



# Central Economic Development Agency Limited

## Pūrongo Tau Haurua Half Yearly Report

to 31 December 2023

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## Company Directory

### Central Economic Development Agency Limited Ltd

Level 1, 5 Broadway Ave  
Palmerston North 4410

Phone: 06 350 1830

Website: [CEDA.nz](http://CEDA.nz)

### Chief Executive

Jeremy Shearman (Jerry)

### Directors

Robyn O'Fee (Bobbie) - Chairperson

Paul Bayly

Kathleen Brosnahan (Katie)

Margharita Mare (Margy)

David Norman

Robbie Pickford

### Registered Office

Morrison Creed Advisory

236 Broadway Avenue, Palmerston North

### Bankers

Westpac New Zealand Ltd

### Auditors

Grant Thornton New Zealand Audit Limited (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.

# Pūrongo Ngātahi a te Heamana me te Tumuaki

## Joint Report of Chairman and Chief Executive

Tēnā koutou katoa

The New Zealand and regional economy have proven incredibly resilient to the pressures of the last few years with employment, earnings, and economic activity well above earlier expectations. In the region, our strong economic performance has been driven by the diversity of our regional economy and underpinned by our large public sector, growth in our construction and logistics and distribution sectors, and our excellence in food production. Business sentiment remains mainly positive for the longer-term outlook, and there are certainly positive signs that we will start to see improving conditions for businesses as we move through 2024.

With a refreshed vision statement and goals for the region, we have continued to focus on the key pillars of People, Place, and Business as we work on supporting the economic positioning of the region. Leveraging off key economic growth projects we seek opportunities for existing businesses to grow, as well as attracting new business, visitors, talent, and investment to the region. This can only be done through collaboration and working in partnership with our shareholders, iwi, stakeholders and regional businesses to enable sustainable growth for Manawatū.

Te Utanganui - Central New Zealand Distribution Hub, continues to be a key project for our region and for central New Zealand with the work in advocacy and communication, inward investment and

acceleration, and master planning all progressing well. A number of investors are showing interest in the project and with a refreshed governance and implementation focus in place, key elements of the project are set to enable that investment to materialise. This is a complex multi-agency programme of work, providing medium to long-term outcomes for our region and for the national transport and freight network. Key to this is the establishment of a Te Utanganui Programme Director role that will be stood up in early 2024.

The Manawatū Regional Food Strategy was completed in October and launched in December delivering three overarching enduring priorities, and 13 strategic imperatives across the near, medium, and long-term. This strategy sets a shared vision, ensuring a bright future for the food and agriculture ecosystem here, guiding stakeholders from all corners of the sector. The success of the strategy, though, relies on the focused implementation plan, which is currently underway. CEDA is well positioned to coordinate this implementation with a collaborative approach uniting the entire food value web network.

Our work in business attraction, retention and expansion has focused on increased targeted engagements across the business community to deliver business growth and capability through our suite of tools, including the Regional Business Partner Programme. An enhanced focus on sector development and the talent pipeline, further underpins the focus we have on future proofing our region for business and talent, through a number of initiatives.

The team at CEDA continues our focus on retaining talent in the region by working with businesses and partners. We support pathways to learning through the New Zealand Careers Expo which is to be held in May 2024 and we have been working with ManawaTech to bring the Summer of Tech recruitment platform for Manawatū, which is set to launch in early 2024. CEDA also plays a key role in working with regional and government partners to provide

intel and advice for workforce planning needs.

We're one year into delivery of the Manawatū Destination Management Plan, which sets out the strategic direction for the region's visitor economy. Progress continues across multiple activities from advocating for infrastructure growth, working collaboratively to target markets that align with our region's offerings, and working on product development opportunities such as Te Āpiti - Manawatū Gorge.

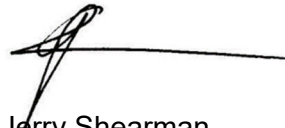
We are looking forward to delivering on our outcomes for the region over the next six months. Our ongoing work with our shareholders, iwi, partners and stakeholders will continue to be crucial, and we value and appreciate these highly productive relationships. The ambitions and aspirations of Manawatū rely on us all working together.

***He rau ringa e oti ai – Many hands make light work***

Ngā mihi nui ki a koutou katoa,



Bobbie O'Fee  
Chairperson



Jerry Shearman  
Chief Executive

# Tā Mātou Mahere Arorau Our Intervention Logic

CEDA operates within a simplified intervention logic that shows the connection between the programmes of work and activities undertaken, and the desired outcomes for the region. This is supported by key performance indicators in the Statement of Service Performance table, project deliverables, and through the measurement of stakeholder and client satisfaction. Together these form the basis of CEDA’s accountability and performance reporting. Long-term regional outcomes are also monitored through regional monitoring indicators measured by CEDA’s shareholders (see page 17).

VISION			
Manawatū: Ko te rohe tino ahu whakamua o Aotearoa hei te 2030 <b>Manawatū: New Zealand’s most progressive region 2030</b>			
GOALS			
<ul style="list-style-type: none"> <li>• Manawatū is renowned for its exceptional lifestyle, competitive advantages, and is a magnet for investment, business, talent and visitors</li> <li>• Manawatū is a world leading agrihub</li> <li>• Manawatū is a leading distribution hub, and leverages off its role in central New Zealand</li> </ul>			
STRATEGIC PILLARS	Business	People	Place
STATEMENT OF INTENT OUTCOMES	Attract, retain, and develop, business and investment in the region	Attract, retain, and develop talent in the region	Profile the region to attract people, business, and investment
PROJECTS/ACTIVITIES STRATEGIES	<ul style="list-style-type: none"> <li>• Te Utanganui Central New Zealand Distribution Hub Strategy</li> <li>• Manawatū Food Strategy</li> <li>• Inward Investment Framework</li> <li>• Destination Management Plan</li> <li>• Sector development</li> <li>• Business Attraction, Retention and Expansion</li> <li>• Start-up and innovation support</li> </ul>	<ul style="list-style-type: none"> <li>• Talent &amp; Skills attraction and retention</li> <li>• Profiling the region</li> <li>• Success stories and business profiles</li> <li>• Talent and workplace development</li> <li>• Integrated industry groups</li> <li>• Pathways to employment</li> </ul>	<ul style="list-style-type: none"> <li>• Regional Identity</li> <li>• PR Machine</li> <li>• Featuring the region through media</li> <li>• Direct media features</li> <li>• ManawatuNZ.co.nz and social media engagement</li> </ul>
Partnerships – The connections that make our region tick			
STATEMENT OF INTENT OUTCOMES		PROJECTS/ACTIVITIES	
Lead inclusive and sustainable economic development for the region		Partnership agreements with key partners and iwi, outcomes aligned with partnership and funding agreements, iwi lead projects, Rangitāne o Manawatū Māori Tourism Strategy, research, data and insights, economic updates, stakeholder and business community e-newsletters, reporting and legislative requirements.	

## **Whakamaneatia, puritia, whakawhanaketia ngā pakihi me ngā haumitanga ki roto i te rohe**

### **Attract, retain, and develop business and investment in the region**

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

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Support the development and growth of business and sectors of strength in the region including inward investment

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#### **Inward Investment Strategy implementation, with regional partners to attract investment to the region**

### **Te Utanganui - Central New Zealand Distribution Hub**

Work to raise the profile and support the development of funding opportunities has continued with confirmation of Te Utanganui as part of the New Zealand Transport and Logistics network solution through advocacy with the sector, potential investors, and partners. This included presentations at KiwiRail's two-day strategic workshop, Napier Port's launch of their new supply chain service over three locations, and at the Taituarā branch meeting (regional chapter of Local Government New Zealand).

CEDA also hosted a number of international visits including the British High Commission.

Continuation of efforts to seek investment into Te Utanganui has included opportunities to present to a wide range of stakeholders at the 2023 Asia Pacific Cities Summit and Mayors' Forum in Brisbane, along with hosting a number of potential investors in the region. Potential opportunities for inward investment continued to be strong with engagement with a finance institution, the infrastructure and construction sector and, partnering with Palmerston North Airport, a strong bid to be the Air New Zealand Next Gen host for a freight demonstration airport.

### **Manawatū Regional Food Strategy**

The strategy was completed in late 2023 and was launched in collaboration with FoodHQ in mid-December. An implementation plan was confirmed for the year with four projects currently underway aligned to the strategic imperatives coming out of the strategy. CEDA has the lead on two of these projects, in delivery of the BOMA E Tipu conference and promotion of the local food culture, and is working with two regional partners on outcomes around alternative proteins, and talent and skills in the vocational training sector.

### **Supporting investment opportunities**

CEDA has identified ten additional inward investment leads in the year to date outside of Te Utanganui. Eight of these leads are currently active and include five general investment opportunities and three in the visitor sector. These vary across a range of opportunities, including hotel investment, the finance sector, renewable energy, and work to attract new investment to existing vacant industrial space as part of the Manawatū Regional Food Strategy.

## Developing our priority sectors through targeted business development and retention initiatives

### Destination Management Plan

Following the refresh and communication of the Plan, three key projects have been progressed alongside several of the recommendations and strategic initiatives which have informed our marketing, insights and inward investment approach including ongoing support of Te Āpiti - Manawatū Gorge, and the Gorge Quarter development.

**Developing Trade Ready experiences**, CEDA hosted Tourism New Zealand in the region as part of a tri-regional famil, which included Manawatū, Whanganui and Taranaki. This visit was designed to further build our relationship with Tourism New Zealand, while ‘testing’ out some of our experiences with a view to developing them for the offshore travel trade space. The overall experiences were very well received, with the arts and culture experiences coupled with the food stories singled out for special mention. Feedback has been passed on to participating businesses, including commentary on their travel trade readiness.

**Gardens Cluster project** commenced in response to the insights from CEDA’s Visitor Segmentation Report. The first phase of development started with a two-week pilot festival programme in the middle of November. The festival included a cluster of events and a visitor trail of seven gardens throughout the region. A post-event survey was undertaken to evaluate the impact of the festival and to inform planning for the next programme scheduled for next year. CEDA curated a digital hub to showcase the key events and gardens to visit and promoted this through a targeted digital campaign which received over 6,500 visits during the 18-day campaign period.

**Manawatū Scenic Route** has seen further enhancement with work undertaken to improve the visitor experience, by working with the Rangiwahia community on the development of new, and refreshed signage in and around the key walks in the village. The most northern Manawatū village on the official scenic route, Rangiwahia is a key gateway for visitors to the region, especially for groups and motorhome enthusiasts. Signage has been co-developed and installed to provide clearer way finding information and local insights around the Rangiwahia Scenic Reserve and Kaikawaka Scenic Reserve.

**Coastal Arts Trail** project has continued at a slower pace due to external funding concluding in June 2023. CEDA has been working alongside the Taranaki and Whanganui economic development agencies to share resources in the short term to enable the trail to work towards a financially independent operating model. Future development initiatives currently being explored include a membership approach and a trail-wide system for collecting visitor data.

### Sector Development

**Sustainable is Attainable Project** proposal, to support the development of circular economy principles in the primary sector has been developed. The project seeks to diversify the local and national economy by building capability in the food reuse industry within the Manawatū district with a view to expanding into the wider region, with potential to service areas throughout central New Zealand. CEDA has developed and provided a letter of support alongside funding applications to progress the project.

### **Accommodation Sector Capability and Enhancement**

through an Accommodation Sector Workshop to develop the sector and secure future visitor attraction in the region will be hosted in early 2024 and planning is well under way. Participants and key invitees within the sector have all been identified and invites has been shared. Content planning is being developed in preparation for the work.

**Agritourism Accelerator Programme cohort one** was concluded in September. This program focused on the opportunities of diversification into the visitor sector for existing primary sector businesses through the identification, setup and development of agritourism operations. A total of 23 businesses were part of this cohort, which saw a wide depth of topics covered. The programme has provided key resources for participants to support them to further develop their ideas and operations. Planning is underway for a second cohort.

## **Business Engagement and Support**

**Business engagements** with a total of 308 businesses have been completed in the year to date. This includes the support of business attraction, retention, and expansion in the region, small to medium enterprises, and innovation support, and covers a range of sectors and industries.

**Business Attraction, Retention and Expansion strategy** implementation continues through planned engagement of 150 identified key businesses in the region, and through targeted sector support with businesses within the region's sectors of strength. The purpose of the engagements is to identify investment opportunities, and support expansion and retention of businesses in the region. In the year to date, 33 business engagements and 81 sector support business engagements have been completed.

**Small and medium enterprises supported** though 197 businesses engagements in the year to date including 22 Māori businesses, through the Regional Business Partner Programme and seventeen Business Mentors New Zealand mentor matches. A total of 154 individual businesses were actively engaged in the Regional Business Partner Programme, with capability funding of \$84,474 issued.

## **Supporting, Innovation and Startups**

**Partnerships with The Factory and Sprout Agritech** continue to support and accelerate tech start-ups and entrepreneurs including the Factory Start-up 101 and Innovate programme and the Sprout Accelerator cohorts.

The Factory's programme of work supported 24 businesses through its pre-incubation Start-up programme and five new businesses through the Innovate incubation programme with a total of \$500,000 of investment raised to support businesses coming through the pipeline.

Sprouts Cohort XI of their Accelerator Programme saw a wide range of entrepreneurs enter, from technology to create a zero-waste plant-based milk, to sheep's wool growing media, and a machine vision enabled platform to detect, count, and spray cows. There were 13 businesses involved in this latest accelerator, with a mix of food and agri tech.

**61 businesses supported with Research and Development** through Callaghan Innovation programmes, with four of these businesses being new startups. 54 grant applications were submitted with 41 accepted, and a total of \$925,000 of grants issued.



## Whakamaneatia, puritia, whakawhanaketia ngā iho pūmanawa ki roto i te rohe

### Attract, retain, and develop talent in the region

Through our data and research, we know that one of the biggest challenges to business growth in the region is the ability to attract the right people for the job. The development of a talent pipeline for the region that includes the attraction of those with the skills and experience our businesses need now and, in the future, the support of existing businesses and attraction of new businesses that create jobs in the region, and initiatives that support youth into employment is key to the region being able to grow and prosper.

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

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### Lead and support the ‘Manawatu Talent and Skills Framework’ with an integrated sector approach

### Talent attraction and profiling of the region

**Business profiles** are underway for two businesses in the region in the distribution and logistics, and primary sectors, looking at various roles and career pathways within these key sectors of Manawatū. This has resulted in three video stories being created for the logistic sector in the year to date. These videos will be profiled on ManawatuNZ.

### Talent and Workplace Development

**A Summer of Tech partnership** has been established with ManawaTech to create a regional access gateway for businesses in the region to leverage the Summer of Tech recruitment platform. This will allow businesses to have direct access to tech talent both in and out of the region. Over 120 business will initially be targeted to register and utilise the tool which will be going ‘live’ in February 2024.

**Massey Business School** collaboration was commenced in the first half of the year to strengthen the regional sell when attracting students, and potential future talent to the region. This included curating Manawatū content for use in their marketing and promotional material. Plans are in place to profile Massey in CEDA communications in the second half of the year.

### Pathways to employment

**Health Sector Accelerate Academy Programme** developed to give insight into employment opportunities available in the health sector for rangatahi Māori students has been reviewed and planning is underway with Ministry of Education and Ministry of Health to run this programme again in the second half of this financial year.

**Careers Expo New Zealand** planning work is well under way for the Palmerston North expo to be held on the 22nd of May 2024. CEDA’s focus is on driving participation of Schools in the region and encouraging exhibitors to sign up, particularly those aligned to our sectors of strength. As at December, seven schools and 15 exhibitors had registered with more to ramp up in the new year.

## Whakatairangatia te rohe hei whakamana i te tangata, i te pakihi me te haumitanga

### Profile the region to attract people, business, and investment

Profiling the region to highlight our strengths, our people and our places through a shared regional identity, targeted storytelling and partnerships ensures Palmerston North city and Manawatū district is renowned for its exceptional lifestyle, competitive advantages and is a magnet for investment, business, talent, and visitors. This work underpins all CEDAs activities in ensuring our region is a compelling destination for all.

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#### Profile Manawatū locally, nationally, and globally

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### Lead and develop stories of Manawatū, creating a narrative and collective voice, incorporating the cultural heritage of iwi

## Manawatū's regional identity

**Five content pieces have been created and published,** made up of content features on key visitor experiences including 'Taste the Globe Manawatū', a feature on a new hospitality business with a twist, and a story on one of our key visitor attractions in northern Manawatū. A story on the benefits of doing business in Manawatū, highlighting the regions business networks and opportunities was also published.

These content pieces have been published on ManawatuNZ, along with some in the PalmyProud magazine, and on CEDA.nz, and will be used in our ongoing marketing of the region as a place to live, work, visit and invest.

## Featuring the region through media

**19 Media Features secured profiling the city and region** to various audiences including businesses, investors, and visitors with a total reach of 144,426,658. Just over 100,000,000 of this was secured through South Korean publications, as a result of our partnership with Tourism New Zealand. These international features showcased one of our newer products, Coastal Equi Retreat glamping at Himatangi, as part of a broader feature on unique stays in New Zealand.

Domestic and Australasian media features included coverage on Te Utanganui with ADA's new premisses and the planned Regional Freight Hub on Stuff.co.nz, RNZ National Radio, One News, and Asia Pacific Defence Reporter. Additional coverage includes content on Stuff.co.nz on our unique lifestyle, and on The Rock on our visitor sector growth.

### Grow engagement on regional web and digital platforms for increased promotion of and information on the region

## ManawatuNZ.co.nz and social media

**124,319 total sessions on ManawatuNZ.co.nz** from 108,512 for the same period in the previous year (14.56% increase).

**30,872 Social Media followers** across Palmy & Manawatū Facebook and Manawatū\_NZ Instagram channels, from 29,712 in December 2022 (3.9% increase).

**22,530 ManawatūNZ Facebook** followers from 20,659 in December 2022 (9.1% increase), and 8,342 Manawatū\_NZ Instagram followers from 7,830 in December 2022 (6.5% increase).

**‘Dig In to Manawatū’ Campaign** was designed to attract visitors to the region during spring and emphasise the highlights of Manawatū during this season. The focus of the campaign was on gardens, culture, events, retail and dining experiences with strong linkages to spring through key messaging of “Dig up, dig deep, dig in... to Manawatū”. During the campaign period, ManawatuNZ.co.nz saw 58,566 web sessions. Compared to the same period in 2022, this amounts to a 56.32% growth in sessions. Our regional Facebook page also saw a 208.2% increase in reach during the campaign period.

## Aratakina ngā whakawhanaketanga ohaoha kauawhi, toitū anō hoki mō te rohe

### Lead inclusive and sustainable economic development for the region

A strength of our region is the ability to work together using our combined strengths, connections, and skills to compete nationally and globally. Collaborative relationships and partnerships with key regional and national stakeholders, central and local government, Māori, and iwi are key to ensuring our strategic outcomes for the city and district.

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Develop strategic partner relationships, leveraging opportunities

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### Grow and foster relationships with Māori, iwi and hapu in the region

### Iwi partner projects

**Rangitāne o Manawatū Māori Tourism Strategy** printed brochure of key cultural sites in the city was distributed across the lower North Island over summer. The pamphlet shares the significant sites and narratives of Rangitāne o Manawatū to all visitors and locals to learn about kōrero tuku iho along the Manawatū Awa (stories of the Manawatū river handed down from ancestors).

**He Ara Kotahi, Hei Ara Kōrero** project is on track to create a digital platform focused on Rangitāne o Manawatū cultural and environmental mātauranga (knowledge) related to the Manawatū Awa. Funded through the Ministry of Culture and Heritage, the project

will result in a publicly accessible storytelling experience of the Awa on a digital platform, with interactive cultural and historical maps linked in. This would become a virtual classroom for students supporting place-based learning and Aotearoa history curriculum learning experiences outside the classroom or in the classroom.

Milestones in the year to date include video capture of Rangitāne narratives, including interviews with multiple Rangitāne mātanga (specialist) kōrero tuku iho; teacher curriculum resources developed, to create educator centred resources for schools and education practitioners based on Rangitāne kōrero tuku iho; and the build of the digital platform which will be the home for He ara kotahi, hei ara kōrero content and resources.

**Build on relationships with shareholders, central government agencies, and regional stakeholders**

## Partnership agreements in place

**Central government partners:** Ministry of Business, Innovation and Employment agreement in place for the Regional Business Partner Programme, and Ministry for Culture and Heritage for the iwi led He Ara Kotahi, Hei Ara Kōrero project.

**National, and regional partners:** Rangitāne o Manawatū, Manawatū Business Chamber, The Factory, Sprout Agritech, UCOL | Te Pukenga, NZ Careers Expo, BOMA, and Business Mentors NZ agreements in place, and Regional Business Partner Programme agreements in place with Whanganui & Partners (Horowhenua, Rangitikei, Ruapehu and Whanganui, districts) and Te Manu Atātū (Māori Business Growth Advisor role).

**Te Utanganui project partners:** CentrePort and Napier Port.

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Data and Insights communications on the performance of the region's economy

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**Economic impact information regularly communicated to stakeholders and business**

## Business and stakeholder communication

**26 stakeholder communications published** to the end of **December** including 60 Seconds with CEDA, Training and Development Guides, and Quarterly Economic Snapshots on the latest trends and insights.

# He Tauākī Whakatutuki Ratonga Statement of Service Performance

CEDA's performance measure framework identifies quantifiable measures of our programmes and activities aligned to our key strategic outcomes. These form the basis of our accountability and will be reported on six-monthly. In our reporting, additional commentary will be used to inform on the delivery and effectiveness of the full range of CEDA's activity.

Service Level Statement	Performance Measure	2023/24	Year to 31 December 2023
Support the development and growth of business and sectors of strength in the region including inward investment	Implementation of Inward Investment strategy with regional partners, through the attraction of investment to the region including key regional projects	Te Utanganui implementation through 10 advocacy engagements and identification of 6 potential investment opportunities	6 advocacy engagements year to date; Napier Port, KiwiRail (3), Taituarā regional chapter of Local Government New Zealand, and the New Zealand British High Commission. There were 3 potential investment opportunities identified, in the finance industry, infrastructure and construction sector and airfreight.
		Support implementation of the Manawatū Food Strategy through delivery of 3 outcomes that relate to the strategic priorities identified	Manawatū Regional Food Strategy development completed and launched on 13 <sup>th</sup> December. An implementation plan is confirmed with CEDA lead on 2 initiatives; BOMA E-Tipu conference, and promotion of local food culture, and in support of 2 other partner initiatives.
		4 leads/activities linked to other investment opportunities or promoting the region for investment	10 new additional investment leads identified in the year to December 2023 (excluding Te Utanganui as above), 8 active; finance sector (2), renewable energy, solar energy, hotel, serviced offices, vacant industrial building, and primary sector.
	Development of priority sectors through targeted business development and retention initiatives	Facilitate implementation of the Destination Management Plan through delivery of 3 activities or initiatives	3 initiatives completed to date; Tourism New Zealand Trade Ready visit, Gardens Cluster pilot project, and Manawatū Scenic Route enhancement.
		Deliver 6 sector development initiatives to support the regions sectors of strength	3 initiatives underway; Sustainable is Attainable proposal project, Accommodation Sector Capability and Enhancement project, AgriTourism Accelerator Cohort I completion and planning for Cohort II underway
		400 engagements with businesses including support of Business, Attraction, Retention and Expansion in the region, and including 320 businesses actively engaged through the Regional Business Partner Programme.	308 total businesses engagements year to date; including 154 businesses actively engaged through the Regional Business Partner Programme.

		Partner with key stakeholders including Sprout Agritech, The Factory and Callaghan Innovation to deliver 6 start-up and innovation activities or initiatives	2 innovation and start up activities completed year to date; Sprout Agritech Accelerator Cohort XI, with planning underway for Cohort XII, and The Factory Start Up 101 Investment Ready Programme completed.  61 unique businesses supported through Callaghan Innovation with 41 Grant Applications accepted with grants issued to a value of \$925K.
Develop the talent pipeline to grow a skilled workforce, and better utilise the existing labour market	Lead and support the regions attraction and retention of talent and skills through an integrated approach.	Develop 4 success stories and business profiles to showcase successes in attraction and retention of talent	2 business profiles underway for the distribution and logistics and primary sectors with three video stories on various career paths and types within the logistics sector produced year to date.
		Deliver 3 talent and skills initiatives to support industry in the region	Planning underway for Summer of Tech project, and Massey Business School collaboration
		Deliver 2 initiatives that support youth into employment	Planning underway for a follow up Accelerate Academy with Ministry of Education and Manatū Hauora Ministry of Health, and the New Zealand Careers Expo to be held in May 2024.
Profile Manawatū locally, nationally, and globally	Lead and develop the stories of Manawatū, creating a narrative and a unified positioning, incorporating the cultural heritage of iwi	5 content pieces targeting key audiences to support growing the profile and narrative of the city and region, leveraging the Regional Identity	5 content pieces created; 'Taste the Globe from Manawatū' feature, 2 features on a regional visitor attraction, a Q&A with a new start up business, and a story on the benefits of Manawatū's business networks.
		20 direct media features published profiling the region, with a reach of more than 1.5 million**	19 direct media features published with a reach of 144,426,658.
	Grow engagement on regional web and digital platforms for increased promotion of and information on the region	180,000 'sessions on ManawatuNZ for the year, and a 3% increase in social media engagement	124,319 website sessions on ManawatuNZ.co.nz year to date, with a 1.35% increase in social media followers to 30,859.
Develop strategic partner relationships, leveraging opportunities	Grow and foster relationships with Māori, iwi and hapu in the region	Deliver 3 initiatives to support iwi engagement including support of iwi led projects	Providing ongoing support of 2 iwi led projects being the Rangitāne o Manawatū Māori Tourism Strategy and He Ara Kotahi, Hei Ara Kōrero stories of the Manawatū Awa (river).
	Build on relationships with shareholders, central government agencies, and regional stakeholders	10 Partnership and funding agreements in place.	14 agreements in place; Manawatū Business Chamber, UCOL   Te Pukenga, Ministry of Business, Innovation and Employment, Ministry for Culture and Heritage, Whanganui & Partners, Te Manu Atatū,

		Completion of an independent Customer Satisfaction survey with key insights shared with Shareholders	Business Mentors New Zealand, CentrePort, Napier Port, Sprout Agritech, The Factory, Rangitāne o Manawatū, New Zealand Careers Expo, BOMA E-Tipu.  Customer satisfaction survey to be completed in June 2024.
Data and insights communications on the performance of the region's economy	Economic impact information regularly communicated to stakeholders and business	50 communications to key sectors and businesses in the region including economic updates	26 communications sent, including Quarterly Economic Snapshots, Training and Development Guides, and 60 Seconds with CEDA.

\*\* reach measured by media and/or publication audience/readership

## Ngā Tohu Aroturuki Monitoring Indicators

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

Indicator	2024	2025	2026	Regional target*
Change in total number of jobs (employees and self-employed)	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	1.8% GDP	1.8% GDP	1.8% GDP	1.8% average annual increase in total GDP
Change in per capita GDP	0.6% per capita	0.6% per capita	0.6% per capita	0.6% average annual increase in per capita GDP
Estimated population change	1,350 increase	1,350 increase	1,350 increase	1,350 population increase pa, 1.2% average increase
65 years and over population (for demographic monitoring)	530 increase	530 increase	530 increase	Estimated 530 population increase pa, 3.3% pa.
Electronic card spending by visitors in Manawatū region	5.7% increase	5.7% increase	5.7% increase	5.7% pa increase, average annual increase of \$22 million
Number of guest nights in Manawatū region	1.6% increase	1.6% increase	1.6% increase	1.6% pa increase
Change in MSD job seeker benefit recipients	1.6% decline	1.6% decline	1.6% decline	1.6% pa decline, average annual decline of 130 people

\*excludes any annual inflation increase



## Mō CEDA About CEDA

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

### **CEDA's Purpose and Principal Activities**

The primary objective of CEDA is to drive and facilitate the creation and growth of economic wealth for Manawatū and beyond. CEDA's principal activities are directed by its Statement of Intent for the current year.

### **CEDA's Constitution Objectives**

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

### **CEDA's Structure and Governance**

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

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

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

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

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

## Purpose of the Half Yearly Report

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

In accordance with the Local Government Act 2002, this report publicly states the activities and progress for the year to date against objectives set in the CEDA Statement of Intent for the 2023-24 financial year.

# Tutukinga Ahumoni Financial Performance

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

For the 6 Months to December

Account	Notes	Jul-Dec 2023 (Unaudited)	Jul-Dec 2022 (Audited)	30 Jun 2024 (Budget)	30 Jun 2023 (Audited)
<b>Revenue</b>					
Council Funding	4	1,317,427	1,268,101	2,645,261	2,536,201
Other Services Revenue		745,589	894,269	930,887	1,602,255
Project Revenue		0	375,000	0	660,000
<b>Total Revenue</b>		<b>2,063,016</b>	<b>2,537,370</b>	<b>3,576,148</b>	<b>4,798,456</b>
<b>Cost of Sales</b>					
Other Services Expenses		402,335	1,024,454	1,065,511	2,160,488
Project Expenses		1,254	2,102	0	3,191
<b>Total Cost of Sales</b>		<b>403,589</b>	<b>1,026,556</b>	<b>1,065,511</b>	<b>2,163,679</b>
<b>Gross Surplus (Deficit)</b>		<b>1,659,427</b>	<b>1,510,814</b>	<b>2,510,637</b>	<b>2,634,777</b>
<b>Other Revenue</b>					
Interest Revenue		30,591	29,121	10,000	72,471
Sundry Revenue		0	0	0	241
<b>Total Other Revenue</b>		<b>30,591</b>	<b>29,121</b>	<b>10,000</b>	<b>72,712</b>
<b>Expenses</b>					
Depreciation		1,948	1,890	3,900	4,035
Directors' Fees		90,000	87,917	180,000	174,288
Employee Expense	5	727,359	632,413	1,594,538	1,276,488
Financing Expenses		0	0	200	0
Other Operating Expenses	6	712,598	623,127	820,610	1,237,489

<b>Total Expenses</b>		<b>1,531,905</b>	<b>1,345,348</b>	<b>2,599,248</b>	<b>2,692,299</b>
<b>Surplus (Deficit) before Taxation</b>		<b>158,114</b>	<b>194,587</b>	<b>(78,611)</b>	<b>15,190</b>
<b>Taxation</b>					
	Income Tax Expense	7	0	0	(0)
<b>Total Taxation</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>(0)</b>
<b>Surplus (Deficit) after Taxation</b>		<b>158,114</b>	<b>194,587</b>	<b>(78,611)</b>	<b>15,190</b>

<b>Account</b>	<b>Jul-Dec 2023 (Unaudited)</b>	<b>Jul-Dec 2022 (Audited)</b>	<b>30 Jun 2024 (Budget)</b>	<b>30 Jun 2023 (Audited)</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	158,114	194,587	(78,611)	15,190
<b>Total comprehensive revenue and expense attributable to:</b>				
Palmerston North City Council	79,057	97,294	(39,306)	7,595
Manawatu District Council	79,057	97,294	(39,306)	7,595
<b>Total comprehensive revenue and expenses</b>	<b>158,114</b>	<b>194,587</b>	<b>(78,611)</b>	<b>15,190</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 2022 are due to adjustments as part of the year end process.

# Central Economic Development Agency Limited

## Group Statement of Financial Position

As at 31 December

Account	Notes	31 Dec 2023 (Unaudited)	31 Dec 2022 (Audited)	30 June 2024 (Budget)	30 Jun 2023 (Audited)
<b>Assets</b>					
<b>Current Assets</b>					
Cash and Cash Equivalents	8	944,391	1,783,520	810,717	1,852,199
Receivables and Accruals	9	41,077	536,556	57,106	111,628
Prepayments		41,204	30,604	1,400	2,901
<b>Total Current Assets</b>		<b>1,026,672</b>	<b>2,350,680</b>	<b>869,223</b>	<b>1,966,728</b>
<b>Non-Current Assets</b>					
Property, Plant and Equipment	10	24,055	28,146	22,104	26,002
<b>Total Non-Current Assets</b>		<b>24,055</b>	<b>28,146</b>	<b>22,104</b>	<b>26,002</b>
<b>Total Assets</b>		<b>1,050,726</b>	<b>2,378,827</b>	<b>891,327</b>	<b>1,992,730</b>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Payables and Deferred Revenue	11	214,825	1,529,487	133,947	1,321,573
Employee Entitlements		92,708	84,864	92,935	86,079
<b>Total Current Liabilities</b>		<b>307,534</b>	<b>1,614,351</b>	<b>226,882</b>	<b>1,407,651</b>
<b>Total Liabilities</b>		<b>307,534</b>	<b>1,614,351</b>	<b>226,882</b>	<b>1,407,651</b>
<b>Net Assets</b>		<b>743,192</b>	<b>764,475</b>	<b>664,445</b>	<b>585,079</b>
<b>Equity</b>					
Contributed Capital	12	1,000	1,000	1,000	1,000
Retained Earnings		742,192	763,475	663,445	584,079
<b>Total Equity</b>		<b>743,192</b>	<b>764,475</b>	<b>664,445</b>	<b>585,079</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 2022 are due to adjustments as part of the year end process.

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

For the 6 Months to December

Account	Jul-Dec 2023 (Unaudited)	Jul-Dec 2022 (Audited)	30 June 2024 (Budget)	30 Jun 2023 (Audited)
<b>Equity</b>				
Opening Balance	585,079	569,889	743,056	569,889
<b>Increases</b>				
Total comprehensive revenue and expense for the period	158,114	194,587	(78,611)	15,190
<b>Total Increases</b>	<b>158,114</b>	<b>194,587</b>	<b>(78,611)</b>	<b>15,190</b>
<b>Total Equity</b>	<b>743,192</b>	<b>764,475</b>	<b>664,445</b>	<b>585,079</b>
<b>Total comprehensive revenue and expense attributable to:</b>				
Palmerston North City Council	79,057	97,294	(39,306)	7,595
Manawatu District Council	79,057	97,294	(39,306)	7,595
<b>Total comprehensive revenue and expense</b>	<b>158,114</b>	<b>194,587</b>	<b>(78,611)</b>	<b>15,190</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 2022 are due to adjustments as part of the year end process.

# Central Economic Development Agency Limited

## Group Statement of Cash Flows

For the 6 Months to December

Account	Jul-Dec 2023 (Unaudited)	Jul-Dec 2022 (Audited)	30 June 2024 (Budget)	30 Jun 2023 (Audited)
<b>Cash Flows from Operating Activities</b>				
Receipts of council funding	1,317,427	1,213,463	3,041,008	2,536,201
Interest received	22,583	19,479	10,000	52,382
Receipts from other operating activities	263,956	1,012,345	633,432	1,830,310
Income tax refunded/(paid)	0	0	0	4,193
GST	(743)	(63,285)	(166,100)	19,124
Finance costs	0	0	(200)	0
Payments to suppliers and employees	(2,511,031)	(2,434,155)	(3,952,524)	(4,625,684)
<b>Total Cash Flows from Operating Activities</b>	<b>(907,808)</b>	<b>(252,153)</b>	<b>(434,384)</b>	<b>(183,475)</b>
<b>Cash Flows from Investing Activities</b>				
Payment for property, plant and equipment	0	(3,381)	0	(3,381)
<b>Total Cash Flows from Investing Activities</b>	<b>0</b>	<b>(3,381)</b>	<b>0</b>	<b>(3,381)</b>
<b>Net Cash Flows</b>	<b>(907,808)</b>	<b>(255,534)</b>	<b>(434,384)</b>	<b>(186,856)</b>
<b>Cash Balances</b>				
Cash and cash equivalents at beginning of period	1,852,199	2,03,054	1,245,112	2,039,054
Cash and cash equivalents at end of period	944,391	1,783,520	810,728	1,852,199
<b>Net change in cash for period</b>	<b>(907,808)</b>	<b>(255,534)</b>	<b>(434,384)</b>	<b>(186,856)</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 2022 are due to adjustments as part of the year end process.

# Notes to Accounts

## Accounting Policies

### 1. Reporting Entity

Central Economic Development Agency Ltd (CEDA) was established and commenced operations in New Zealand on 15 October 2015 under the Companies Act 1993 (NZBN 9429042001096). As the shareholders of CEDA are Palmerston North City Council (50%) and 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 2023.

### 2. Statement of Accounting Policies

#### Basis of Preparation

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

#### Statement of Compliance

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

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

### **Presentation Currency**

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

### **Historical Cost**

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

### **Changes in Accounting Policies**

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

### **Revenue Recognition**

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

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

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

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

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

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

is recognised as revenue. The fair value of donated assets is determined as follows:

For new assets, fair value is usually determined by reference to the retail price of the same or similar assets at the time the asset was received.

For used assets, fair value is usually determined by reference to market information for assets of a similar type, condition, and age.

### **Inventories**

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

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

### **Property, Plant and Equipment**

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

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

### **Depreciation**

<b>Account</b>	<b>Method to be used</b>	<b>Rate</b>
Leasehold Improvements	Diminishing Value	10%
Office Furniture & Equipment	Diminishing Value	0% - 50%
Office Furniture & Equipment	Straight Line	8.5% - 30%
Vehicles	Diminishing Value	30%
Websites	Straight Line	40%



### **Income Tax**

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

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

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

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

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

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

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

### **Cash and cash equivalents**

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

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

### **Receivables**

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

### **Impairment of financial assets**

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

### *Loans and receivables*

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

### **Loans and receivables**

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

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

### **Payables**

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

## **Equity**

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

## **Good and Services Tax**

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

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

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

Commitments and contingencies are disclosed exclusive of GST.

## **Employee Entitlements**

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

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

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

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

## **Provisions**

A provision is recognised for future expenditure of uncertain amount or timing

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

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

## **Leases - Where CEDA is the Lessee**

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

## **Critical accounting estimates and assumptions**

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

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

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

### *Critical judgements in applying accounting policies*

Management has exercised the following critical judgements in applying accounting policies: Funding received – refer to Note 4.

### 3. Subsidiaries

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

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

Account	Jul-Dec 2023	Jul-Dec 2022
<b>4. Council Funding</b>		
Palmerston North City Council	(979,764)	(940,273)
Manawatu District Council	(337,663)	(327,828)
<b>Total Council Funding</b>	<b>(1,317,427)</b>	<b>(1,268,101)</b>

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.

#### Council Funding included in Project Revenue

Palmerston North City Council	0	0
Manawatu District Council	0	0
<b>Total Council Funding in Project Revenue</b>	<b>0</b>	<b>0</b>

Critical judgements in applying accounting policies - funding received  
CEDA must exercise judgement when recognising project or specific programme revenue to determine when conditions of the funding contract have been satisfied. As at 31 December 2023 35,341 (2022:1,203,175) has been recognised as a liability as the conditions attached to the receipt of this funding have not yet been met.

Account	Jul-Dec 2023	Jul-Dec 2022
<b>5. Employee Expenses</b>		
Salaries and wages	700,281	613,706
Employer contribution to Kiwisaver	20,448	16,604
Movement in employee entitlements	6,630	2,103
<b>Total Employee Expenses</b>	<b>727,359</b>	<b>632,413</b>

#### 6. Other Operating Expenses

Fees to Grant Thornton Audit New Zealand for the audit of the financial statements	21,901	14,500
Other operating expenses	241,385	219,102
<b>Total Other Operating Expenses</b>	<b>263,286</b>	<b>233,602</b>

#### 7. Income Tax Expense

Net Profit (Loss) Before Tax	158,114	194,587
<b>Tax at 28%</b>	<b>44,272</b>	<b>54,484</b>
<b>Plus (less) tax effect of:</b>		
Non deductible expenditure	0	0
Non-taxable income	0	0
Tax loss not recognised (recognised)	(44,272)	(54,484)
Deferred tax adjustment	0	0
<b>Tax expense</b>	<b>(0)</b>	<b>0</b>

#### Components of tax expense

Current year	0	0
Deferred tax	0	0
<b>Total Deductions from Tax Payable</b>	<b>0</b>	<b>0</b>

Account	Jul-Dec 2023	Jul-Dec 2022
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### 8. Cash and Cash equivalents

CEDA Current Account	43,391	132,520
CEDA Money Market Account	900,000	1,650,000
CEDA Trust Account	1,000	1,000
<b>Total Cash and Cash equivalents</b>	<b>944,391</b>	<b>1,783,520</b>

### 9. Receivables and Accruals

Accounts Receivable	875	516,789
Less: Provision for impairment	0	0
Provisional tax paid	28,201	11,728
Accrued Interest	0	2,210
Funding Accruals	12,000	0
<b>Total Receivables and Accruals</b>	<b>41,077</b>	<b>530,728</b>

### Total Receivables and Accruals Comprise

Receivables from exchange transactions	0	2,307
Receivables from non-exchange transactions	41,077	528,421
<b>Total Total Receivables and Accruals Comprise</b>	<b>41,077</b>	<b>530,728</b>

### 10. Property, Plant & Equipment

	Opening Value	Accum Dep	Carrying Amount	Additions	Disposals	Depn	Closing Value	Accum Depn	Carrying Amount
Leasehold Improvements	13,049	(8,614)	4,435	0	0	(222)	13,049	(8,836)	4,213
Office Furniture & Equipment	74,435	(54,176)	20,259	0	0	(1,530)	74,435	(55,706)	18,729
Vehicles	19,382	(18,074)	1,308	0	0	(196)	19,382	(18,270)	1,112
<b>Total</b>	<b>106,866</b>	<b>(80,864)</b>	<b>26,002</b>	<b>0</b>	<b>0</b>	<b>(1,948)</b>	<b>106,866</b>	<b>(82,812)</b>	<b>24,055</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.

<b>Account</b>	<b>Jul-Dec 2023</b>	<b>Jul-Dec 2022</b>
<b>11. Payables and Deferred Income</b>		
Accruals General	24,841	35,718
Accounts Payable	114,724	284,548
Funding in Advance	35,341	809,087
Funding in Advance - Sector Development	0	394,088
GST	32,147	(5,828)
Credit Cards	7,773	6,045
<b>Total Payables and Deferred Income</b>	<b>214,825</b>	<b>1,523,659</b>

**Total Payables and Deferred Income Comprise**

Payables under exchange transactions	146,225	316,012
Payables under non-exchange transactions	68,600	1,207,647
<b>Total Payables and Deferred Income Comprise</b>	<b>214,825</b>	<b>1,523,659</b>

**12. Equity**

<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	584,079	568,889
Current Year Earnings	158,114	194,587
<b>Total Retained Earnings</b>	<b>742,192</b>	<b>763,475</b>
<b>Total Equity</b>	<b>743,192</b>	<b>764,475</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.

**13. Key personnel compensation**

Directors	2023	2022
Remuneration	90,000	87,917
Full-time equivalent members	6	6

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

**14. Related Parties**

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

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

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

<b>Account</b>	<b>Jul-Dec 2023</b>	<b>Jul-Dec 2022</b>
<b>15. Financial Instruments</b>		
<b>Financial Assets</b>		
<b>Loans and Receivables</b>		
Accounts Receivable	875	516,789
Accrued Interest	0	2,210
Cash and cash equivalents	944,391	1,783,520
Funding Accruals	12,000	0
<b>Total Loans and Receivables</b>	<b>957,266</b>	<b>2,302,520</b>
<b>Total Financial Assets</b>	<b>957,266</b>	<b>2,302,520</b>
<b>Financial Liabilities</b>		
<b>Financial Liabilities at amortised cost</b>		
Payables	(159,905)	(316,071)
<b>Total Financial Liabilities at amortised cost</b>	<b>(159,905)</b>	<b>(316,071)</b>
<b>Total Financial Liabilities</b>	<b>(159,905)</b>	<b>(316,071)</b>

## 16. Operating leases as lessee

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

<b>Account</b>	<b>Jul-Dec 2023</b>	<b>Jul-Dec 2022</b>
<b>Operating leases as lessee</b>		
Not later than one year	154,237	160,476
Later than one year and not later than five years	202,820	85,019
Later than five years	0	0
<b>Total non-cancellable operating leases</b>	<b>357,057</b>	<b>245,495</b>

The office space located at Level 1, TSB Towers, 1-19 Fitzherbert Avenue, Palmerston North will cease as of 30 June 2024. A new sub lease is to commence for an office space located at Level 1, 5 Broadway Ave for a term of three years and Five months, to 30 June 2027. This disclosure has included lease payments up to the end of the term of both leases.

## 17. Events after balance date

There are no significant events after balance date.

# Ō Mātou Hoa Mahi Tahī

## Our Partner Organisations

### Local

Central Skills Hub  
Feilding and District Promotion  
FoodHQ  
IPU New Zealand  
Lamberts  
ManawaTech  
Manawatū Business Chamber  
Manawatū District Council  
Manawatū Young Chamber  
Manawatū Young Professionals Network  
Manfeild  
Massey University Te Kunenga ki Pūrehuroa  
National Driver Training Centre  
Network of Skilled Migrants Manawatū  
Palmerston North City Council  
Palmerston North Airport  
Palmy BID  
Poutama Trust  
Rangitāne o Manawatū  
Regional Schools  
Sport Manawatū  
Sprout Agritech  
Talent Central  
Te Au Pakihi  
Te Manawa  
The Factory  
UCOL | Te Pūkenga  
Venues and Events Palmerston North  
Welcoming Communities

### Regional

Accelerate25  
Business Central and Export NZ  
Horizons Regional Council  
Horowhenua District Council  
MidCentral Health | Te Pae Hauora o Ruahine o Tararua  
Regional Skills Leadership Group Manawatū-Whanganui  
Rangitīkei District Council  
Ruapehu District Council  
Tararua District Council  
Te Manu Atatū  
The Horowhenua Company  
Te Utanganui partners, Kiwirail, Centreport and Napier Ports  
Venture Taranaki  
Whanganui and Partners  
Whanganui Chamber of Commerce

### National

AgResearch  
Agritech NZ  
Air New Zealand  
Business Mentors New Zealand  
Callaghan Innovation  
Department of Internal Affairs | Te Tari Taiwhenua  
Economic Development New Zealand  
Immigration New Zealand  
Ministry of Business, Innovation and Employment | Hikina Whakatutuki  
Ministry of Culture and Heritage | Manatū Taonga  
Ministry of Education | Te Tāhuhu o te Māturanga  
New Zealand Careers Expo  
New Zealand Motor Caravan Association  
New Zealand Trade and Enterprise | Te Taurapa Tuhono  
Regional Tourism Organisations New Zealand  
Te Whatu Ora | Health New Zealand  
Tourism Industry Aotearoa  
Tourism New Zealand  
Waka Kotahi New Zealand Transport Agency  
Workforce Development Councils