outputs/achievements Jul – Dec 18   |
|------------------------------|---|---|---|
|                              | Successful media results for the visitor sector.                                      | 5 direct media publications<br><br>Result YTD:<br>10 media publications | <p><b>Media Results</b></p> <p>Ten Direct Media Features profiling the city and region, including a 3-page spread in Kia Ora Magazine (357k readership) and a 2-page spread in AA Directions Winter edition (902k readership). Digital results included three travel story features on AA Traveller, GoKiwi, a WeChat feature length post, and a feature article on The Spinoff.</p> <p>Some indirect results included a 2-page spread in OnBoard magazine (200k readership) which features on all KiwiRail and Interislander passenger services.</p>   |
|                              | Destination Management Plan and Strategy developed                                    | Plan and Strategy Developed   | <p><b>Plan and Strategy</b></p> <p>CEDA has engaged Fresh Info consultancy to begin the development of a Visitor Strategy for Palmerston North and Manawatū, pulling together the data and insights available, the Regional Identity research and our work in product development to date. A workshop with our shareholders has set the direction of the Strategy through to 2028, which will be led by CEDA and delivered by many agencies and partners throughout the region.</p> <p><b>Visitor Sector Support</b></p> <p>Ongoing support in the visitor sector with our growing operator community, including the design of an Operator Marketing Guide to provide operators with the tools and information to help them with their marketing. CEDA has also partnered with Hospitality Association New Zealand to present to their members on the work CEDA does and provide marketing support and opportunities.</p> |
| Conference / Business Events | Grow Manawatū's share of national delegate days through targeted bids                 | 10% growth<br>Results YTD:  | Results to December 2018 not yet available.   |
|                              | Business events bids win/loss ratio (based on results received in the financial year) | 33% win/loss ratio<br>Result YTD:<br>2 bids, with 100% win ratio        | <p>Two bids submitted and were successful for hosting of the 2020 World Blokart Championships and NZ Airport Association Conference. These will have an estimated economic impact to the region of \$497,250.</p> <p>CEDA has engaged and provided support to 15 conferences that have potential of being held in the region. These conferences have an estimated combined economic benefit of over \$2.2 million. To support this process a new Conference Planner for 2018/19 was developed to showcase our region as a desirable and competitive destination for conference and business events.</p>   |



## Build the Reputation and Experience of the Region

| Service Level Statement  | Performance Measure  | 2018/19   | Outputs/achievements Jul – Dec 18   |
|--|--|---|---|
| <p>Provide visitors and locals expert information on accommodation, activities, events and travel throughout Manawatū and New Zealand.</p> | <p>Percentage of customers satisfied with visitor information services in the region</p> | <p>80% satisfaction</p> <p>Result YTD:<br/>93% satisfaction</p> | <p><b>Customer excellence</b></p> <p>Palmerston North City i-SITE was awarded the 2018 TripAdvisor certificate of excellence, alongside winning the Skycity sponsored 2018 i-SITE New Zealand Customer Service award. This is awarded to the i-SITE with the highest aggregate customer rating score across three feedback channels, TripAdvisor, Google business listing and Customer Radar.</p> <p><b>Signage Programme</b></p> <p>Four new visitor information signs in key locations have been installed in northern Manawatū. These projects are done in partnership with local community groups, and feature The Country Road map and guide, local attractions and key area information.</p>  |
| <p>Coordination and promotion of key events, with Partners, to add value to the visitor experience</p>                                     |  |   | <p><b>Event support</b></p> <p>Support of the NZ Secondary School Sports Council's Winter Tournament Week in 2018 facilitating the accommodation bookings for 3,000 competitors and visitors to the region and provision of regional information for their stay here, via the Palmerston North City i-SITE.</p> <p>Support of major events through marketing channels of more than 20,000 people, to ensure regional profiling and maximising the visitor experience. 13 events supported.</p> <p>Three major events were measured, looking at the economic impact and overall visitor experience for the region. The results showed the likelihood of visitors to these events recommending the city and region to friends and family was 70%.</p> |

\*Calculated as wins divided by wins plus losses. Does not account for bids pending, not proceeded with, cancelled or not submitted.

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

| Service Level Statement   | Performance Measure   | 2018/19                                  | Outputs/achievements Jul – Dec 18   |
|---|---|--|---|
| Through the Regional Business Partner Programme, deliver information, advice, and support to business | Number of businesses actively engaged in the Regional Business Partner Programme  | 400<br><br>Result YTD:<br>117 businesses | <p><b>Regional Business Partners</b></p> <p>Year to date CEDA has actively engaged with 255 businesses. This includes 117 businesses through the Regional Business Partner Programme, which have benefitted from receipt of a targeted action plan, aimed at guiding them towards the expertise, mentors, advice and connections to help them grow, or expand their research and development capability.</p> <p>\$155,343 in capability development vouchers were issued to 68 businesses to access expert training and business development services.</p> <p>\$432,022 in Callaghan Innovation research and development grants were awarded to businesses by way of:</p> <ul style="list-style-type: none"> <li>- Two project grants</li> <li>- Two getting started grants</li> <li>- 26 other CEDA facilitated grants including student experience, fellowship and career grants, linking tertiary students (nationally) directly to the region's businesses.</li> </ul> <p>We have also worked to develop our pool of mentors in partnership with Business Mentors New Zealand, by connecting and engaging with them, providing a platform to learn from one another, and how we work together to help businesses grow. Two Mentor connect sessions have been held year to date.</p> |
| Business Growth and Development Initiatives   | Number of unique businesses that have accessed CEDA's additional support services | 100<br><br>Result YTD:<br>138            | <p><b>Additional Support Services</b></p> <p>138 businesses have accessed CEDA's additional support services, from start-ups through to more established businesses. This includes operator support and one to many capability development workshops i.e. Artivate in conjunction with the Manawātū Art Trail and Square Edge Community Arts, where CEDA's Business Team delivered four business courses to help Art Trail artists get ready for the commercial and customer engagement opportunities brought to their doorstep with the trail.</p> <p><b>Start-up Clinics</b></p> <p>Monthly Start-up Clinics were held rotating between lunchtime and evening sessions to help new businesses and entrepreneurs with insights, information and resources aimed at taking their ideas to the next level. Five clinics have been held year to date.</p>   |



## Support the Growth of Business in the Region

| Service Level Statement  | Performance Measure   | 2018/19   | Outputs/achievements Jul – Dec 18  |
|--|---|---|--|
|  |   |   | <p><b>Westpac Manawatū Business Awards</b></p> <p>CEDA delivered the 2018 Westpac Manawatū Business Awards including facilitation of the judging process. The Awards received 115 unique nominations, 48 of which progressed through to preliminary judging, with 22 named as finalists for the Awards.</p> <p>The Gala Awards evening was held with over 390 guests in attendance.</p> <p><b>Provincial Growth Fund Support</b></p> <p>CEDA provided advice and support to 12 Provincial Growth Fund submissions by advising how they align with regional strategic priorities and providing additional information and links to the Ministry of Business, Innovation and Employment's Provincial Development Unit.</p> <p><b>Economic Updates</b></p> <p>An Economic Update was held in conjunction with the Manawatū Chamber of Commerce with a panel discussion and facilitated Q&amp;A on '<i>A future-proofing discussion: preparing for what's ahead</i>' to help businesses to better understand the commercial and growth opportunities on our near horizon, programmes in place/being developed to assist with the talent and skills we'll need, and the accommodation and services required to welcome and retain them.</p> |
| Work with local iwi to identify opportunities to unlock potential of local iwi businesses and investment | Engage with businesses that identify as Māori through the Regional Business Partner Programme | 12<br>Result YTD:<br>7                                  | <p>CEDA has employed a Business Growth Advisor Māori to have a focused approach in providing leadership and support in our engagement with Māori business.</p> <p>We have engaged with 10 businesses that identify as Māori in the year to date (this includes start-ups, businesses and entrepreneurs seeking Research and Development assistance). Seven engagements through the Regional Business Partner Programme and three additional support service engagements.</p>   |
|  | Development of a Local Iwi Engagement Strategy  | Strategy developed<br>Result YTD:<br>Strategy developed | A local Iwi Engagement Strategy has been developed to provide a clear understanding in CEDA's way forward.   |

## Support the Growth of Business in the Region

| Service Level Statement  | Performance Measure   | 2018/19   | Outputs/achievements Jul – Dec 18  |
|--|---|---|--|
|  | Ongoing engagement with Māori business support agencies/iwi representatives               | 8 engagements<br><br>Result YTD:<br>27 engagements                                      | CEDA has regular engagement with stakeholders to find mutual areas of interest and collaboration in the support of the Māori business sector and Māori entrepreneurial development:<br><br>27 engagements for the year to date were held with Te Puna Kokiri (5), Te Tihi (Whanau Ora, Manawatū) (3), Poutamu Trust (5), Te Au Pakihi (4), Ngāti Raukawa, Te Manu Atatu (6), Tū te Manawa trail developers (2) and Te Au Rangahau.<br><br>A sector development plan has been initiated to understand opportunities for growth and collaboration with key partners and to better support potential from Māori business and entrepreneurs. |
| Develop priority sectors of Distribution and Logistics, Agriculture including Foodtech, Government including Defence, Health and Education, and Digital/Technology | Development of Ag Cluster strategy  | Strategy developed<br><br>Result YTD:<br>Defining the AgTech sector                     | In partnership with the Sprout AgTech accelerator, we have initiated the development of the AgTech strategy, first defining the regional AgTech sector, and then progressing this work into a sector enablement plan. The objective is to better position Manawatū as a national and international source of AgTech expertise.   |
|  | Distribution and Logistics business attraction plan developed and initiated               | Plan initiated<br><br>Result YTD:<br>Plan initiated                                     | Worked has commenced with council and commercial landowners surrounding the proposed multimodal hub and regional freight ring road to support the development of the north east industrial park. The business attraction plan for this sector will be combined within the inward investment strategy and implementation plan.  |
|  | Partnership agreements and workplans in place with tertiary sector, and defence committee | Partnership and workplans agreed and actioned<br><br>Result YTD:<br>Agreements in place | Two Defence Issues in the Manawatū group meetings have been Chaired. The Statement of Intent has been refined and approved by all parties, and the workplan agreed.<br><br>Partnership agreements are in place with Education New Zealand, Massey University, UCOL, IPU New Zealand, and English Teaching College along with Palmerston North Girls' and Boys' High Schools, Awatapu College, St Peter's College, Freyberg High School and Feilding High School.   |
|  | Define opportunity in the Health sector   | Opportunities scoped<br><br>Result YTD:<br>To be initiated                              | Health sector scoping to commence in quarter three.  |
|  | Development of a Digital/Technology sector plan   | Plan developed<br><br>Result YTD:<br>Initiated scoping of sector                        | Digital Technology sector stocktake and scoping underway.  |



## Support the Growth of Business in the Region

| Service Level Statement  | Performance Measure   | 2018/19  | Outputs/achievements Jul – Dec 18  |
|--|---|--|--|
| Attract and retain business and investment in priority sectors             | Number of businesses assisted by CEDA to relocate to the region   | 3<br><br>Result YTD:<br>0  | <p><b>Business relocation</b></p> <p>Continued assistance with the retention of one significant business in the region. Engaged or continued to engage with six businesses around potential relocation to the region.</p> <p>Continued activity towards the development and negotiation of the proposed multi modal freight hub.</p> <p><b>Supporting new investment</b></p> <p>CEDA provided support to Zero Emission Vehicle Technologies with their delegation of key researchers and leaders from the Chongqing Vocational College of Transportation, China.</p> |
|  | Development of Inward Investment strategy and Implementation plan | Strategy and plan developed<br><br>Result YTD:<br>Strategy development initiated | Strategy development has commenced, with a full stocktake of current and historical activity undertaken.   |
| Facilitate collaboration and innovation in AgTech in partnership with BCC* | % satisfaction with BCC* support / services provided.             | 80% or higher satisfaction<br><br>Result YTD:<br>Survey to be completed          | <p>A customer satisfaction survey of services provided by The Factory is currently being reviewed.</p> <p>Innovate 2018 finals night was held in November. CEDA provided financial support to the programme, supporting finalists through an intensive training programme to scale up their businesses. CEDA also provided support through the provision of two mentors and our CE, Linda Stewart was a judge.</p>   |

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

## 4. Build an Environment conducive to Economic Growth

| Service Level Statement   | Performance Measure   | 2018/19                 | Outputs/achievements Jul – Dec 18   |
|---|---|-------------------------|---|
| Stakeholder engagement  | % of stakeholder satisfaction with the performance of CEDA          | Set baseline            | Stakeholder mapping completed (including Māori business support groups and local iwi). Stakeholder groups to be confirmed by councils for survey by year end. |
| Iwi Economy   | Iwi and wider Māori satisfaction with quality of engagement by CEDA | Set baseline            |   |
| Work plan aligned to delivery of Statement of Service Performance | Development of Business Plan  | Business Plan developed | Business unit annual plans completed  |

# 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 Palmerston North City Council and Manawatū District Council have the responsibility to report on these indicators.

| Indicator   | 2019                           | 2020                           | 2021                           | Regional target  |
|---|--------------------------------|--------------------------------|--------------------------------|--|
| Change in total number of jobs  | 1.9% increase                  | 1.9% increase                  | 1.9% increase                  | 1.9% average annual increase over three years.   |
| Change in average salaries and wages  | 2.6% increase                  | 2.6% increase                  | 2.6% increase                  | 2.6% pa increase.  |
| Change in total earnings (salaries, wages and self-employment income)                   | 3.7% increase                  | 3.7% increase                  | 3.7% increase                  | 3.7% pa increase, average annual increase of \$104 million.  |
| Change in total GDP and per capita GDP  | 1.8% GDP<br>0.6% per capita    | 1.8% GDP<br>0.6% per capita    | 1.8% GDP<br>0.6% per capita    | 1.8% average annual increase in total GDP.<br>0.6% average annual increase in per capita GDP.                |
| Estimated population change - 65 years and over population (for demographic monitoring) | 1,350 increase<br>530 increase | 1,350 increase<br>530 increase | 1,350 increase<br>530 increase | 1,350 population increase pa,<br>1.2% average increase pa.<br>Estimated 530 population increase pa, 3.3% pa. |
| Net overseas migration  | 660 gain                       | 660 gain                       | 660 gain                       | 660 average annual net migration gain.   |
| Spend by visitors in Manawatū region (domestic and international)                       | 5.7% increase                  | 5.7% increase                  | 5.7% increase                  | 5.7% pa increase, average annual increase of \$22 million.   |
| Number of visitor nights in Manawatū region   | 1.6% increase                  | 1.6% increase                  | 1.6% increase                  | 1.6% pa increase.  |
| Change in MSD benefit numbers   | 1.6% decline                   | 1.6% decline                   | 1.6% decline                   | 1.6% pa decline, average annual decline of 130 people.   |
| Reputation of Manawatū / Palmerston North as a great place to live and do business**    | 1% increase                    | 1% increase                    | 1% increase                    | 3% increase over 3 years   |

\*excludes any annual inflation increase

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





# About CEDA

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

## CEDA's Purpose and Principal Activities

The primary objective of CEDA is to drive and facilitate the creation and growth of economic wealth for Manawātū and beyond. CEDA's principal activities are directed by 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 Manawātū and beyond;
- (b) be a good employer;
- (c) exhibit a sense of social and environmental responsibility by having regard to the interests of the community in which the Company operates and by endeavouring to accommodate or encourage these when reasonably able to do so.

## CEDA's Structure and Governance

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

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

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

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

The Chief Executive 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.







# Financial Performance

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

For the 6 Months to December

| Account                                  | Notes | Jul-Dec 2018<br>(Unaudited) | Jul-Dec 2017<br>(Unaudited) | 30 Jun 2019<br>(SOI) | 30 Jun 2018<br>(Audited) |
|--|-------|-----------------------------|-----------------------------|----------------------|--------------------------|
| <b>Revenue</b>                           |       |                             |                             |                      |                          |
| Council Funding                          | 4     | 1,311,003                   | 1,295,801                   | 2,408,045            | 2,575,964                |
| Other Services Revenue                   |       | 394,000                     | 399,991                     | 740,652              | 792,703                  |
| Project Revenue                          |       | 171,383                     | 123,825                     | 457,142              | 394,050                  |
| Major Event Fund Revenue                 |       | 0                           | 57,000                      | 100,000              | 65,000                   |
| <b>Total Revenue</b>                     |       | <b>1,876,386</b>            | <b>1,876,617</b>            | <b>3,705,839</b>     | <b>3,827,717</b>         |
| <b>Cost of Sales</b>                     |       |                             |                             |                      |                          |
| Other Services Expenses                  |       | 419,276                     | 395,044                     | 862,826              | 811,780                  |
| Project Expenses                         |       | 267,716                     | 195,296                     | 559,542              | 621,270                  |
| Major Event Fund allocations             |       | 0                           | 57,000                      | 100,000              | 65,000                   |
| <b>Total Cost of Sales</b>               |       | <b>686,993</b>              | <b>647,340</b>              | <b>1,522,368</b>     | <b>1,498,051</b>         |
| <b>Gross Surplus (Deficit)</b>           |       | <b>1,189,393</b>            | <b>1,229,278</b>            | <b>2,183,471</b>     | <b>2,329,667</b>         |
| <b>Other Revenue</b>                     |       |                             |                             |                      |                          |
| Interest Revenue                         |       | 9,615                       | 10,074                      | 18,000               | 20,177                   |
| Sundry Revenue                           |       | 373                         | 3,430                       | 880                  | 7,466                    |
| <b>Total Other Revenue</b>               |       | <b>9,988</b>                | <b>13,504</b>               | <b>18,880</b>        | <b>27,643</b>            |
| <b>Expenses</b>                          |       |                             |                             |                      |                          |
| Depreciation                             |       | 13,071                      | 12,741                      | 21,000               | 27,081                   |
| Directors' Fees                          |       | 90,000                      | 77,500                      | 180,000              | 168,390                  |
| Employee Expense                         | 5     | 834,534                     | 729,960                     | 1,931,715            | 1,475,802                |
| Financing Expenses                       |       | 410                         | 143                         | 500                  | 4,979                    |
| Other Operating Expenses                 | 6     | 189,421                     | 218,563                     | 312,172              | 497,562                  |
| <b>Total Expenses</b>                    |       | <b>1,127,435</b>            | <b>1,038,908</b>            | <b>2,445,387</b>     | <b>2,173,815</b>         |
| <b>Surplus (Deficit) Before Taxation</b> |       | <b>71,946</b>               | <b>203,874</b>              | <b>(243,036)</b>     | <b>183,495</b>           |

## Financial Performance

| Account   | Notes | Jul-Dec 2018<br>(Unaudited) | Jul-Dec 2017<br>(Unaudited) | 30 Jun 2019<br>(SOI) | 30 Jun 2018<br>(Audited) |
|---|-------|-----------------------------|-----------------------------|----------------------|--------------------------|
| <b>Taxation</b>   |       |                             |                             |                      |                          |
| Income Tax Expense  | 7     | 20,144                      | 83,590                      | 0                    | 48,797                   |
| <b>Total Taxation</b>   |       | <b>20,144</b>               | <b>83,590</b>               | <b>0</b>             | <b>48,797</b>            |
| <b>Surplus (Deficit) after tax</b>                              |       | <b>51,802</b>               | <b>120,284</b>              | <b>(243,036)</b>     | <b>134,698</b>           |
| <b>Other comprehensive revenue and expense</b>                  |       |                             |                             |                      |                          |
| Items that could be reclassified to surplus (deficit)           |       | 0                           | 0                           | 0                    | 0                        |
| <b>Total Other comprehensive revenue and expense</b>            |       | <b>0</b>                    | <b>0</b>                    | <b>0</b>             | <b>0</b>                 |
| <b>Total comprehensive revenue and expense</b>                  |       |                             |                             |                      |                          |
| Total comprehensive revenue and expense                         |       | 51,802                      | 120,284                     | (243,036)            | 134,698                  |
| <b>Total comprehensive revenue and expense attributable to:</b> |       |                             |                             |                      |                          |
| Palmerston North City Council                                   |       | 25,901                      | 60,142                      | (121,518)            | 67,349                   |
| Manawatū District Council                                       |       | 25,901                      | 60,142                      | (121,518)            | 67,349                   |
| <b>Total comprehensive revenue and expenses</b>                 |       | <b>51,802</b>               | <b>120,284</b>              | <b>(243,036)</b>     | <b>134,698</b>           |

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

Variations on comparatives from the previous Half Yearly Report, December 2017 are due to asset capitalisation, lease reclassification and adjustments as part of the year end process. Income tax expense for December 2017 calculated prior to reclassification of BCC expenditure resulting in a reduced tax expenses in December 2017 to a total of \$57,085.

## Financial Performance

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

As at 31 December

| Account                          | Notes | 31 Dec 2018<br>(Unaudited) | 31 Dec 2017<br>(Unaudited) | 30 Jun 2019<br>(SOI) | 30 Jun 2018<br>(Audited) |
|----------------------------------|-------|----------------------------|----------------------------|----------------------|--------------------------|
| <b>Assets</b>                    |       |                            |                            |                      |                          |
| <b>Current Assets</b>            |       |                            |                            |                      |                          |
| Cash and Cash Equivalents        | 8     | 1,195,955                  | 1,422,470                  | 1,023,792            | 1,180,967                |
| Receivables and Accruals         | 9     | 173,754                    | 122,091                    | 345,707              | 138,300                  |
| Prepayments                      |       | 5,757                      | 5,517                      | 5,517                | 18,921                   |
| Inventories                      | 10    | 13,721                     | 12,265                     | 12,265               | 14,663                   |
| <b>Total Current Assets</b>      |       | <b>1,389,187</b>           | <b>1,562,343</b>           | <b>1,387,281</b>     | <b>1,352,851</b>         |
| <b>Non-Current Assets</b>        |       |                            |                            |                      |                          |
| Property, Plant and Equipment    | 11    | 91,729                     | 82,445                     | 44,768               | 91,276                   |
| <b>Total Non-Current Assets</b>  |       | <b>91,729</b>              | <b>82,445</b>              | <b>44,768</b>        | <b>91,276</b>            |
| <b>Total Assets</b>              |       | <b>1,480,916</b>           | <b>1,644,788</b>           | <b>1,432,049</b>     | <b>1,444,127</b>         |
| <b>Liabilities</b>               |       |                            |                            |                      |                          |
| <b>Current Liabilities</b>       |       |                            |                            |                      |                          |
| Payables and Deferred Revenue    | 12    | 301,048                    | 529,851                    | 512,214              | 331,373                  |
| Employee Entitlements            |       | 55,419                     | 51,819                     | 51,819               | 58,706                   |
| Other Current Liabilities        |       | 52,286                     | 57,171                     | 29,609               | 33,686                   |
| <b>Total Current Liabilities</b> |       | <b>408,753</b>             | <b>638,841</b>             | <b>593,669</b>       | <b>423,765</b>           |
| <b>Total Liabilities</b>         |       | <b>408,753</b>             | <b>638,841</b>             | <b>593,669</b>       | <b>423,765</b>           |
| <b>Net Assets</b>                |       | <b>1,072,163</b>           | <b>1,005,947</b>           | <b>838,380</b>       | <b>1,020,361</b>         |
| <b>Equity</b>                    |       |                            |                            |                      |                          |
| Contributed Capital              | 13    | 1,000                      | 1,000                      | 1,000                | 1,000                    |
| Retained Earnings                |       | 1,071,163                  | 1,004,947                  | 837,380              | 1,019,361                |
| <b>Total Equity</b>              |       | <b>1,072,163</b>           | <b>1,005,947</b>           | <b>838,380</b>       | <b>1,020,361</b>         |

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

Variations on comparatives from the previous Half Yearly Report, December 2017 are due to asset capitalisation, lease reclassification and adjustments as part of the year end process.



## Financial Performance

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

For the 6 Months to December

| Account   | Jul-Dec 2018<br>(Unaudited) | Jul-Dec 2017<br>(Unaudited) | 30 June 2019<br>(SOI) | 30 Jun 2018<br>(Audited) |
|---|-----------------------------|-----------------------------|-----------------------|--------------------------|
| <b>Equity</b>   |                             |                             |                       |                          |
| Opening Balance   | 1,020,361                   | 885,663                     | 1,081,416             | 885,663                  |
| <b>Increases</b>  |                             |                             |                       |                          |
| Total comprehensive revenue and expense for the period          | 51,802                      | 120,284                     | (243,036)             | 134,698                  |
| <b>Total Increases</b>  | <b>51,802</b>               | <b>120,284</b>              | <b>(243,036)</b>      | <b>134,698</b>           |
| <b>Total Equity</b>   | <b>1,072,163</b>            | <b>1,005,947</b>            | <b>838,380</b>        | <b>1,020,361</b>         |
| <b>Total comprehensive revenue and expense attributable to:</b> |                             |                             |                       |                          |
| Palmerston North City Council                                   | 536,082                     | 502,974                     | 419,190               | 510,181                  |
| Manawatū District Council                                       | 536,082                     | 502,974                     | 419,190               | 510,181                  |
| <b>Total comprehensive revenue and expense</b>                  | <b>1,072,163</b>            | <b>1,005,947</b>            | <b>838,800</b>        | <b>1,020,361</b>         |

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

Variations on comparatives from the previous Half Yearly Report, December 2017 are due to asset capitalisation, lease reclassification and adjustments as part of the year end process.

## Financial Performance

### Central Economic Development Agency Limited Statement of Cash Flows

For the 6 Months to December

| Account  | Jul-Dec 2018<br>(Unaudited) | Jul-Dec 2017<br>(Unaudited) | 30 June 2019<br>(SOI) | 30 Jun 2018<br>(Audited) |
|--|-----------------------------|-----------------------------|-----------------------|--------------------------|
| <b>Cash Flows from Operating Activities</b>          |                             |                             |                       |                          |
| Receipts of council funding                          | 1,386,003                   | 1,435,801                   | 2,573,454             | 2,806,602                |
| Interest received                                    | 6,957                       | 7,181                       | 20,700                | 18,258                   |
| Receipts from other operating activities             | 789,750                     | 795,116                     | 1,356,640             | 1,559,110                |
| Income tax refunded/(paid)                           | (8,282)                     | (24,992)                    | 0                     | (124,974)                |
| GST  | 21,428                      | 55,285                      | (238,245)             | 7,360                    |
| Payments to suppliers and employees                  | (2,152,532)                 | (1,941,443)                 | (4,302,233)           | (4,170,780)              |
| Finance costs  | (410)                       | (143)                       | (500)                 | (4,979)                  |
| <b>Total Cash Flows from Operating Activities</b>    | <b>42,914</b>               | <b>326,805</b>              | <b>(590,184)</b>      | <b>90,597</b>            |
| <b>Cash Flows from Investing Activities</b>          |                             |                             |                       |                          |
| Proceeds from sales of property, plant and equipment | 0                           | 200                         | 0                     | 350                      |
| Payment for property, plant and equipment            | (27,925)                    | (8,773)                     | 0                     | (14,218)                 |
| <b>Total Cash Flows from Investing Activities</b>    | <b>(27,925)</b>             | <b>(8,573)</b>              | <b>0</b>              | <b>(13,868)</b>          |
| <b>Net Cash Flows</b>                                | <b>14,989</b>               | <b>318,232</b>              | <b>(590,184)</b>      | <b>76,729</b>            |
| <b>Cash Balances</b>                                 |                             |                             |                       |                          |
| Cash and cash equivalents at beginning of period     | 1,180,967                   | 1,104,238                   | 1,613,976             | 1,104,238                |
| Cash and cash equivalents at end of period           | 1,195,955                   | 1,422,470                   | 1,023,792             | 1,180,967                |
| <b>Net change in cash for period</b>                 | <b>14,989</b>               | <b>318,232</b>              | <b>(590,184)</b>      | <b>76,729</b>            |

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

Variations on comparatives from the previous Half Yearly Report, December 2017 are due to asset capitalisation, lease reclassification and adjustments as part of the year end process.





# Appendices

## 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 Manawatū 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 6 months ended 31 December 2018.

### 2. Statement of Accounting Policies

#### Basis of Preparation

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

#### Statement of Compliance

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

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

#### Presentation Currency

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

#### Historical Cost

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

#### Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

#### Revenue Recognition

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

## Accounting Policies

Specific accounting policies for significant revenue items are explained below:

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

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

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

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

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

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

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

### Inventories

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

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

### Property, Plant and Equipment

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

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

### Depreciation

| Account                      | Method            | Rate      |
|------------------------------|-------------------|-----------|
| Leasehold Improvements       | Diminishing Value | 10% - 40% |
| Office Furniture & Equipment | Diminishing Value | 0% - 67%  |
| Office Furniture & Equipment | Straight Line     | 10.5%     |
| Plant & Equipment            | Diminishing Value | 10% - 20% |
| Vehicles                     | Diminishing Value | 30%       |
| Websites                     | Straight Line     | 40%       |

## Accounting Policies

From 1 July 2018 all Office Furniture and Equipment purchases (excluding computer/IT equipment) has been depreciated using the straight line method of depreciation to better represent the reduction of the value of these assets over their useful life. This change will apply to all purchases of Office Equipment and Furniture (excluding Computer equipment) in future accounting periods.

As this change is a change in accounting estimates, no changes have been made to previously purchased assets in prior financial years, or the depreciate method on these assets in the current or future years.

### 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



## Accounting Policies

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.

## Accounting Policies

### Leases - Where CEDA is the Lessee

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

### Critical accounting estimates and assumptions

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

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

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

#### *Critical judgements in applying accounting policies*

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

- Funding received – refer to Note 4.

### 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.

| Account                       | Jul-Dec 2018 | Jul-Dec 2017 |
|-------------------------------|--------------|--------------|
| <b>4. Council Funding</b>     |              |              |
| Palmerston North City Council | (1,000,004)  | (996,538)    |
| Manawatū District Council     | (311,000)    | (299,263)    |
| Total Council Funding         | (1,311,003)  | (1,295,801)  |

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

## Accounting Policies

| Account  | Jul-Dec 2018  | Jul-Dec 2017   |
|--|---------------|----------------|
| <b>Council Funding included in Project Revenue</b>       |               |                |
| Palmerston North City Council                            | 27,521        | 128,881        |
| Manawatū District Council                                | 4,234         | 26,236         |
| <b>Total Council Funding included in Project Revenue</b> | <b>31,755</b> | <b>155,117</b> |

Critical judgements in applying accounting policies - funding received

CEDA must exercise judgement when recognising project revenue to determine when conditions of the funding contract have been satisfied. As at 31 December 2018 \$43,245 (2017:\$94,219) 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                 | 810,408        | 711,241        |
| Employer contribution to KiwiSaver | 20,525         | 18,796         |
| Movement in employee entitlements  | 3,600          | (77)           |
| <b>Total Employee Expenses</b>     | <b>834,534</b> | <b>729,960</b> |

### 6. Other Operating Expenses

|   |                |                |
|---|----------------|----------------|
| Fees to Audit New Zealand for the audit of the financial statements | 9,836          | 9,711          |
| Consultants and legal fees  | 8,011          | 5,475          |
| Other operating expenses  | 171,573        | 203,376        |
| <b>Total Other Operating Expenses</b>                               | <b>189,421</b> | <b>218,563</b> |

### 7. Income Tax Expense

|                                   |               |               |
|-----------------------------------|---------------|---------------|
| Net Profit (Loss) Before Tax      | 71,946        | 203,874       |
| <b>Tax at 28%</b>                 | <b>20,145</b> | <b>57,085</b> |
| <b>Plus (less) tax effect of:</b> |               |               |
| Non deductible expenditure        | 0             | 0             |
| Non-taxable income                | 0             | 0             |
| Tax loss not recognised           | 0             | 0             |
| Deferred tax adjustment           | 0             | 0             |
| <b>Tax expense</b>                | <b>20,145</b> | <b>57,085</b> |

Change in 2017 comparative tax amount - Income tax expense for December 2017 was previously calculated prior to reclassification of BCC expenditure resulting in a reduced tax expenses in December 2017 of \$57,085.



## Accounting Policies

| Account  | Jul-Dec 2018     | Jul-Dec 2017     |
|--|------------------|------------------|
| <b>Components of tax expense</b>               |                  |                  |
| Current year                                   | 20,145           | 0                |
| Deferred tax                                   | 0                | 0                |
| <b>Total Deductions from Tax Payable</b>       | <b>20,145</b>    | <b>0</b>         |
| <b>8. Cash and Cash equivalents</b>            |                  |                  |
| CEDA Current Account                           | 113,685          | 198,170          |
| CEDA Money Market Account                      | 1,000,000        | 1,050,000        |
| CEDA Trust Account                             | 81,471           | 173,500          |
| i-SITE Petty Cash                              | 800              | 800              |
| <b>Total Cash and Cash equivalents</b>         | <b>1,195,955</b> | <b>1,422,470</b> |
| <b>9. Receivables and Accruals</b>             |                  |                  |
| Accounts Receivable                            | 133,706          | 121,940          |
| Less: Provision for impairment                 | 0                | 0                |
| Accrued Interest                               | 48               | 151              |
| Funding Accruals                               | 40,000           | 0                |
| <b>Total Receivables and Accruals</b>          | <b>173,754</b>   | <b>122,091</b>   |
| <b>Total Receivables and Accruals Comprise</b> |                  |                  |
| Receivables from exchange transactions         | 67,348           | 9,685            |
| Receivables from non-exchange transactions     | 106,406          | 112,406          |
| <b>Total Receivables and Accruals Comprise</b> | <b>173,754</b>   | <b>122,091</b>   |
| <b>10. Inventory</b>                           |                  |                  |
| i-SITE Retail Stock                            | 13,721           | 12,265           |
| <b>Total Inventory</b>                         | <b>13,721</b>    | <b>12,265</b>    |

No inventories are pledged as security for liabilities.

## Accounting Policies

### 11. Property, Plant & Equipment

|                              | Opening Value  | Accum Depn      | Carrying Amount | Additions     | Disposals | Depn            | Closing Value  | Accum Depn      | Carrying Amount |
|------------------------------|----------------|-----------------|-----------------|---------------|-----------|-----------------|----------------|-----------------|-----------------|
| Leasehold Equipment          | 19,093         | (4,101)         | 14,992          | 3,307         | -         | (970)           | 22,401         | (5,071)         | 14,022          |
| Office Furniture & Equipment | 71,956         | (30,993)        | 40,963          | 692           | -         | (5,226)         | 72,648         | (36,220)        | 35,736          |
| Plant & Equipment            | 26,257         | (4,360)         | 21,897          | 9,525         | -         | (1,725)         | 35,783         | (6,085)         | 20,173          |
| Vehicles                     | 20,382         | (9,682)         | 10,701          | -             | -         | (1,605)         | 20,382         | (11,287)        | 9,096           |
| Websites                     | 17,725         | (1,478)         | 16,248          | -             | -         | (3,545)         | 17,725         | (5,023)         | 12,703          |
| <b>Total</b>                 | <b>155,414</b> | <b>(50,613)</b> | <b>104,801</b>  | <b>13,525</b> | <b>-</b>  | <b>(13,071)</b> | <b>168,939</b> | <b>(63,684)</b> | <b>91,729</b>   |

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

| Account  | Jul-Dec 2018   | Jul-Dec 2017   |
|--|----------------|----------------|
| <b>12. Payables and Deferred Income</b>            |                |                |
| Accounts Payable                                   | 44,529         | 195,377        |
| Accruals General                                   | 142,992        | 54,997         |
| Funding in Advance                                 | 10,582         | 10,313         |
| Funding in Advance - Major Events Fund             | 0              | 8,000          |
| Funding in Advance - NZ AgriFood Week              | 43,245         | 35,905         |
| Funding in Advance - International Education       | 0              | 40,000         |
| GST  | 52,915         | 56,781         |
| Income Tax   | 2,333          | 127,032        |
| Operations Credit Card                             | 4,454          | 1,445          |
| <b>Total Payables and Deferred Income</b>          | <b>301,049</b> | <b>529,851</b> |
| <b>Total Payables and Deferred Income Comprise</b> |                |                |
| Payables under exchange transactions               | 71,229         | 182,371        |
| Payables under non-exchange transactions           | 229,820        | 347,480        |
| <b>Total Payables and Deferred Income Comprise</b> | <b>301,049</b> | <b>529,851</b> |

## Accounting Policies

| Account                        | Jul-Dec 2018     | Jul-Dec 2017     |
|--------------------------------|------------------|------------------|
| <b>13. Equity</b>              |                  |                  |
| <b>Share Capital</b>           |                  |                  |
| Opening Balance                | 1,000            | 1,000            |
| <b>Total Share Capital</b>     | <b>1,000</b>     | <b>1,000</b>     |
| <b>Retained Earnings</b>       |                  |                  |
| Opening Balance                | 1,019,361        | 884,663          |
| Current Year Earnings          | 51,802           | 120,284          |
| <b>Total Retained Earnings</b> | <b>1,071,163</b> | <b>1,004,947</b> |
| <b>Total Equity</b>            | <b>1,072,163</b> | <b>1,005,947</b> |

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

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

### 14. Key personnel compensation

| Directors                    | 2018   | 2017   |
|------------------------------|--------|--------|
| Remuneration                 | 90,000 | 77,500 |
| Full-time equivalent members | 6      | 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.

### 15. Related Parties

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

All transactions conducted with related parties, other than as detailed below, have been under normal supplier/client relationship terms and at arm's length.

#### Revenue

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

#### Accounts Receivable

|                                  |               |          |
|----------------------------------|---------------|----------|
| Westpac                          | 28,750        | 0        |
| <b>Total Accounts Receivable</b> | <b>28,750</b> | <b>0</b> |



## Accounting Policies

| Account  | Jul-Dec 2018     | Jul-Dec 2017     |
|--|------------------|------------------|
| <b>16. Financial Instruments</b>                     |                  |                  |
| <b>Financial Assets</b>                              |                  |                  |
| <b>Loans and Receivables</b>                         |                  |                  |
| Accounts Receivable                                  | 133,706          | 121,940          |
| Accrued Interest                                     | 48               | 151              |
| Cash and cash equivalents                            | 1,195,955        | 1,422,470        |
| Funding Accruals                                     | 40,000           | 0                |
| <b>Total Loans and Receivables</b>                   | <b>1,369,709</b> | <b>1,544,561</b> |
| <b>Total Financial Assets</b>                        | <b>1,369,709</b> | <b>1,544,561</b> |
| <b>Financial Liabilities</b>                         |                  |                  |
| <b>Financial Liabilities at amortised cost</b>       |                  |                  |
| Payables   | (247,222)        | (442,460)        |
| Unsettled Tickets                                    | (52,286)         | (57,171)         |
| <b>Total Financial Liabilities at amortised cost</b> | <b>(299,508)</b> | <b>(499,631)</b> |
| <b>Total Financial Liabilities</b>                   | <b>(299,508)</b> | <b>(499,631)</b> |

### 17. Operating leases as lessee

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

| <b>Operating leases as lessee</b>                 |                |                |
|---|----------------|----------------|
| Not later than one year                           | 128,013        | 129,011        |
| Later than one year and not later than five years | 49,177         | 126,915        |
| Later than five years                             | 0              | 0              |
| <b>Total non-cancellable operating leases</b>     | <b>177,190</b> | <b>255,926</b> |

The i-SITE building is rented from the Palmerston North City Council. The lease expires on 31 August 2019, with three rights of renewal of three years each. This disclosure has included the lease payments up to the expiry date of 31 August 2019 as it is uncertain as to whether CEDA will exercise the option to renew the lease.

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

### 18. Events after balance date

There are no significant events after balance date.

# Partner Organisations

## Current partner organisations that CEDA works with:

### Local

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

### National

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

### Regional

Accelerate25  
Business Central  
Horizons Regional Council  
Horowhenua District Council  
Ruapehu District Council  
Rangitikei District Council  
Taranaki District Council  
Whanganui and Partners  
Whanganui Chamber of Commerce  
Whanganui District Council







# CEDA

CENTRAL ECONOMIC  
DEVELOPMENT AGENCY