

Te Tauākī Takune Statement of Intent

2025–26

1 June 2025

Te Tauākī Takune

Statement of Intent

2025–26

Company Directory

Central Economic Development Agency Limited

Level 1, 5 Broadway Avenue
Palmerston North 4410

Phone: 06 350 1830

Website: CEDA.nz

Chief Executive

Jeremy Shearman

Directors

Robyn O’Fee (Bobbie) (Chairperson)
Kathleen Brosnahan (Katie)
Margharita Mare (Margy)
David Norman
Robbie Pickford

Registered Office

Morrison Creed Advisory
236 Broadway Avenue
Palmerston North 4410

Bankers

Westpac New Zealand Limited

Auditors

Grant Thornton Audit New Zealand 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.

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He matawhānui tiritahi, he rautaki tiritahi mā te katoa

Foreword

Tēnā koutou katoa

We are pleased to present our Statement of Intent for 2025-26.

The Manawātū region continues to be innovative and resilient in the ever-changing economic landscape. Looking ahead, it is anticipated that we are in for another year or so of resetting the economic thermostat, which Manawātū is well positioned to do with our diversity of sectors and our long-term pillar projects holding us relatively firm.

Our 2025-26 Statement of Intent focuses on priority projects including the development of our regional visitor sector, while also being ready to identify any emerging and future economic opportunities. As the region's economic development agency, CEDA's key areas of work continue in attracting new businesses to the region, showcasing Manawātū to attract more talent, investment, and visitors, and supporting and growing existing businesses. Our key priorities for the year ahead remain, taking a long-term view to growing the region and ensuring a thriving economic future. These projects include Te Utanganui – the Central New Zealand Distribution Hub, implementing the Manawātū Regional Food Strategy, progressing the Manawātū Destination Management Plan and inward investment in the Feilding and Palmerston North central business districts.

Te Utanganui is a key pillar project from an economic development perspective and is one that will see medium and long term economic, social and environmental benefits for the region and Aotearoa for decades to come. A recent strategy refresh has realigned Te Utanganui as the leader for the national distribution and logistics sector. The progress of key strategic infrastructure projects including the planned Regional Freight Hub at Bunnythorpe and progress of the Manawātū Regional Freight Ring Road remain a focus. This enabling infrastructure, complementary to the existing infrastructure, will unlock central government investment and attract more business and investment into the region.

The Manawātū Regional Food Strategy is now well embedded, and we will continue to work with industry, iwi, and key partners in a project-based implementation approach aligned to the key theme of sustainable nutrition. The Strategy is focused on three core themes, five workstreams, and a roadmap of 13 key priorities that provides direction for our sector work in this important space.

Implementation of the Manawātū Destination Management Plan continues as we look to grow and broaden the experiences visitors to the region can access. The Plan cuts across a number of focus areas and largely informs our work as the regional tourism organisation, including

product development, industry capability, and access to trade markets.

CEDA remains committed to growing the profile of our region and raising awareness of our stories and strengths to key audiences and stakeholders. This includes targeted marketing campaigns, curated content pieces, targeted PR and media, and the development and enhancement of regional collateral including the regional website.

We continue to work on collaboration and development of our partnerships, and we'd like to acknowledge the support we have from key regional partners including Manawātū District and Palmerston North City Councils Rangitāne o Manawātū, Ngāti Kauwhata, and Ngāti Raukawa, The Factory, Sprout Agritech, Manawātū Business Chamber, and Feilding and District Promotion. We'd also like to acknowledge Massey University, UCOL, and IPU along with Horizons Regional Council and Accelerate35 who all share our passion for and commitment to the region. It is through these partnerships that we can work to foster innovation, attract investment and talent, facilitate business growth, and bring people and visitors to Manawātū.

Having connection with entities such as Air New Zealand, KiwiRail, Waka Kotahi, Tourism New Zealand, Regional Tourism New Zealand, and the Ministry of Business, Innovation and Employment enables CEDA to take a

FOREWORD

national view across our work and in particular allows us to advocate for key projects and influence national policy settings and thinking.

We are excited to continue to deliver to for the region over the next 12 months across our broad portfolio and remain confident that our work will position Manawatū well for not only our regional economy, but for the New Zealand economy now and into the future.

Once again thank you to our shareholders, the CEDA board and team, iwi and mana whenua, partners, and stakeholders for your continued support and shared passion for the region's vision. CEDA is thankful for your input and guidance as we champion the region, its people and businesses, as they continue to feed our economic performance.

Ngā mihi nui ki a koutou katoua,



Bobbie O'Fee
Heamana Chairperson



Purpose of the Statement of Intent

This Statement of Intent 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 annual Statement of Intent publicly states the activities and intentions of CEDA for the next three years, and the objectives to which those activities will contribute.

This Statement of Intent takes the shareholder Statement of Expectations comments into consideration and includes performance measures and targets as the basis of organisational accountability, through the Statement of Service Performance, and financial forecasting.

Monitoring Indicators

In addition to CEDAs 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. CEDAs shareholder councils have the responsibility to report on these indicators.

As per the 2024-2027 Statement of Expectations from the shareholders have identified the following additional monitoring indicators:

- Job growth
- Increase in median household income

These are represented by the following economic data collated by Palmerston North City Council, and will be reported in CEDA's Annual Report:

- Change in total number of jobs
- Change in median salaries and wages
- Change in total earnings (salaries, wages and self-employed income)

Two further indicators as detailed in the Statement of Expectations are reported through CEDA's Statement of Service Performance each year.

- Number of investment leads and deals secured
- Strength of the relationship with strategic partners (reported biennially)

Other indicators that we will report on in CEDA's Annual Report include:

- Change in total GDP
- GDP per capita
- Electronic card spending by visitors in Manawātū region
- Number of guest nights in Manawātū region
- Carbon intensity (CO2 per GDP)

Ki te kahore he whakakitenga, ka ngaro te iwi

Our Vision

Ko Manawatū te rohe tino ahu whakamua o Aotearoa

New Zealand's most progressive region

Our vision is purposely bold, and it encompasses the aspirations of both our shareholder Councils. It requires our region to be ambitious, proactive, and future focused, and to be adaptable to the fast-moving economic landscape we face. We believe that Manawatū has strong leadership and the ingredients to position itself on the national stage – a vibrant and innovative region that will be first choice for investment, business, talent and visitors.

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



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



Manawatū is a world leading agrihub



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

To achieve this vision CEDA must work in partnership with our shareholders, central government, Māori and mana whenua, industry, and other regional stakeholders – He waka eke noa, it cannot be achieved alone.

Ā Mātou Whāinga Rautaki

Our Strategic Objectives

Achieving our vision

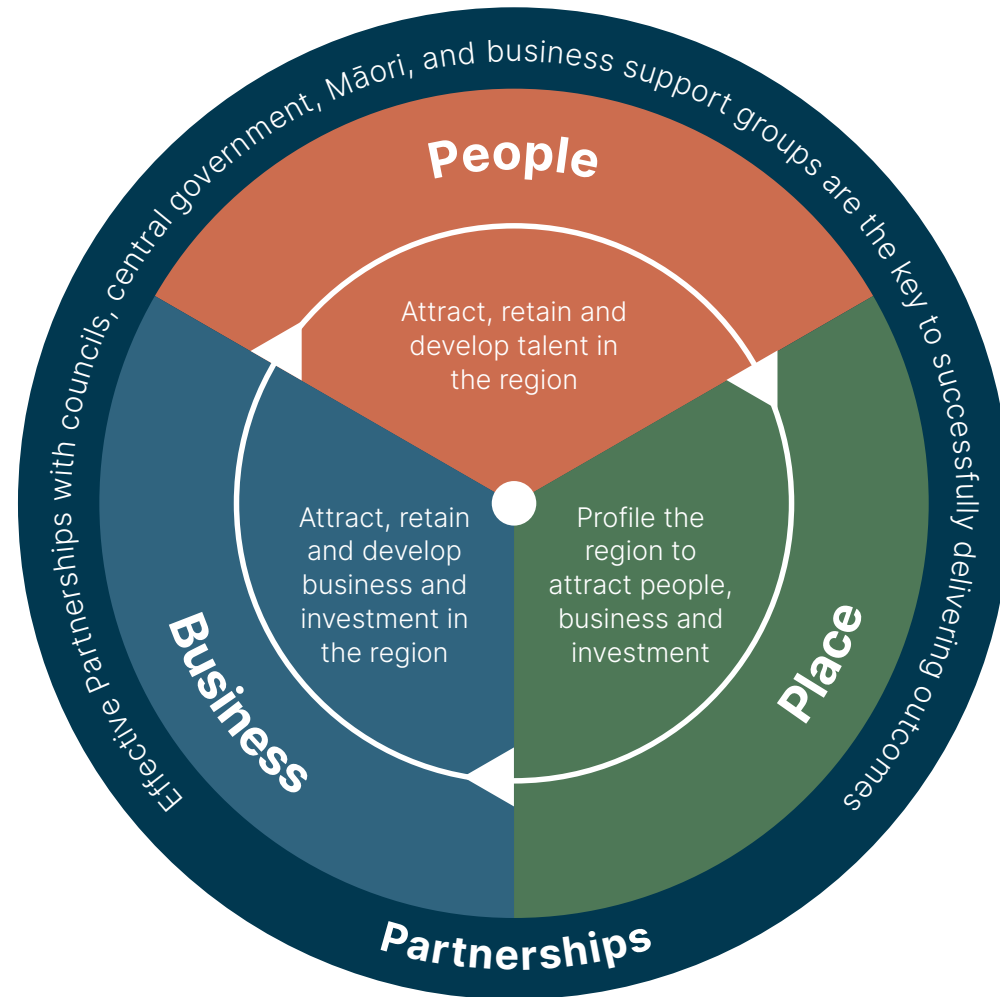
CEDA works across the three pillars of economic development; Business, People, and Place, and our success is underpinned and enabled by the strength of our relationships with our regional and national partners.

Our core objectives, programmes and activities are aligned across these pillars, and are designed to create the environment, stimulus, outcomes, and impact that will power our economic prosperity and achieve our vision for Palmerston North city and Manawātū district.

These strategic objectives guide the development of our short and medium-term programmes of work as articulated through our Statement of Intent.

When considering how to prioritise our efforts, based on our current resources, and guided by our intervention logic and the strategic priorities from our shareholder councils, we focus on programmes and activities that offer the greatest opportunities for economic prosperity.

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





Mahia te mahi hei painga mō te iwi What We Do

Mā whero, mā pango ka oti ai te mahi

Our Intervention Logic

CEDA operates within a simplified intervention logic that shows the connection between the programmes of work and activities undertaken, the strategic objectives for the region, and strategic priorities of our shareholder councils. 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.

VISION Manawatū 2030; Ko te rohe tino ahu whakamua o Aotearoa New Zealand's most progressive region			
GOALS	 Manawatū is renowned for its exceptional lifestyle, competitive advantages, and is a magnet for investment, business, talent and visitors	 Manawatū is a world leading agrihub	 Manawatū is a leading distribution hub, and leverages off its role in central New Zealand
ECONOMIC PILLARS	Business	People	Place
STRATEGIC OBJECTIVES	Attract, retain, and develop, business in the region	Attract, retain, and develop talent in the region	Profile the region to attract people, business, and investment
STRATEGIC PRIORITIES	Te Utanganui Central New Zealand Distribution Hub • Manawatū Regional Food Strategy • Manawatū Destination Management Plan • Central Business District Investment		
INITIATIVES LINKED TO STRATEGIC OBJECTIVES AND PRIORITIES	• Implementation or identification of initiatives and opportunities to support investment to the region • Initiatives to support development of priority sectors • Business engagement to support growth retention and expansion • Support of startups and innovation through partnerships	• Initiatives to support the attraction of talent to the region or retention of talent in the region • Supporting industry to attract and retain talent • Initiatives that support youth into employment or employment pathways	• Strengthening the regions narrative and unified positioning through the regional identity • Online initiatives that support attraction of investment, people and business to the region • Growing awareness of and information on the region's strengths and opportunities, including economic trends and data
Partnerships			
Effective Partnerships with councils, government, Māori, and business support groups are the key to successfully delivering outcomes			
STRATEGIC OBJECTIVE		INITIATIVES	
Lead inclusive and sustainable economic development for the region		Initiatives that grow and foster relationships with mana whenua and support Māori sector development. Partnerships with shareholders, key partners and central government to enable shared regional outcomes	

Business

He mahi kai te taonga

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

Driving business development and expansion while attracting investment to the region is at the core of economic development. This is at the forefront of CEDA's key outcomes for Manawatū. CEDA's work focuses on our

sectors of strength including food, transport and logistics, and the visitor sector, profiling the region, developing a targeted pipeline, and removing barriers to investment.

Mahia te mahi

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

Identification and development of investment opportunities with regional partners to support attraction of investment to the region

Te Utanganui, the Central New Zealand Distribution Hub

The appointment of a dedicated Te Utanganui Programme Director has lifted the profile of this key pillar project. The next steps for CEDA are to firm up commercial options inside the key projects including the Manawatū Regional Freight Ring Road and the planned Regional Freight Hub. We will be using the recently updated strategy and investment collateral to progress with targeting further inward investment in both land and the development of facilities inside Te Utanganui.

We will continue to advocate and profile the project at a local and national level, demonstrating best practice in the cluster development. A key document for outlining the economic impact and benefits for the wider Te Utanganui project will be a key asset as we move forward with direct advocacy to central government, including continuing to seek government support in both policy setting and accessing funding for Te Utanganui.

Manawatū Regional Food Strategy

creating a secure and resilient food system that enhances community wellbeing, empowers producers, and fosters sustainability. By leveraging our scientific expertise and agricultural innovation, Manawatū aims to play a crucial role in New Zealand's evolving food narrative through Sustainable Nutrition.

CEDA will support sector-driven opportunities and facilitate inward investment to implement the strategy, helping to grow this vital sector for the region.

Central Business District Investment

With a new focus on both the Feilding town centre and Palmerston North city centre, initial activity has been in relation to hotels, serviced accommodation, office space and retail opportunities. We will work with our shareholder Councils to define and scope CEDAs focus in this space to support the targeting of our work to the areas that will derive the greatest benefit for the city and town, supported through our relationships with real estate agencies and commercial property developers.

Other Inward Investment Opportunities

CEDA will continue to lead the positioning of Manawatū as a strategic investment location. This will include opportunities identified in the Manawatū Destination Management plan such as Te Āpiti – Manawatū Gorge and commercial accommodation developments, including our work to further the opportunities in green energy and hyperdata centres. We will remain agile to other opportunities that are identified through our stakeholder relationships, particularly where it relates to our regions sectors of strength.

Development of priority sectors through targeted business development, retention initiatives, and innovation partnerships

Sector Development

Our approach to sector development is focused around delivering impact through our strategic pillar projects: Te Utanganui, the Manawātū Regional Food Strategy, and the Manawātū Destination Management Plan. These projects represent the foundation of our efforts to drive sustainable economic growth, enhance regional resilience, and unlock the full potential of the Manawātū region.

Initiatives aligned to the identified workstreams of 'Land Diversification' and 'Productivity' will be our primary focus in relation to the Manawātū Regional Food Strategy. Our visitor sector work continues to focus on developing high standards in our operators with a push towards establishing our positioning in the international visitor market whilst continuing to grow our domestic market.

Our broader sector development work will be aligned with leveraging the region's sectors of strength and pursuing high-value opportunities with scale. This targeted approach ensures we focus our efforts on areas with the greatest potential for long-term growth, innovation, and economic contribution.

Targeted and regular engagements with key businesses, sector organisations and visitor sector operators will be a critical component of the delivery of this work.

Business Development

We will continue to focus on engagements with businesses across sectors of strength and by connecting with key business leaders and stakeholders. These engagements will ensure we have access to the latest insights into business sentiment, regional opportunities through connections and trends, and are able to proactively respond to and support business expansion and investment opportunities.

Business growth support will focus on capability fundamentals through workshops targeting businesses with growth/productivity potential and/or export potential. This will include connections to relevant support services, referrals, including to the Regional Business Partner Programme, Business Mentors and other support tools.

Supporting innovation and start-ups in the region

Driving innovation is essential to strengthening our region's competitive edge while generating jobs and attracting investment. CEDA achieves these goals by partnering with organisations like The Factory and Sprout Agritech.

The Factory is the champion for bold start-ups. Their incubator programs aim to support entrepreneurs who are creating high-growth start-ups that are out to make a difference in this world. CEDA contributes to the partnership by way of funding and mentoring support to help facilitate and grow the next generation of innovators and entrepreneurs.

Sprout is New Zealand's leading agritech and foodtech accelerator and investor based in the Manawatu. As the Economic Development partner of Sprout, CEDA provides funding and support, and works with Sprout to drive value and successful outcomes for the programme and highlight the capability we have within the region.



People

Ka rere a Tama-nui-te-rā, Ka mārama te rangi

Attract, retain, and develop talent in the region

Through our data and research, we know that the biggest barrier to business growth in the region is the ability to attract the right people for the job. Developing a robust pipeline is crucial. This includes supporting industries, attracting skilled professionals, and investing in the

training and development of existing employees. Coupled with a clear understanding of the future needs of our sectors and businesses, this approach will empower the region to grow and thrive.

Mauri tū, Mauri ora

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

Support the development of the regions attraction and retention of talent and skills

Pathways to employment and future proofing the talent pipeline

CEDA will continue to provide opportunities for connecting rangatahi (youth) and job seekers with businesses through programs like Accelerate Academy, and the Young Enterprise Scheme. By working closely with secondary schools, career advisors, and trade, we can support students to be inspired and equipped to transition into local employment opportunities.

To future-proof our workforce, CEDA integrates talent and skills programmes with wider regional strategies, including Te Utanganui, the Manawatū Destination Management Plan, and the Manawatū Regional Food Strategy. By taking a sector-focused approach, we align talent attraction and retention efforts with regional strengths, ensuring our work contributes to Manawatū's long-term prosperity.

Connecting and sharing regional insights with central government agencies enables emerging needs to be highlighted at a national level.

Talent and Workplace Development

CEDA is committed to equipping businesses with the tools and insights they need to grow. Through initiatives like the Employer and Workplace Hub on CEDA.nz, we help employers attract, onboard, and retain talent while supporting the growth and development of existing teams. These efforts are underpinned by a focus on future-proofing workforce needs across our key sectors.

We continue to strengthen relationships with tertiary education providers and align workforce training with the needs of significant regional projects like Te Utanganui, to address future skills requirements, and support Manawatū's workforce in meeting the demands of tomorrow, as well as today. Through collaborative initiatives, storytelling, and strategic partnerships, CEDA works to grow, retain, and develop a skilled workforce – helping businesses thrive.

Regional Identity to support recruitment of talent

A strong regional identity is central to attracting talent. In partnership with our key sectors, we will continue to promote the region's unique strengths to attract skilled professionals to live and work in the region.

To ensure consistency in our regional approach, we will support local businesses with curated content, targeted resources, and tools to support their recruitment efforts. Through platforms like ManawatuNZ.co.nz, we will help businesses showcase the lifestyle, businesses and career opportunities that make our region special.

Profile

Toitū te whenua whatungarongaro te tangata

Profile the region to attract people,
business and investment

CEDA profiles the region by showcasing its strengths, people and places through a shared regional identity, targeted storytelling, and strategic partnerships across the economic pillars of People, Place and Business. This approach aligns with our core areas of work and reinforces the interconnectedness of regional growth.

When you create a region that people want to visit, you have created a place where people will choose to live. If you have created a place where people want to live and work, then you have created a region where businesses will want to invest, and if you have created a region where businesses want to invest, then you have a place that people will want to visit.

Te Mauri o Manawatū

Profile Manawatū locally, nationally, and globally

Lead and develop the stories of Manawatū, strengthening our narrative and unified positioning, incorporating the cultural heritage of mana whenua

Regional Identity

CEDA's focus on elevating the Manawatū region as a top destination for investment, business, talent, and visitors continues to be a strong priority, and integrated across our key areas of work. By crafting compelling narratives and forming strategic media partnerships, we will raise the region's profile both locally and globally.

This work will integrate seamlessly with CEDA's broader strategic initiatives, including inward investment, destination management, talent attraction and retention, and business growth. By leveraging strategic channels and working in close collaboration with regional stakeholders and partners, CEDA will work to amplify the profile of Manawatū and highlight its unique strengths.

With a sharp focus on managing the region's messaging, tone, imagery, and campaigns, our work ensures that every interaction – whether through digital platforms, marketing materials, or storytelling – reflects Manawatū's distinctiveness and competitive edge. Together, we will build momentum and awareness, positioning Manawatū as a highly attractive proposition for investment, business, and talent, and driving sustained growth for the region.

Featuring the region through media and stories

By strategically engaging with local, national, and international media, CEDA will ensure Manawatū's presence is consistently featured across both traditional and digital platforms. We will leverage and expand our media relationships, proactively pitching compelling stories and features to attract investment, business, talent, and visitors.

A key priority will be showcasing the region through authentic narratives that highlight the people, businesses, and unique opportunities of Manawatū. We will continue to develop, source, and share these stories across media outlets and with our wider stakeholder network, ensuring a cohesive and compelling narrative that captures the essence of our region.

The *ManawatuNZ.co.nz* regional website and Resource Hub will be central to this effort, providing fresh, engaging content, imagery, and stories that empower our partners, stakeholders, and media to consistently promote the region's strengths, identity, and potential.

As the Regional Tourism Organisation for Palmerston North and Manawatū, CEDA will also collaborate with key national and international partners – including Tourism New Zealand, Air New Zealand, and Tourism Industry Aotearoa – to maximize visibility and create targeted opportunities for investment and business profiling. Through these strategic media and industry relationships, we will amplify Manawatū's story, ensuring it reaches the right audiences and drives growth for the region.

Deliver online initiatives to support the attraction of inward investment, people and business to the region

Reputation and profiling of the region

CEDA will elevate Manawatū's regional profile through a multi-faceted approach that showcases the area's competitive lifestyle advantages and career opportunities. By producing high-quality, targeted marketing initiatives and compelling content, CEDA will empower the local business community to collectively promote the region's unique offerings, ensuring a cohesive and impactful message.

To drive increased visitation and economic activity, CEDA will launch targeted campaigns aimed at extending visitor stays, particularly by capitalizing on high-impact events that provide tangible benefits to local businesses.

In alignment with our key strategies, CEDA will ensure that our regional collateral to attract and engage investors utilises the latest data and insights and positions Manawatū as an ideal location for business. By maintaining consistent messaging that highlights the region's strengths—from its appealing lifestyle to its robust business opportunities—CEDA aims to effectively profile Manawatū and distinguish it as an attractive destination for investors and businesses looking to expand.

Grow engagement on regional website for increased awareness of, and information on the region, including economic trends and data

ManawatuNZ.co.nz and social media

ManawatuNZ.co.nz serves as the digital cornerstone of CEDA's regional marketing strategy, functioning as the primary "shop window" to showcase Manawatū's unique strengths and opportunities. This digital platform plays a crucial role in connecting with diverse audiences by highlighting the region's lifestyle advantages, attracting talent and investment, and sharing compelling local stories. Through strategic use of the website and social media channels, CEDA aims to build a cohesive narrative that profiles Palmerston North and Manawatū across local, national, and global platforms, creating a comprehensive and engaging digital representation of the region's potential and character.

By leveraging these digital tools, CEDA can effectively communicate the region's distinctive value proposition, inspire visitation, and create meaningful connections with potential residents, businesses, and investors. The integrated approach ensures that the region's unique attributes are consistently and attractively presented, supporting broader economic development goals.

Economic trends and data

CEDA plays a crucial role in gathering, analysing, and disseminating economic data and trends for the Manawatū region. The agency collaborates with national data and statistics organisations, Tourism New Zealand, and the Ministry of Business, Innovation and Employment to compile comprehensive information on various economic sectors. This includes data on visitor and retail trends, key growth indicators such as GDP, population changes, housing prices, building consents, employment figures, and performance metrics for the region's strongest sectors.

To ensure this valuable information reaches businesses and stakeholders, CEDA uses targeted communication channels such as 60 Seconds (e-newsletter), ManawatuNZ.co.nz, CEDA.nz, and the Manawatū Quarterly Economic Snapshots and dashboards. We partner with Palmerston North City Council, Manawatū District Council, and key industry leaders to provide in-depth analysis and to give context on the region's economic performance, offering a comprehensive view of Manawatū's economic landscape and its trajectory.

Partners

He kuranui te tangata

Lead inclusive and sustainable economic development for the region

A strength of our region is the ability to work together using our combined resources, connections and skills to compete nationally and globally. Strong partnerships with key stakeholders, including regional and national

organisations, central and local government, Māori, and iwi are essential to achieving our strategic goals for the city and district.

PARTNERS

Whiria te Tangata

Develop strategic partner relationships, leveraging opportunities

Grow and foster relationships with Māori, and mana whenua of the region

CEDA works collaboratively with mana whenua through our key strategic projects for the region to support their economic aspirations and business and employment opportunities for Māori, and in supporting iwi led projects such as He Ara Kotahi Hei Ara Kōrero. Also, through the implementation of the regional Identity 'Te Mauri o Manawatū'.

Mahia te mahi hei painga mo te iwi. We will continue to work on our engagement and development of partnerships with Māori business networks such as Te Au Pakihi, and the Poutama Trust, to support initiatives that build capability for Māori business.

Whaia te matauranga hei oranga mōu. To help support meaningful relationships, we continue to work on developing CEDA's internal capability in understanding Te Ao Māori and all that it encompasses.

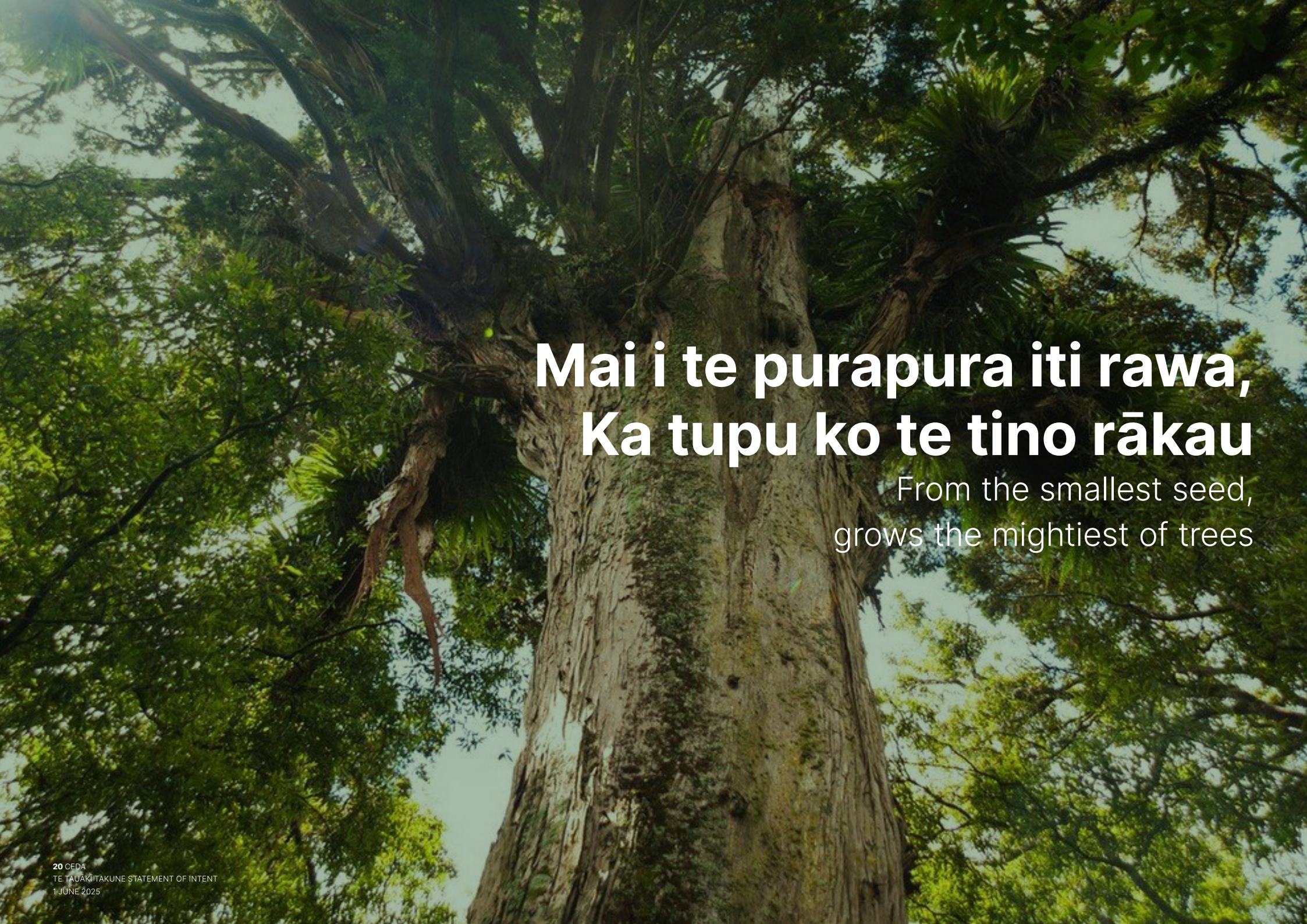
Build on relationships with shareholders, central government agencies, and regional stakeholders

Strategic relationships with partners, iwi, central government, economic development agencies and key stakeholders, such as Rangitāne o Manawatū, Ngati Kauwhata, Ngati Raukawa, The Factory, Sprout Agritech, Manawatū Business Chamber, Feilding and District Promotions, FoodHQ, Palmy Bid, Massey University, UCOL, IPU, Horizons Regional Council, Federated Farmers of New Zealand, Economic Development New Zealand, Tourism New Zealand, Regional Tourism New Zealand, New Zealand Defence Force, and the Ministry of Business Innovation and Employment enables CEDA to connect, discover and leverage mutual opportunities. A full list of stakeholders and partnership organisations that CEDA works with is included on page 40.

We review our partnership agreements and workplans, including identifying new opportunities for partnerships, to ensure plans are in place to support working collectively and identifying opportunities across all that we do.

Biennial Customer Satisfaction survey

CEDA has a biennial customer satisfaction survey, completed by an independent provider, with its key stakeholders to ensure that we continue to deliver in partnership with our shareholders, other regional economic development providers and stakeholders, and mana whenua of the region.



Mai i te purapura iti rawa, Ka tupu ko te tino rākau

From the smallest seed,
grows the mightiest of trees

Ko te pae tata, whakamaua kia tina

Where we focus our time and money

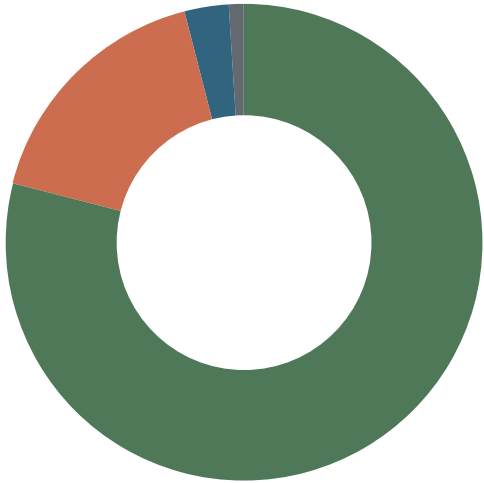
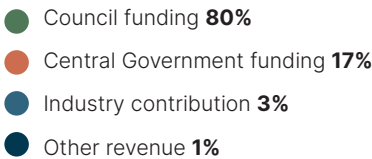
CEDA receives funding from Palmerston North City Council and Manawātū District Council, its shareholders, and also from central government partners for initiatives that bring benefit to the wider region and New Zealand. This funding gives us the ability to deliver and partner in programmes of work across the region, business and community including targeted sector specific work that will bring benefit to the wider region in the long term.

This year funding will be received from the governments Regional Events Promotion Fund to support visitor attraction through the wider promotion of regional events, and industry to support Te Utanganui the Central New Zealand Distribution Hub.

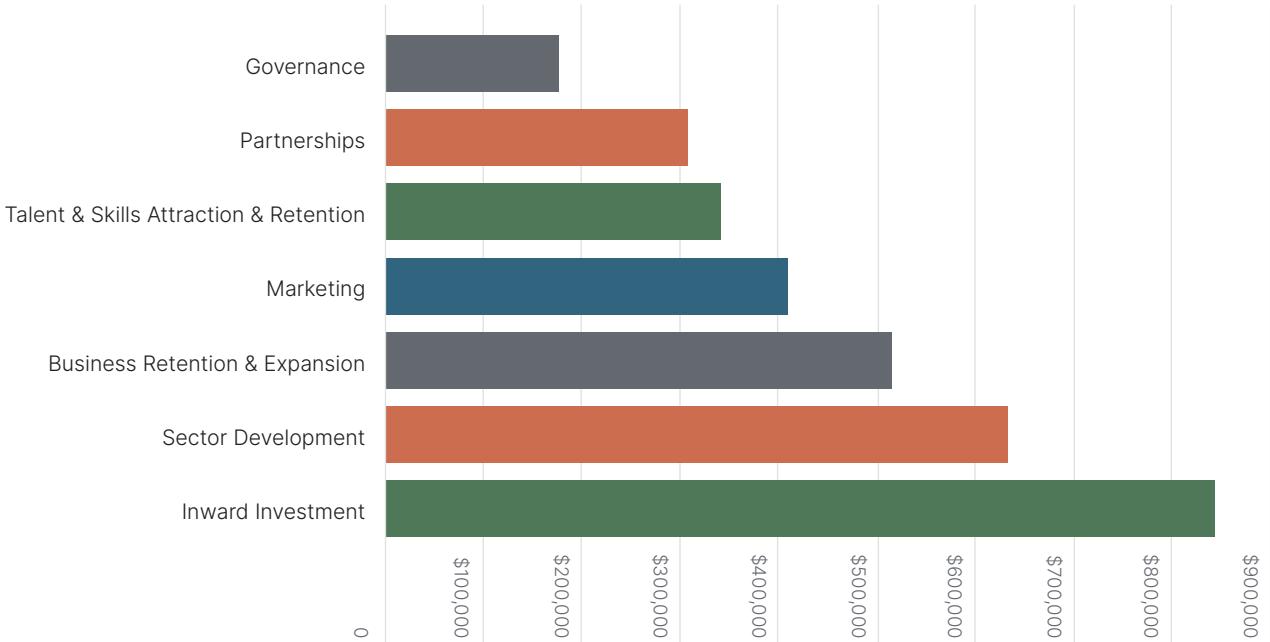
*Note:

1. Council funding includes Councils contribution to projects.
2. Central government funding includes the Regional Events Promotion Fund, and excludes this year the Regional Business Partner programme
3. Industry/project contribution includes funding for Te Utanganui from Horizons regional council, Rangitāne o Manawātū, Kiwirail and Palmerston North Airport.
4. Marketing costs where directly related to an activity are included in the budgeted costs for that activity.
5. Sector Development includes the government Region Events Promotion Fund.
6. Business Retention and Expansion this year excludes the Regional Business Partner Programme
7. Inward Investment includes project costs for the Te Utanganui programme.
8. Employee and operating expenses where not directly related to an activity have been allocated on a percentage of expenditure basis.

Our Funding*



How we're going to allocate our funding*



Ko wai te tangata o te ao mārama

Who we are

CEDA is a team of people who are passionate about our region.

We are thought leaders, subject matter experts, and doers, working together with the common purpose of prosperity for our region and its people. Our success

is underpinned by our people, connections, partnerships, and networks locally, nationally, and internationally.

We are committed to operating efficiently and effectively, and as a future-focused organisation, to supporting initiatives that enhance and protect our natural and built environment.

Our values



**Mā te mahi tahi
e puta ai he hua
whakaharahara**

Together we can achieve
exceptional outcomes



**Me whakapono ki ō
mahi me te āhua o tō
kawe i aua mahi**

Believe in what you do
and how you do it



**Kia poho kererū,
kia mairangatia
te hautūtanga**

Be proud and
show leadership

Te Tiriti o Waitangi

We recognise the historical and ongoing significance of Te Tiriti as a living document guiding our organisation's policies and practices and acknowledge the importance of partnering with local iwi and recognition of mana whenua in the region through localised partnering.

Our focus will continue to be on 'Participation' through our growing relationships with regional iwi and mana whenua across Manawātū. Through 'Partnerships', we aim to work together with mana whenua for agreed outcomes that benefit the region, and we will ensure 'Protection' is a priority focus by incorporating kaitiakitanga through matauranga and tikanga across our projects and programmes, and continued development of the team's cultural awareness, knowledge and understanding, of the principals of Te Tiriti.

Sustainability Commitment

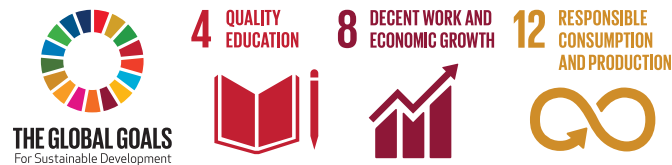
We are committed to sustainable practices in both CEDA's office environment and the environment within which we work and live. We value diversity in both our team at CEDA and our commitment to promoting diversity in age, culture, ethnicity, and gender in all that we do.

CEDA works with businesses through its regular business engagements to encourage considerations around carbon emission reduction and sustainability options for their operations. When looking at opportunities for investment in the region we consider the environmental impacts of any businesses looking to relocate here.

CEDA also advocates for sustainability through our business and community engagements such as e-newsletters and social media and ensuring we as an organisation are doing what we can through procurement and waste reduction initiatives.

The Sustainable Development Goals or Global Goals are a collection of 17 interlinked global goals designed to be a "blueprint to achieve a better and more sustainable future for all". The Goals were set in 2015 by the United Nations General Assembly and are intended to be achieved by the year 2030.

CEDA's top three Sustainable Development Goals we use to inform our programmes of work are:



A person with long hair, wearing a dark jacket, dark pants, and a cap, is walking away from the camera on a dirt path through a dense forest. The path is covered in fallen leaves and surrounded by lush green ferns and trees. A large, moss-covered tree trunk leans over the path on the right side. The lighting is soft and dappled, filtering through the canopy.

Te tōia, tē haumatia

Our Performance Measures

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.

Statement of Service Performance

OUR PERFORMANCE MEASURES

Service Level Statement	Performance Measure	2025/26	2026/27	2027/28
Mahia te mahi Support the development and growth of business and sectors of strength in the region including inward investment	Identification and development of investment opportunities with regional partners to support attraction of investment to the region, leveraging key regional projects	Deliver 15 inward investment activities or identified opportunities	Deliver 15 inward investment activities or identified opportunities	Deliver 15 inward investment activities or identified opportunities
	Development of priority sectors through targeted business development, retention initiatives, and innovation partnerships	Deliver 9 sector development initiatives to support the regions sectors of strength	Deliver 9 sector development initiatives to support the regions sectors of strength	Deliver 9 sector development initiatives to support the regions sectors of strength
		400 engagements with businesses to support growth and talent retention	400 engagements with businesses to support growth and talent retention	400 engagements with businesses to support growth and talent retention
		Partner with key stakeholders to deliver 6 start-up and innovation activities or initiatives	Partner with key stakeholders to deliver 6 start-up and innovation activities or initiatives	Partner with key stakeholders to deliver 6 start-up and innovation activities or initiatives
Mauri tū, Mauri ora Develop the talent pipeline to grow a skilled workforce, and better utilise the existing labour market	Support the development of the regions attraction and retention of talent and skills through an integrated sector approach	Deliver 4 initiatives that support talent attraction and retention, industry, or youth into employment	Deliver 4 initiatives that support talent attraction and retention, industry, or youth into employment	Deliver 4 initiatives that support talent attraction and retention, industry, or youth into employment

OUR PERFORMANCE MEASURES

Service Level Statement	Performance Measure	2025/26	2026/27	2027/28
Te Mauri o Manawatū Profile Manawatū locally, nationally, and globally	Lead and develop the stories of Manawatū, strengthening our narrative and unified positioning, incorporating the cultural heritage of mana whenua	20 content pieces or media features profiling the region	20 content pieces or media features profiling the region	20 content pieces or media features profiling the region
	Deliver online initiatives to support the attraction of inward investment, people and business to the region	2 campaigns or targeted digital initiatives to support CEDA's objectives	2 campaigns or targeted digital initiatives to support CEDA's objectives	2 campaigns or targeted digital initiatives to support CEDA's objectives
	Grow engagement on regional website for increased awareness of and information on the region, including economic trends and data	190,000 'sessions' per year on ManawatuNZ.co.nz	190,000 'sessions' per year on ManawatuNZ.co.nz	190,000 'sessions' per year on ManawatuNZ.co.nz
		Distillation and communication of 4 economic updates, providing context and trends.	Distillation and communication of 4 economic updates, providing context and trends.	Distillation and communication of 4 economic updates, providing context and trends.
Whiria te Tangata Develop strategic partner relationships, leveraging opportunities	Grow and foster relationships with Māori, and mana whenua of the region	Deliver 3 initiatives to support iwi engagement including support of iwi led projects	Deliver 3 initiatives to support iwi engagement including support of iwi led projects	Deliver 3 initiatives to support iwi engagement including support of iwi led projects
	Build on relationships with shareholders, central government agencies, and regional stakeholders	12 Partnership and funding agreements in place	12 Partnership and funding agreements in place	12 Partnership and funding agreements in place
		Complete biennial Customer Satisfaction survey		Complete biennial Customer Satisfaction survey

Te Aronui

Alignment with Our Shareholders

It is imperative that CEDA's objectives are aligned with our shareholder council's plans and visions for the city and district. The Palmerston North City and Manawātū District Councils signed Long Term Plans outline these objectives. CEDA plays a critical part in delivering outcomes identified in the relative Long-Term Plans as outlined below:

PNCC Long Term Plan Strategic Goals	CEDA Service Level Statement alignment
An innovative and growing city <i>He tāone auaha, he tāone tiputipu</i>	- Support the development and growth of business and sectors of strength in the region including inward investment. - Develop the talent pipeline to grow a skilled workforce and better utilise the existing labour market. - Profile Manawātū locally, nationally, and globally. - Develop strategic partner relationships, leveraging opportunities.
A creative and exciting city <i>He tāone whakaihiihi tapatapahi ana</i>	- Support the development and growth of business and sectors of strength in the region including inward investment. - Develop the talent pipeline to grow a skilled workforce and better utilise the existing labour market. - Profile Manawātū locally, nationally, and globally.
A connected and safe community <i>He hāpori tūhonohono, he hāpori haumarū</i>	- Support the development and growth of business and sectors of strength in the region including inward investment. - Profile Manawātū locally, nationally, and globally.
A sustainable and resilient city <i>He tāone toitū, he tāone manawaroa</i>	- Support the development and growth of business and sectors of strength in the region including inward investment. - Profile Manawātū locally, nationally, and globally.
MDC Long Term Plan Priorities	CEDA Service Level Statement alignment
A prosperous, resilient economy <i>He kāinga ka tōnui tōna ōhanga</i>	- Support the development and growth of business and sectors of strength in the region including inward investment. - Develop the talent pipeline to grow a skilled workforce and better utilise the existing labour market. - Profile Manawātū locally, nationally, and globally. - Develop strategic partner relationships, leveraging opportunities.
Infrastructure fit for future <i>He kāinga ka tūwhena tonu ōna pūnahahanga, haere ake nei te wā</i>	- Support the development and growth of business and sectors of strength in the region including inward investment. - Develop strategic partner relationships, leveraging opportunities.
A future planned together <i>He kāinga ka whakamaherea tahitā tōna anamata e te hāpori tonu</i>	- Support the development and growth of business and sectors of strength in the region including inward investment. - Develop the talent pipeline to grow a skilled workforce and better utilise the existing labour market. - Profile Manawātū locally, nationally, and globally. - Develop strategic partner relationships, leveraging opportunities.
An environment to be proud of <i>He kāinga ka rauhitia tōna taiao</i>	- Support the development and growth of business and sectors of strength in the region including inward investment. - Profile Manawātū locally, nationally, and globally.

About CEDA



The Central Economic Development Agency (CEDA) was incorporated with the Companies Office in October 2015 and began full operations in September 2016. CEDA is a Council Controlled Organisation jointly owned by the Palmerston North City Council and the Manawātū District Council.

CEDA's Purpose

To drive and facilitate the creation and growth of economic wealth for Manawātū and beyond.

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 a minimum of four and a maximum of 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 both the 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.



Ahumoni Financial Performance

Group Statement of Comprehensive Revenue & Expenses

For the 12 Months to June

	2025-26 Budget	2026-27 Forecast	2027-28 Forecast
Revenue			
Council Funding	2,801,862	2,871,909	2,943,707
Other Services Income	147,000	-	-
Project Income	222,500	222,500	222,500
Total Revenue	3,171,362	3,094,409	3,166,207
Cost of Sales			
Other Services Expenses	1,007,000	855,000	870,125
Project Expenses	222,500	222,500	222,500
Total Cost of Sales	1,229,500	1,077,500	1,092,625
Gross Surplus (Deficit)	1,941,862	2,016,909	2,073,582
Other Revenue			
Interest Revenue	20,000	15,000	15,000
Total Other Revenue	20,000	15,000	15,000

Central Economic
Development Agency
Limited

Group Statement of
Comprehensive Revenue
& Expenses

For the 12 Months to June

	2025–26 Budget	2026–27 Forecast	2027–28 Forecast
Operating Expenses			
Depreciation	15,726	14,253	6,430
Directors' Fees	155,000	155,000	155,000
Employee Expenses	1,400,031	1,462,032	1,515,893
Financing Expenses	100	100	200
Other Operating Expenses	402,767	408,913	414,989
Total Expenses	1,973,624	2,040,298	2,092,512
Net Surplus (Deficit) Before Tax	(11,762)	(8,389)	(3,930)
Taxation			
Income Tax Expense	-	-	-
Total Taxation	-	-	-
Net Surplus (Deficit) after tax	(11,762)	(8,389)	(3,930)

See Appendix for Accounting Policies

Group Statement of Financial Position

As at 30 June

	30 June 2026 Budget	30 June 2027 Forecast	30 June 2028 Forecast
Assets			
Current Assets			
Cash and Cash Equivalents	653,667	630,017	599,056
Receivables and Accruals	213,168	214,155	214,843
Prepayments	1,750	1,794	1,839
Total Current Assets	868,585	845,966	815,738
Non-Current Assets			
Property, Plant and Equipment	28,444	14,191	7,761
Total Non-Current Assets	28,444	14,191	7,761
Total Assets	897,029	860,157	823,499
Liabilities			
Current Liabilities			
Payables and Deferred Revenue	121,368	128,387	93,754
Employee Entitlements	87,190	51,688	53,593
Total Current Liabilities	208,558	180,075	147,347
Total Liabilities	208,558	180,075	147,347
Net Assets	688,471	680,082	676,152
Equity			
Contributed Capital	1,000	1,000	1,000
Retained Earnings	687,471	679,082	675,152
Total Equity	688,471	680,082	676,152

See Appendix for Accounting Policies

Group Statement of Cash Flows

As at 30 June

	30 June 2026 Budget	30 June 2027 Forecast	30 June 2028 Forecast
Cash Flows from Operating Activities			
Receipts of council funding	3,221,582	3,302,024	3,384,576
Interest received	20,000	15,000	15,000
Receipts from other operating activity	410,993	255,556	255,872
GST	(223,470)	(239,090)	(285,614)
Payments to suppliers and employees	(3,457,584)	(3,357,040)	(3,400,595)
Interest Expense	(100)	(100)	(200)
Total Cash Flows from Operating Activities	(28,579)	(23,650)	(30,961)
Net Cash Flows	(28,579)	(23,650)	(30,961)
Cash Balances			
Cash and cash equivalents at beginning of period	676,080	647,501	623,851
Cash and cash equivalents at end of period	647,501	623,851	592,890
Net change in cash for period	(28,579)	(23,650)	(30,961)

See Appendix for Accounting Policies

Shareholder requirements

Reporting to Shareholders

The Shareholders will invite CEDA to formally report to each Shareholder twice per year, being the Half Yearly Report and Annual Report.

The role of the formal reports to each shareholder is to:

- Review the performance of CEDA, and report to shareholders on that performance on a periodic basis
- Undertake performance monitoring of CEDA, as per section 65 of the Local Government Act
- Approve the appointment, removal, replacement, and remuneration of directors
- Review and approve any changes to policies, or the SOL, requiring their approval

The Board aims to ensure that the shareholders are informed of all major developments affecting CEDA's state of affairs, while at the same time recognising that commercial sensitivity may preclude certain information from being made public.

CEDA will adhere to a 'no surprises' approach in its dealings with its shareholders.

Statement of Expectations

By 1 December in each year the shareholders will deliver to CEDA a Statement of Expectations. The Statement of Expectations is intended to provide direction on issues that are important to both Councils, and to assist in the development of CEDA's next SOL. A Statement of Expectations for the three years from 2024 to 2027 has been delivered to CEDA.

Statement of Intent

By 1 March in each year CEDA will deliver to the shareholders its draft SOL for the following year in the form required by Clause 9(1) of Schedule 8 and Section 64(1) of the Local Government Act 2002.

Having considered any comments from the shareholders received by 30 April, the Board will deliver the completed SOL to the shareholders on or before 15 June each year.

Half Yearly Report

By the end of February each year, CEDA will provide to the shareholders a Half Yearly Report complying with Section 66 of the Local Government Act 2002. The Half Yearly Report will include the following information:

- Director's commentary on operations for the relevant six-month period
- Comparison of CEDA's performance regarding the objectives and performance targets set out in the SOL, with an explanation of any material variances
- Un-audited half-yearly Financial Statements incorporating a Statement of Financial Performance, Statement of Financial Position, Statement of Changes in Equity and Statement of Cashflows

Annual Report

By 30 September each year, CEDA will provide its shareholders an Annual Report complying with Sections 67, 68 and 69 of the Local Government Act 2002 and the Companies Act.

The Annual Report will contain the information necessary to enable an informed assessment of the operations of the company, and will include the following information:

- Directors' Report
- Financial Statements incorporating a Statement of Financial Performance, Statement of Financial Position, Statement of Changes in Equity, Statement of Cashflows, Statement of Accounting Policies and Notes to the Accounts
- Comparison of CEDA's performance regarding the objectives and performance targets set out in the SOL, with an explanation of any material variances
- Auditor's Report on the financial statements and the performance targets
- Any other information that the directors consider appropriate

Shareholder Meetings

CEDA will hold an Annual General Meeting (AGM) between 30 September and 30 November each year to present the Annual Report to all shareholders unless it is agreed between CEDA and the shareholders that the business of the AGM will be done by resolution in writing.

Shareholder Approval

Any subscription, purchase, or acquisition by CEDA of shares in a company or organisation will require shareholder approval by special resolution as will the other matters outlined in clause 3 of CEDA's Constitution.

Dividend policy

CEDA is a not for profit Council Controlled Organisation, as such the Board is not intending to pay any dividends in the foreseeable future.

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

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

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 < \$33m.

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

Non-exchange transactions are transactions where, an entity either received value from another entity without directly giving approximately equal value in exchange or gives value to another entity without directly receiving approximately equal value in exchange. CEDA considers that the nature of the core funding received from Councils is 'non exchange' in nature as the service value that CEDA returns to Councils as 'economic development' is not always directly provided to the Councils as funders, but rather to the broader community on behalf of the Councils.

Other services revenue has been classed as non-exchange revenue as the services are generally provided to the community rather than the funder.

Exchange transactions are transactions in which one entity receives assets or services or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange. In CEDA exchange revenue is derived from interest revenue and the provision of office meeting space.

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
Office Furniture & Equipment	Diminishing Value	0% – 50%
Office Furniture & Equipment	Straight Line	8.5% – 30%
Vehicles	Diminishing Value	30%
Websites	Straight Line	30%

Income Tax

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

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

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

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

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

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

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

Cash and cash equivalents

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

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

Receivables

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

Impairment of financial assets

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

Loans and receivables

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

Loans and receivables

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

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

Payables

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

Equity

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

Good and Services Tax

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

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

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

Commitments and contingencies are disclosed exclusive of GST.

Employee Entitlements

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

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

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

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

Provisions

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

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

3. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed, or has rights, to variable benefits from its involvement with the other entity and has the ability to affect the nature or amount of those benefits through its power over the other entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners. When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in surplus or deficit. Any interest retained in the former subsidiary is measured at fair value when control is lost.

CEDA has the power to appoint 100% of trustees of the Events Manawatū Trust.

Tauākī Kawatau

Statement of Expectations



22 December 2023

Bobbie O'Fee
Chair
Central Economic Development Agency Ltd
Level 1/1-19 Fitzherbert Avenue
PALMERSTON NORTH 4410

Dear Bobbie,

CEDA Statement of Expectations 2024/25 to 2026/27 (2024/34 Long Term Plan)

This Statement of Expectations (SOE) covers the period 1 July 2024 to 30 June 2027, which is years 1-3 of the Shareholders' 2024/34 Long Term Plan. Amendments to the Statement of Expectations may be sought during this period.

The purpose of this SOE is to provide CEDA with the Shareholders' focus and priorities for delivery, against its purpose of driving and facilitating the creation and growth of economic wealth in the Manawātū region and beyond.

When working beyond the Manawātū, there must be a causal link of the outcomes or benefits back to the Manawātū region based on the core functions and measures of success outlined below.

It is also expected that CEDA will use this SOE to guide the development of an annual Statement of Intent (SOI) for 2024/25, 2025/26 and 2026/27.

Strategic Relationships

Taking a leadership position and building strategic relationships in the Manawātū region and beyond, is fundamental for CEDA to achieve its purpose. CEDA must be relationship-driven at all levels and we appreciate your commitment to this. From our perspective (both as shareholders and partners), this means CEDA developing a deep understanding of the roles of its strategic partner organisations, what their priorities and strengths are, and how CEDA can add value to the relationship (and vice versa) to achieve better economic outcomes for the region.

CEDA formalising these strategic relationships, is important to us as shareholders, to ensure we have cohesion in the region around economic development activities. We would like this to be driven further by CEDA through mutually agreed partnership agreements or similar, to ensure everyone is on the same page and provide the basis for a consistent and collective approach with measurable outcomes.

Ongoing review of the existing strategic partnership agreements already in place is expected.

The shareholders have identified the following key partners for CEDA: Palmerston North City Council, Manawātū District Council, Horizons Regional Council, Iwi, Manawātū Chamber of Commerce, NZ Defence Force, Federated Farmers, Accelerate 25, KiwiRail, FoodHQ, Massey University, The Factory, Palmy BID, Feilding & District Promotions, and key Government agencies.

The Shareholders and CEDA will continue to work together to update the existing list of strategic partners.

Key Agreed Functions and Outcomes

We understand that to be effective, CEDA must be able to focus on key outcomes within a well-defined mandate. We also recognize this is a challenge given there can be differing stakeholder expectations.

This means CEDA focusing on the delivery of its core functions and outcomes in:

- Stimulate inward investment (both national and international), retention and expansion of business in the Manawātū region.
- Developing a talent pipeline.
- Support domestic visitation and tourism.

Top priorities are:

- Te Utanganui, Central New Zealand Distribution Hub.
- Strategic oversight and coordination of the Manawātū Food Strategy.
- Promotion and development of key tourism and visitor destinations.
- Inward investment in the Feilding town centre and Palmerston North city centre.

Action plans to deliver on these core functions should identify KPIs based on clear intervention logic. The SOI should include specific KPIs for the new top priority regarding inward investment in the Feilding town centre and Palmerston North city centre.

It is expected that CEDA will work very closely with key stakeholders of the regions strengths of food production and research, distribution and logistics, defence, health, visitor, education (domestic and international), digital and technology, and a growing Māori economy.

CEDA is expected to scan for new opportunities, whether or not it is a key strength, where this can benefit the region.

CEDA's success will be measured by the shareholders using the following indicators of the health of the regional economy:

- Job growth.
- Increase in median household income.
- Number of investment leads and deals secured.
- Strength of the relationship with strategic partners.

The Shareholders acknowledge that the first two measures are not directly under CEDA's control. Significant changes in international and national economic factors will be taken into account when the Shareholders measure CEDA's performance.

Understanding the strategic drivers of the Shareholders and aligning CEDA's core functions to those drivers is critical to the partnership between the Councils and CEDA.

The Shareholders have a key role in setting the economic environment for business to flourish and CEDA acts on the Councils behalf in facilitating opportunities for improved economic outcomes. CEDA is the Councils' agency for the delivery of economic development across the region.

Therefore, it is expected that CEDA will engage with the Councils in the development and implementation of their strategies and plans. These strategies and plans are expected to demonstrate active engagement with other strategic partners in their development.

The Councils are obliged to ensure that our services are delivered effectively and efficiently. As a Council-Controlled Organisation (CCO), this expectation extends to CEDA. The Shareholders require CEDA to provide an activity-based budget so the Councils can effectively communicate levels of service and value for money to their ratepayers. In addition, there are many opportunities where shared resourcing, expertise and services should be explored and we would like to discuss these opportunities from both a short-term and long-term perspective.

To ensure the Shareholders and CEDA are on the same page, the focus, scope of activity, and priorities will be set through the Statement of Intent (SOI), and delivery managed through any relationship agreement that is put in place.

The Shareholders expect that where CEDA is marketing the Manawātū region and this requires differentiating between the Manawatu, Feilding and Palmerston North, that this will continue to be delivered by CEDA in close collaboration with both Shareholders.

The Shareholders would like to continue the bi-monthly team meeting between the Mayors, Council CE's and relationship managers with the CEDA Chair and CE.

The Shareholders will invite CEDA to formally report to each Shareholder twice per year, being the 6-month report and Annual Report.

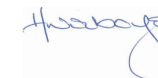
CEDA will host two informal meetings with the Shareholders together to share progress on key priorities and connect outside of the formal reporting processes.

We look forward to working with CEDA to develop an economic development model that successfully delivers. We thank the Board, CEDA CE, and CEDA staff for their continued commitment to economic growth in the Manawātū region.

Yours sincerely



Grant Smith
Mayor
PALMERSTON NORTH CITY COUNCIL



Helen Worboys
Mayor
MANAWATŪ DISTRICT COUNCIL

Ngā Manawa Tītī

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
Palmerston North City Council
Palmerston North Airport
Palmy BID
Poutama Trust
Rangitāne o Manawatū
Rangitāne o Manawatū Settlement Trust
Regional Schools
Spearhead Manawatū
Sport Manawatū
Sprout Agritech
Talent Central
Te Au Pakihi

Te Manawa

Te Roopu Hokowhitu

The Factory

UCOL

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

Rangitīkei District Council

Ruaapehu District Council

Tararua District Council

The Horowhenua Company

Te Utanganui partners: Kiwirail, Centreport and Napier Ports

Venture Taranaki

Whanganui District Council

Whanganui Chamber of Commerce

National

AgResearch

Agritech NZ

Air New Zealand

Business Mentors New Zealand

Department of Internal Affairs | Te Tari Taiwhenua

Department of Conservation

Economic Development New Zealand

Federated Farmers of New Zealand

Immigration New Zealand

Health New Zealand | Te Whatu Ora

Ministry of Business, Innovation and Employment | Hīkina Whakatutuki

Ministry of Culture and Heritage | Manatū Taonga

Ministry of Education | Te Tāhuhu o te Māturanga

New Zealand Careers Expo

New Zealand Defence Force

New Zealand Motor Caravan Association

New Zealand Trade and Enterprise | Te Taurapa Tuhono

New Zealand Transport Agency | Waka Kotahi

Regional Tourism Organisations New Zealand

Stuff

Tourism Industry Aotearoa

Tourism New Zealand

Workforce Development Councils

