



Annual Report

Year Ended 30th June 2023



Enterprise North Canterbury

ENC's Vision

'To inspire, attract and retain individuals, businesses and social enterprises to invest in our region'

ENC staff continued to work across the *three strategic objectives* this year:

1. Supporting existing businesses to **grow** and prosper
2. Attract and inspire businesses, Te Rūnanga o Ngāi Tahu and Government to **invest** in our region
3. **Promoting** the Waimakariri District to visitors and new businesses.

ENC, in conjunction with the two Councils, plays an important role in making our region a great place to do business. Our role is primarily to be an un-locker of economic opportunity for the region. To do this we are a facilitator, catalyst for change, information gatherer, connector, trainer, supporter for North Canterbury businesses.

ENC continues to leverage Council's foundation funding to initiate projects that benefit the region's businesses. ENC made a good surplus this financial year mainly due to securing funding from MBIE to act as their 'intermediary' organisation for North Canterbury to promote their Digital Boost platform to local businesses. ENC engaged a specialist marketing company to develop and deliver a marketing course that was free for North Canterbury businesses to attend (being 100% funded by MBIE) and attracted 119 participants. This gave ENC a healthy surplus of \$60,000 as we did not need to employ any additional staff. We also had good uptake for the two very popular Supervising and Managing Others courses run this year. Another source of the surplus result this year included a lift in interest received on our retained earnings invested at Westpac - which went from \$6,994 in 2021/22 to \$35,565 in 2022/23.

Key highlights in 2022/23:

ENC:

- Celebrated 20 years since establishing in 2002.
- Won a national award for 'Best Practice in Inclusive Development and Wellbeing' from EDNZ for work in supporting startup businesses.
- Held two facilitated workshops to develop a new 10 year strategy for the organisation
- Once again leveraged a significant amount of external funding via government and businesses

We thank both Waimakariri and Hurunui District Councils for the foundation funding (\$698k and \$51k respectively) that enables ENC to leverage additional funding from various Government agencies as well as sponsor businesses. This financial year to support specific ENC projects we received over \$458,345 (\$428,616 last year):

Government Agency funding - \$272,927:

Significant contributions included the following:

- \$120,000 from MBIE to run Digital Marketing Courses (Digiboost)
- \$55,799 from NZTE for Regional Business Partner Programme (RBP) for .5 of a staff member at ENC
- \$12,144 from MBIE for Regional Business Partner for business training vouchers for the ENC Supervising and Managing Courses
- \$34,741 the final remainder funding from MBIE for the MADE NORTH CANTERBURY project
- \$44,842 from MBIE for the Regional Event Funding (REF) (\$163,000 over 3 financial years)

Business Funding - \$185,418

Significant contributions included the following:

- \$65,185 from ENC Sponsors
- \$11,538 ENC business centre room hire
- \$5,989 from ENC business service partners
- \$11,202 from MADE NORTH CANTERBURY sponsor and members
- \$10,000 from Hurunui Tourism and \$5,000 from North Canterbury Wine Growers to assist with funding the inaugural The North Course
- \$10,000 from Hurunui Tourism and Hanmer Springs Thermal Pools and Spa for seed funding the 'Move on Up' talent attraction programme
- \$9,587 from Hanmer Springs Thermal Pools and Spa and Waimakariri District Council for funding their own talent videos to support the Move on Up talent attraction project
- \$29,102 for two ENC Supervising and Managing Others Courses
- \$10,731 net commissionable sales at the Kaiapoi i-SITE
- \$4,656 for producing the Rangiora and Kaiapoi street maps

Supporting Existing Businesses to **Grow** and Prosper:

- Successful delivery of the Regional Business Partner Programme with NZTE
- Successful delivery of six Digital Boost marketing courses to 119 participants
- Created a brand, website, marketing campaign and online tools (website and shareable pdf) to assist employers and recruitment agencies in luring top talent to North Canterbury and position it as an appealing place to work and live
- Launched the 2023 North Canterbury Business Awards in two locations
- Supported Hurunui District Council, MainPower, Ngai Tahu Farming and Transwaste to progress a green powered Hurunui Hub

Attract and Inspire Businesses, Te Rūnanga o Ngāi Tahu and Government to **Invest** in our region - ENC:

- Worked with the owners (ECan and Te Kohaka Trust) of the recreational trails around Waimakariri District to plan and implement the DIA funding with help from Mark Inglis to scope out the upgrades within the time frames required
- Launched the inaugural 'North Course' working with 33 local restaurants and three local supermarkets supporting local food and beverage producers to profile their product

Promoting the Waimakariri District:

- An economic and social impact study on growing the capacity of the Oxford Observatory, establishing a dark skies area and establishing a dark skies trail was produced then an application was made to Rātā and Department of Internal Affairs Lotteries Communities for funding of up to \$200,000+GST to establish the Oxford Observatory as a self-sustaining entity.
- ENC interviewed and supported 63 start up businesses (72 last year) and welcomed and promoted 42 new businesses to the district through social media and our newsletter (86 last year)
- 72 people signed up to the online business start-up course (109 last year)
- 16 new businesses were established as a direct result of varying levels of influence and assistance from ENC.
- In conjunction with a design agency we created a brand identity for North Canterbury. A new website was built using the URL northcanterbury.co.nz. This will be used by local employers to attract talent to the region.
- 36 itineraries created for active relaxers, adventurers, explorers and families for the 'Waimakariri - Why Not Make a Day of It' summer and autumn campaigns which provided a huge uplift in visits to the website
- Marketing of the two campaigns were directed at Christchurch and included Electronic Billboards, Stuff Media and Christchurch suburban newspapers
- Distributed local event funding - \$13,257 was awarded to eight events in August 2022 and \$13,500 to five events in March 2023
- Worked with ChristchurchNZ in the development of a combined Destination Management Plan for Christchurch, Waimakariri, Selwyn and Ashburton.

Future Developments:

The ability of ENC to gain support from Government, the private sector and sponsors on various projects and activities is a very effective way of leveraging Councils' funds. ENC has confidence that this will continue in the coming year through:

- The board signing off on their new 2023-33 Strategic Plan and submitting to both Councils to be included in their Long Term Planning for economic projects they wish ENC to deliver
- Delivering upgrades of the recreational tracks in Waimakariri as per the DIA Community Funding agreement
- Delivering the 2nd MADE NORTH CANTERBURY hospitality activation 'North Course' to showcase local food and beverage on their menu for the month of November
- Continuing to deliver and co-invest in the talent attraction project and 'Move on Up' campaign to support North Canterbury businesses in enticing new staff to their roles to the region
- Working with HDC to progress the Hurunui Green Powered Economic Hub for Hurunui and accessing Government funding as required
- Running a successful North Canterbury Business Awards & Gala in October 2023
- Delivering the Waimakariri District Promotion Contract to:
 - Attract quality investment to Waimakariri District
 - Increase in number of visitors to the district through greater branding and marketing
 - Fully distribute the Waimakariri and the Regional Major event funds and promoting events widely

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- Hosting a group of Professional Conference Organisers to the district showcasing conference and meeting venues

The Board wish to thank all staff and contractors who collectively enabled ENC to meet and exceed its objectives throughout the year.

ENC is an apolitical and trusted local economic development agency. Our role is to deliver sustainable economic development in Waimakariri and Hurunui.

Our operating environment is first and foremost influenced by government policies, local Councils economic development strategies, markets, other national, regional and local agencies and the region's private sector investors.

We want to make a significant contribution to everything that makes North Canterbury great.

Clare Giffard
ENC Chair

North Canterbury Economic Development Trust
trading as

ENTERPRISE NORTH CANTERBURY
DIRECTORY

FOR THE YEAR ENDED 30TH JUNE 2023

Purpose: The purpose of the Trust is to encourage economic development in North Canterbury.

Trustees: Appointed by Waimakariri and Hurunui District Councils

Mayor Dan Bruce Gordon – *ex officio* (commenced Nov 2019)
Mayor Marie Honor Black – *ex officio* (commenced Nov 2019)
Craig Patterson – completed his 2nd term in November 2022 and then resigned
Clare Diana Giffard – appointed for 2nd term in February 2021
Holly Louise Sterne – appointed for 2nd term in February 2021
Robert Ray Penter – appointed for 2nd term in February 2022
Michael John Weight – appointed for 2nd term in February 2022
James Francis Flanagan – appointed for 1st term in November 2021
Grant Kennedy Edmundson – appointed for 1st term in November 2021

Advisory Trustees: Appointed by the Board

Jeffrey Mark Millward (CE of WDC)
Hamish Ian Dobbie (CE of HDC)

Address: 143 William Street
Kaiapoi

Bankers: Westpac
Rangiora Branch
P O Box 328
Rangiora

Accountants: Jenkins Anderson Ltd
P O Box 78
Rangiora

Solicitors: Helmore Stewart
P O Box 44
Rangiora.

Auditor: PricewaterhouseCoopers Christchurch (On Behalf of the Controller and Auditor-General)

ENC Strategic Objectives
Performance Measures 2022/23

Vision: To inspire, attract and retain individuals, businesses and social enterprises to invest in our region

STRATEGIC OBJECTIVE 1: SUPPORTING EXISTING BUSINESSES TO GROW AND PROSPER

	Performance Measure	Target	Results
<p>Objective 1.1 <i>Support existing businesses to survive and thrive</i></p>	<p>Deliver the Regional Business Partner Programme for NZTE</p> <p>Attract Talent to the Region</p>	<p>Undertake 48 Capability Assessments and issue a minimum of \$80,000 NZTE Vouchers</p> <p>A minimum of 24 businesses referred to Business Mentors NZ</p> <p>New employee attraction programme developed and implemented in conjunction with relevant organisations and agencies</p>	<p>66 Assessment completed (achieved)</p> <p>\$82,804 vouchers issues (achieved)</p> <p>30 businesses referred to BMNZ (achieved)</p> <p>We consulted businesses about their worker/talent issues. Then in conjunction with a design agency we created a brand identity for North Canterbury.</p> <p>New website was built using the URL northcanterbury.co.nz and ENC (the organisation) website moved to enterprisecorthcanterbury.co.nz</p> <p>Hurunui Tourism, Waimakariri Promotion and ENC funded the new brand, website and one video and photography for the website. (achieved)</p> <p>Two organisations also fully funded videos for the new website (Hammer</p>

	<p>Support new and expanding businesses</p> <p>Maintain and grow ENC's website and social media</p>	<p>Provide business support 50 new startup businesses and 50 existing businesses to grow/expand</p> <p>Grow social media channels by 10%</p>	<p>Springs Thermal Pools and Spa and Waimakariri District Council) <i>(achieved)</i></p> <p>62 new businesses supported <i>(achieved)</i> A total of 92 existing/expanding/declining businesses supported <i>(achieved)</i></p> <p>Facebook likes increased 25.75% on last year from 3,218 to 2,559 <i>(achieved)</i> Website visits decreased by 74% on last due to changing URL's from northcanterbury.co.nz to enterprisenorthcanterbury.co.nz <i>(not achieved)</i></p>
<p>Objective 1.2 Celebrate and Recognise Business Leaders in the region</p>	<p>Launch the 2023 Business Awards</p>	<ul style="list-style-type: none"> • Category and Major Sponsors sign up • Launch event held • Achieve at least 60 businesses entering 	<p>Full Sponsorship secured for nine categories <i>(achieved)</i> Two launch events held in Waipara and Kaikoura <i>(achieved)</i> 84 applications started, 57 completed and 54 entries accepted to be judged and go forward to the Gala awards to be held 6 October 2023 <i>(Not achieved)</i></p>
<p>Objective 1.3 To assist Hurunui Council</p>	<p>Programme of initiatives agreed and implemented</p>	<p>ENC assists and supports initiatives as agreed</p>	<p>ENC continued to work with key parties HDC, MainPower, TransWaste, Ngai Tahu</p>

<p><i>establish economic projects in the district, improving the wellbeing and viability of Hurunui communities</i></p>			<p>Farming to progress the concept of a green energy powered commercial hub for the agriculture sector ENC took part in a presentation to Hurunui District Councillors about the benefits of a proposed Hurunui Green Energy Hub ENC presented to AmberleyNZ, the Hurunui Tourism Board and at a full Hurunui Council meeting on current and joint initiatives. <i>(achieved)</i></p>
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STRATEGIC OBJECTIVE 2: ATTRACT AND INSPIRE BUSINESSES, MANA WHENUA (TE NGĀI TŪĀHURIRI RŪNANGA AND NGĀTI KURI) AND GOVERNMENT TO INVEST IN OUR REGION

	Performance Measure	Target	Results
<p>2.1 Develop a North Canterbury Cycle Trail</p>	<p>Continue to seek and apply for funds for the development of a North Canterbury Cycle Trail from Christchurch to Waipara</p>	<ul style="list-style-type: none"> Staff prepare and submit applications in conjunction with the Councils Staff facilitate ongoing meetings of key stakeholders of cycle trails and signing of MOU 	<p>No applications submitted this year We have had multiple meetings with WDC, Te Kohaka Trust (TKoT) and ECAN ENC engaged Mark Inglis to inspect the two trails up for development which ECAN and TKoT own and write a project costing and implementation plan. <i>(achieved)</i></p>
<p>2.2 Deliver the MADE NORTH CANTERBURY Food and Beverage</p>	<p>Local food and beverage producers and manufacturers</p>	<ul style="list-style-type: none"> Grow MADE NORTH CANTERBURY Website, Facebook and Instagram platforms by 10% that promote detail of 	<p>Website: 11,197 users, up from 9,178 (22% on last year) <i>(achieved)</i></p>

<p>project to achieve greater collaboration</p>	<p>are provided opportunities to collaborate and connect</p>	<p>business and product; increasing awareness and sales of NCF&B</p> <ul style="list-style-type: none"> • New marketing and promotional initiatives and resources for NCF&B businesses created • Opportunities identified to attend and profile MADE NORTH CANTERBURY members at event and trade shows 	<p>Facebook: 4,101 followers, up from 3,691 (11% on last year) <i>(achieved)</i> Instagram: 1,465 followers, up from 1,002 (46% on last year) <i>(achieved)</i></p> <p>We facilitated a grocery display of MADE members at Durham Street New World in May 2023. We once again assisted Canterbury Nuts to coordinate MADE NORTH CANTERBURY Goodie Boxes for Xmas</p> <p>ENC launched the inaugural 'North Course' in October 2022 working with 33 cafes/restaurants and 3 local supermarkets (Rangiora New World, Rangiora PaknSave and Culverden Four Square) supporting local food and beverage producers to profile their product. <i>(achieved)</i></p> <p>A networking function 'Flavours of Business' was held 29 June with local food and beverage industry members in attendance <i>(achieved)</i></p>
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<p>2.3 Collaborate with Te Ngāi Tuāhuriri Rūnanga and Ngāti Kuri</p>	<p>Activate relationships with the business entities through various projects involving ENC and both Councils</p>	<ul style="list-style-type: none"> Identify and promote investment opportunities that benefit the North Canterbury community 	<p>ENC and Hurunui District Council worked with Ngai Tahu property to assess the viability of purchasing land and developing a green powered commercial Hub Introduced Rangiora High School's agriculture training project lead to Ngai Tahu Farming in order for them to potentially form a training partnership benefitting the regions rangatahi after we identified common interests. <i>(achieved)</i></p>
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STRATEGIC OBJECTIVE 3: PROMOTE THE WAIMAKARIRI DISTRICT

	Performance Measure	Target	Results
<p><i>Produce an annual business promotion plan for board and Council approval</i></p>	<p>Deliver on Business Promotion objectives, as contracted to Council</p>	<ul style="list-style-type: none"> Contract delivered 	<p>The contract runs until June 2024. To achieve the Promotion Objectives the 2022/23 Promotion Plan has four key goals with an aim to attract new businesses and visitors through marketing and events. <i>(Achieved contract was delivered)</i></p>

Handwritten scribbles in blue ink.

		<ul style="list-style-type: none">• Performance reported six monthly to Waimakariri District Council	ENC provides an annual business plan and budget that the ENC Board approve at their May board meeting. It is then presented and approved by Waimakariri District Council. ENC staff provides a six monthly written and verbal report to Council, along with a full twelve month report on results (both written and verbal). <i>(Achieved)</i>
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2.0 General

2.1 Other Activities/projects implemented and achieved this year

- Two business opinion surveys were undertaken in October 2022 (67 responded) and April 2023 (with 64 respondents). Results were circulated to participants, the board and local newspaper.
- Training:
 - ENC secured \$120,000 from MBIE to run six Digital Boost marketing courses with 119 participants. Attraction Studio was engaged to run the courses for ENC and they were all held at the ENC Business Centre.
 - ENC ran two Supervising and Managing Others courses with 24 participants
- ENC ran a networking function at Lacebark Function Centre in July 2022 with a total of 102 attendees. This event was fully sponsored by Waimakariri District Council
- ENC ran its first networking event for 'new businesses to North Canterbury'. 15 businesses attended
- The ENC Board and staff held a celebratory evening to recognise 20 years of operation in September 2022
- ENC won another national award this year for Best Practice in Inclusive Development and Wellbeing Award at the National EDNZ Conference in October 2022 for the work done helping small startups to succeed.
- ENC has been part of the development of Waimakariri District Councils Economic Development Strategy 2033-2043 (WEDS)
- The ENC Board approved funding for an economic and social impact study on growing the capacity of the Oxford Observatory, establishing a dark skies area and establishing a dark skies trail.
- The ENC Board approved that ENC make an application to Rātā and to the Department of Internal Affairs Lotteries Communities for funding of up to \$200,000+GST to establish the Oxford Observatory as a self-sustaining entity.
- ENC produced 11 newsletters throughout the year
- ENC produced 36 Five Minute Fridays' profiling local businesses on Facebook. These profiles had a combined total reach of 58,032
- ENC would like to thank the nine judges and lead judge (Steve Wilkinson) for this years 2023 Business Awards. They include:
 - BDO Professional Services Award -David Ward
 - MADE North Canterbury Food and Beverage Award - Brydon Heller
 - PAK'nSAVE Community Enterprise Award - Diedre Ryan
 - Coolspaces Sustainability Award - Andrew Arps
 - Misco Joinery Technology Award - Bryan Davey
 - Percival Street Bakery Customer Services Award - James Flannagan
 - Hanmer Springs Thermal Pools and Spa Tourism Award - Julia Hunt
 - Totalspan North Canterbury Trades and Services Award - Bryan Davey
 - Hellers Emerging Business Award - Leone Evans

2.2 Sponsorship and Financial Support:

Other valued contributors toward our activities during the year included:

- **Business Centre Sponsors:** We are grateful to our existing sponsors MainPower (corporate), BDO (silver sponsor), Spark Business Hub Christchurch, Hellers, PLC, Hazeldine Construction; Ray White Morris & Co, and Misco Joinery, Ravenswood, The Learning Staircase, Brannigans (bronze sponsors) and we welcome a new bronze sponsor Blackwells Department Store. which provided an income of \$65,185 (\$69,246 last year)
- **Business Service Partners** – six local partners contributing \$6,000
- **Business Centre external bookings** were \$11,538 this financial year (\$8,179 last year)
- **MADE NORTH CANTERBURY sponsor and members** - \$11,202 this year
- **Networking Events Sponsors:** ENC ran one networking function at Lacebark Function Centre. This event was fully sponsored by Waimakariri District Council.
- **Additional and valued sponsors:** Devlin Real Estate, Kaiapoi Harcourts (Rangiora and Kaiapoi Street Maps) a total of \$4,656 and inkind sponsorship from Sharp for the Photocopier.
- **The North Course - Hurunui Tourism and North Canterbury Wine Growers** contributed \$15k to support the inaugural event
- **Talent Attraction Programme** – ENC received additional funding from Hanmer Springs Thermal Pools and Spa and Hurunui Tourism to support the establishment of this programme as well as using District promotion and ENC funds.
- **Government Funders:** NZTE for the Regional Business Partner Programme and MBIE for the final remaining funding for MADE NORTH CANTERBURY food and beverage project, MBIE for the Regional Event Fund, DIA Community Facility Fund for the Pegasus Bay Cycle Trail development (over two years).

2.3 Staff:

Our focus continues to be on matching staff skills and resources with the programme objectives sought by our funders. ENC is a team of 6 full time (8 last year) and 4 part time (3 last year) employees/contractors.

During this financial year:

- Zoe Williams commenced as District Digital Marketing Manager in July 2022. This is a new position but was created to replace the promotion and events administrator role.
- Beccs Reid commenced on November 2022 as part time i-SITE assistant then resigned in April due to having her second child.
- A local leadership and team development coach provided a full day workshop off-site on the 9th of November for the team at ENC.
- ENC joined RAISE this year. An employee assistance programme.

We had excellent staff retention which enabled our organisation to forge ahead with projects. ENC has a well-regarded professional team who have formed strong relationships with the businesses in North Canterbury. Our main referrals are word of mouth from those who are satisfied with our engagement and delivery.

2.4 Governance

Trustees:

- Clare Giffard was re-elected the new Chair of ENC in September 2022

- Craig Patterson resigned after completing two terms with ENC. We thank Craig for his valued contribution to the board and staff

ENC continues to apply best practice principles in the governance and management of the Trust. During the course of the year:

Reporting:

- ENC submitted a six-month report to both Councils and a six month report for the promotion activities to Waimakariri District Council as per their contract.
- ENC provided a briefing to ALL BOARDS of WDC on the 9th of March
- The annual Draft Statement of Intent (SOI) was submitted to both Councils prior to the 28 February as required. However a revised SOI was sent to Council in May 2023.
- ENC presented their six month report and SOI to Hurunui District Council on the 6th of June and to WDC's Audit and Risk Committee on the 13th of June
- The Board approved the 2022/23 Statement of Intent and annual business plan and budget at their 24th May 2023 board meeting taking into account:
 - The anticipated downturn in the economy and what additional support ENC may be required to support businesses negatively impacted
 - The development of a new 10 year ENC strategic plan 2023-2033 to be signed off by the Board and two Councils
 - Define and agree on what role ENC plays in WDC's implementation of their new 10 year 2023-2033 Waimakariri Economic Development Strategy (WEDS)

Processes:

- Health and Safety remains as an agenda item at the beginning of every Board meeting.
- The Board Registration of Interest is updated annually and remains an Agenda item at each board meeting.
- The Risk Register is reviewed at every board meeting.
- The Audit and Risk committee of the Board (Mike, Jeff and Clare) met in April and updated the Risk Register.
- New policies approved this period included a Pandemic and Vaccination Policies; Reserves and Investment Policy; Flexible Working Policy; Fraud, Bribery and Corruption Policy, Harassment and Bullying Policy

Other:

- It was agreed that the Chair of the Board receive an annual honorarium of \$2500 plus any tax liability
- New Auditor approved – PWC
- The board contracted Hutch Consulting to assist them in developing a 10 year Strategic Plan. Two workshops were facilitated by John Hutchings on the 27th of April and 28th of June.

2.5 Rent:

There is 18 months left on the lease to 15th of December 2024.

3.0 CONCLUSION

The breadth of services we provide is only possible because we are an independent and apolitical agency. This enables us to actively and successfully leverage our core funding to bring additional programmes and initiatives to support and grow North Canterbury economic development.

Transforming, strengthening and diversifying a regional economy is a long term game which includes building innovation and business support ecosystems, attracting investment and working on projects that involve the community, local and central government.

To support the growth of the North Canterbury economy, ENC will:

- Maintain strategic oversight of the health of the North Canterbury economy, including by promoting or conducting research.
- Facilitate merit-based and business-friendly projects and processes, including those contributing benefit to the private sector.
- Be a facilitator, but not an investor in business projects.
- Promote the sustainability of business.
- Have an awareness of the needs of the community within which businesses operate.
- Be a leader and connector of like-minded business-people.

We are grateful to the ongoing support of our councils and of our business community in enabling us to be the best we can be.

ENTERPRISE NORTH CANTERBURY
ENTITY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2023

Legal name

North Canterbury Economic Development Trust

Type of entity and legal basis

The Trust is a not for profit trust incorporated in New Zealand under the Local Government Act 1974. The trust is controlled by the Waimakariri and Hurunui District Councils and is therefore a council-controlled organisation as defined in section 6 of the Local Government Act 2002.

The Trust's purpose or mission

The primary objective of the Trust is to provide promotions and economic development services for the North Canterbury region. The trust on behalf of the Waimakariri and Hurunui District Councils focuses on developing existing businesses and promoting new businesses within the region. The Trust also promotes the region as a visitor destination.

Structure of the Trust's operations, including governance arrangements

The Trust comprises a Board of Trustees who oversees the governance of the Trust, a Chief Executive who is responsible for the day-to-day operations of the trust and reporting to the trustees, and five other full-time staff and three part-time staff who support the Chief Executive in delivering against the Trust's objectives. The trustees are appointed by the Waimakariri and Hurunui District Councils.

Main sources of the Trust's cash and resources

Operating and promotion grants received from the Waimakariri and Hurunui District Councils and central government agencies are the primary sources of funding to the Trust. Further funding is primarily provided from the sale of services provided by the Trust.

ENTERPRISE NORTH CANTERBURY
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$ Actual	2022 \$ Actual
Revenue			
Council funding	1	841,598	688,466
Central government funding		272,927	153,631
Sales of goods and services		103,638	142,213
Other grants and donations received	2	71,048	126,873
iSITE commissions		10,732	6,899
Interest received		35,566	6,994
Depreciation recovered		6,957	-
Total Revenue		1,342,466	1,125,076
Expenditure			
Employment related costs	3	658,750	673,171
Advertising and marketing costs		215,297	136,062
Rent costs		78,244	77,417
Depreciation of property, plant & equipment	9	26,681	19,398
Costs of providing goods & services		164,776	123,235
Other expenses	4	136,803	104,377
Loss on sale		2,298	-
Total Expenditure		1,282,849	1,133,660
Net Surplus/ (Deficit) for the year		59,617	(8,584)
Less taxation expense	5	13,912	1,080
Net Surplus/ (Deficit) after taxation		45,705	(9,664)

The accompanying notes form part of these financial statements

**ENTERPRISE NORTH CANTERBURY
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023**

	Note	2023 \$ Actual	2022 \$ Actual
Assets			
Current assets			
Bank accounts and cash	6	373,356	222,229
Short term investments	6	630,386	915,777
GST refund due		84,794	59,409
Debtors and other receivables	7	26,048	10,037
Taxation Refund		-	3,016
Inventories	8	1,009	1,026
Prepayments		7,350	4,331
Total current assets		1,122,943	1,215,825
Non-current assets			
Property, plant and equipment	9	82,124	70,228
Total non-current assets		82,124	70,228
Total Assets		1,205,067	1,286,053
Liabilities			
Current liabilities			
Creditors and accrued expenses	10	70,569	62,901
Grants and funding subject to conditions	11	526,864	670,029
Taxation payable		2,176	-
Employee costs payable	12	40,402	33,772
Total current liabilities		640,011	766,702
Total Liabilities		640,011	766,702
Total assets less total liabilities		565,056	519,351
Trust Equity			
Accumulated surpluses	13	565,056	519,351
Total trust equity		565,056	519,351


Clare Giffard
Chairman


Mike Weight
Trustee

The accompanying notes form part of these financial statements

ENTERPRISE NORTH CANTERBURY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$ Actual	2022 \$ Actual
Cash flows from operating activities			
Receipts of council funding		723,582	716,974
Receipts of central government funding		232,384	518,644
Receipts from sale of goods and services		121,196	144,576
Net GST		(26,312)	(4,110)
Interest receipts		35,566	6,994
Receipts of other grants and donations		70,043	98,350
Receipts of other revenue		-	-
Payments to suppliers and employees		(1,243,426)	(1,121,791)
Net taxation refund		(8,720)	(5,308)
<i>Net cash flow from operating activities</i>		95,687	354,329
Cash flows from investing and financing activities			
Receipts from sale of property, plant and equipment		6,957	-
Receipts from sale of investments		915,777	503,364
Payments to acquire property, plant and equipment		(45,534)	(1,569)
Payments to acquire investments		(630,386)	(915,777)
<i>Net cash flow from investing and financing activities</i>		246,814	(413,982)
Net increase/(decrease) in cash for the year		151,127	(59,653)
Add opening bank accounts and cash		222,229	281,882
Closing bank accounts and cash	6	373,356	222,229

ENTERPRISE NORTH CANTERBURY
STATEMENT OF ACCOUNTING POLICIES
FOR THE YEAR ENDED 30 JUNE 2023

ACCOUNTING POLICIES APPLIED

Basis of preparation

The Board has elected to apply PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting - Accrual (Public sector) on the basis that the Trust does not have public accountability (as defined) and has total annual expenses of less than \$2 million.

All transactions in the financial statements are reported using the accrual basis of accounting.

The financial statements are prepared on the assumption that the Trust will continue to operate in the foreseeable future.

Goods & services tax

The Trust is registered for GST. All amounts in the financial statements are recorded exclusive of GST, except for Debtors and other receivables, Creditors and other payables and Grants and funding subject to conditions, which are all stated inclusive of GST.

Commitments and contingencies are disclosed exclusive of GST.

Significant accounting policies

Revenue

Grants

Council, government, and non-government grants are recognised as revenue when the funding is received unless there is an obligation to return the funds if conditions of the grant are not met ("use or return condition"). If there is such an obligation, the grant is initially recorded as a liability and recognised as revenue when conditions of the grant are satisfied. All items shown in Note 11: Grants and funding subject to conditions have been reviewed annually to ensure they remain subject to their original conditions and are therefore not required to be returned.

Sales of goods

Revenue from the sale of goods is recognised when the goods are delivered to the customer.

Sales of services

Revenue from the sale of services is recognised by reference to the stage of completion of the services delivered at balance date as a percentage of the total services to be provided.

Donated assets

Revenue from donated assets is recognised upon receipt of the asset if the asset has a useful life of 12 months or more, and the value is readily obtainable or able to be estimated.

Interest Received

Interest revenue is recorded as it is earned during the year.

Employee related costs

Wages, salaries and annual leave are recorded as an expense as staff provide services and become entitled to wages, salaries and leave entitlements.

Advertising, marketing, administration, overhead and function costs

These are expensed when the related service has been received.

Leases

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments made under operating leases are recognised in the statement of financial performance on a straight-line basis over the term of the lease.

Bank accounts and cash

Bank accounts and cash comprise cash on hand, cheque or savings accounts and deposits held at call with banks.

Debtors

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recorded as a bad debt expense.

Inventories

Inventories are initially recorded at cost. Goods held for sale are subsequently measured at the lower of cost and their selling cost. Goods for use or distribution are subsequently measured at cost and written down if they become obsolete.

Investments

Investments comprise investments in term deposits with banks.

Property, plant and equipment

Property, plant and equipment is recorded at cost, less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset.

Donated assets are recognised upon receipt of the asset if the asset has a useful life of 12 months or more, and the current value is readily obtainable or able to be estimated.

For an asset to be sold, the asset is impaired if the market price for an equivalent asset falls below its carrying amount. For an asset to be used by the Trust, the asset is impaired if the value to the Trust in using the asset falls below the carrying amount of the asset.

Depreciation is recognised on a straight line basis at rates that will substantially write off the cost of the asset over its useful life. The useful life of major classes of assets are as follows:

Office furniture and equipment	4 to 20 years
Plant and equipment	20 years
Motor vehicles	5 years

Creditors and other payables

Creditors and other payables are stated at cost

Employee costs payable

Employee costs payable that the Trust expects to be settled within 12 months of balance date are measured at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date.

Income Tax

The Trust is subject to the provisions of the Income Tax Act 2007. Tax expense is calculated using the taxes payable method. As a result, no allowance is made for deferred tax. Tax expense includes the amount of income tax payable based on the taxable surplus for the current year, plus any adjustments to income tax payable in respect of prior years.

Provisions

The Trust recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Tier 2 PBE Accounting Standards applied

The Trust has not applied any Tier 2 Accounting Standards in preparing its financial statements.

CHANGES IN ACCOUNTING POLICIES

All accounting policies have been applied on the same basis as the previous year.

ENTERPRISE NORTH CANTERBURY

Explanatory notes to and forming part of the financial statements
for the year ended 30 June 2023

	2023 \$ Actual	2022 \$ Actual
Note 1: Council funding		
Waimakariri District Council	790,348	637,216
Hurunui District Council	51,250	51,250
Total council funding	841,598	688,466

All grants have been applied for the purposes provided and in accordance with obligations in any contractual agreements. If conditions of the grant are not met and there is such an obligation the grants are recorded as Grants in advance and funding subject to conditions and recognised as revenue when conditions of the grants are satisfied.

Note 2: Other grants and donations received

MainPower sponsorship	30,000	30,000
Food & beverage sponsorship	1,912	5,627
Silver & bronze sponsorship	35,186	39,246
North Canterbury Business Awards sponsorship	3,950	52,000
Total other grants and donation received	71,048	126,873

Note 3: Employment related costs

Salaries & wages	532,196	583,099
Management contractors	123,142	86,085
Other employment related costs	3,412	3,987
Total employment related costs	658,750	673,171

Note 4: Other expenses

Administration and overhead costs	115,803	83,377
Audit fees paid to PricewaterhouseCoopers for the financial statement audit.	21,000	21,000
Total other expenses	136,803	104,377

OAG fees of \$2,016 are due for the 2023 financial statement audit (2022 \$1,365)

ENTERPRISE NORTH CANTERBURY

Explanatory notes to and forming part of the financial statements
for the year ended 30 June 2023

	2023 \$ Actual	2022 \$ Actual
Note 5: Taxation		
Taxation expense		
Net (Deficit)/Surplus before taxation	59,617	(8,583)
Tax @ 33%	19,673	(2,833)
Plus/(less) tax effects of non-deductible expenses	(461)	(2,467)
Plus tax losses (recognised)/not recognised	(5,300)	5,300
	<u>13,912</u>	<u>-</u>
Components of tax expense		
Current tax	13,912	-
Adjustments to current tax for prior years	-	1,080
Taxation expense	<u>13,912</u>	<u>1,080</u>

Unused tax losses of \$NIL (2022 \$16,059) are available to carry forward and offset against future taxable income.

Note 6: Bank accounts and cash

Cash at bank and on hand	120	120
Westpac cheque account	138,658	104,983
Westpac online saver account	234,578	117,126
Total bank accounts and cash	<u>373,356</u>	<u>222,229</u>

All bank accounts and cash were held as cash or held within on call or short term accounts as at 30 June. Short term investments are held for between 3 to 6 months and are therefore not readily available and because of this reason have not been classified as cash.

Note 7: Debtors and other receivables

Total debtors and other receivables	<u>26,048</u>	<u>10,037</u>
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The carrying amount of receivables approximates their fair value.
Trade receivables are shown net of impairment losses amounting to nil.

Note 8: Inventories

Stock held at Kaiapoi iSITE for sale	<u>1,009</u>	<u>1,026</u>
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ENTERPRISE NORTH CANTERBURY

Explanatory notes to and forming part of the financial statements for the year ended 30 June 2023
 Note 9: Property, plant and equipment (Office equipment includes Computer software at cost \$38,659, Amortisation for year ended 30 June 2023 of \$8,790 and Carrying amount of \$21,241)

At 30 June 2023

	Cost	Accumulated Depreciation	Carrying Amount	Current Year Additions	Current Year Disposals	Current Year Depreciation	Cost	Accumulated Depreciation	Carrying Amount
PPE									
Plant	1,064	(1,064)	-	-	-	-	-	-	-
Office equipment	244,993	(174,765)	70,228	3,206	(82,093)	19,775	166,106	114,744	51,362
Motor vehicles	28,101	(28,101)	-	37,668	(28,101)	6,906	37,668	6,906	30,762
Total	274,158	(203,930)	70,228	40,874	(110,194)	26,681	203,774	121,650	82,124

At 30 June 2022

	Cost	Accumulated Depreciation	Carrying Amount	Current Year Additions	Current Year Disposals	Current Year Depreciation	Cost	Accumulated Depreciation	Carrying Amount
PPE									
Plant	1,064	(1,064)	-	-	-	-	1,064	(1,064)	-
Office equipment	243,424	(156,768)	86,656	1,569	-	17,997	244,993	(174,765)	70,228
Motor vehicles	28,101	(26,700)	1,401	-	-	1,401	28,101	(28,101)	-
Total	272,589	(184,532)	88,057	1,569	-	19,398	274,158	(203,930)	70,228

ENTERPRISE NORTH CANTERBURY

Explanatory notes to and forming part of the financial statements for the year ended 30 June 2023

	2023 \$ Actual	2022 \$ Actual
Note 10: Creditors and accrued expenses		
Creditors	37,687	14,535
Accrued expenses	32,882	48,366
Total creditors and accrued expenses	<u>70,569</u>	<u>62,901</u>

Note 11: Grants and funding subject to conditions (inc GST)

WDC promotion contract	90,343	208,359
DIA cycle trail	337,226	340,676
Provincial growth fund	-	39,952
Other government grants	79,219	62,128
Other grants and donations	10,995	12,000
Sales of goods and services	9,081	6,914
Total grants and funding subject to conditions	<u>526,864</u>	<u>670,029</u>

These amounts have been reviewed at balance date to ensure the conditions remain valid and they are therefore not required to be returned.

Note 12: Employee costs payable

Accrued employee costs	20,950	15,397
Annual leave	19,452	18,375
Total employee costs payable	<u>40,402</u>	<u>33,772</u>

Note 13: Equity

Accumulated surpluses

Balance at 1 July	519,351	529,015
Surplus/(deficit) for the year	45,705	(9,664)
Total equity at 30 June	<u>565,056</u>	<u>519,351</u>

ENTERPRISE NORTH CANTERBURY

Explanatory notes to and forming part of the financial statements for the year ended 30 June 2023

Note 14: Related Parties

Enterprise North Canterbury is a Council Controlled Organisation (CCO) which provides services on behalf of the Waimakariri and Hurunui District Councils developing existing businesses and promoting new businesses within the region.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the trust would have adopted in dealing with the party at arm's length in the same circumstances

	2023	2022
	\$	\$
Waimakariri District Council		
Services provided by the Trust (excluding GST)	790,348	637,216
Outstanding balances as at 30 June 2023:		
- Income in advance	90,343	208,359
- Accounts receivable	-	-
Hurunui District Council		
Services provided by the Trust (excluding GST)	51,250	51,250
Outstanding balances as at 30 June 2023:		
- Accounts receivable	-	-

A vehicle was sold to the CEO at fair value. There is no balance outstanding on this transaction

No related party debts have been written off or forgiven during the year.

Note 15: Capital commitments and operating leases

Operating leases as lessee

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

	2023	2022
	\$	\$
Less than one year	78,965	77,416
Later than one year and not later than two years	39,482	77,416
Later than two years but not later than five years	-	38,708
Later than five years	-	-
	118,447	193,540

The Trust has no significant capital commitments contracted for at balance date.

Note 16: Contingent liabilities

The Trust has no contingent liabilities and no contingent assets as at balance date (2022: Nil)

Note 17: Events after balance sheet date

There were no significant events after balance sheet date.

Note 18: Breach of legislative reporting requirement

Enterprise North Canterbury was required under section 67(5) of the Local Government Act 2002 to complete its 2021 audited financial statements and service performance information by

30 November 2021. This timeframe was not met because Audit New Zealand was unable to complete the audit within this timeframe due to an auditor shortage and the consequential effects

of COVID-19, including lockdowns. This also has meant that Enterprise North Canterbury has failed to complete its 2022 audited financial statements and service performance information by

30 November 2022 as required by section 67(5) of the Local Government Act 2002.

PricewaterhouseCoopers was not appointed as Auditor until 20th December 2022, past this required reporting date.



Independent Auditors' Report

To the readers of North Canterbury Economic Development Trust's financial statements and performance information for the year ended 30 June 2023.

The Auditor-General is the auditor of North Canterbury Economic Development Trust (the Trust). The Auditor-General has appointed me, Nathan Wylie, using the staff and resources of PricewaterhouseCoopers, to carry out the audit of the financial statements and performance information of the Trust on his behalf.

Opinion

We have audited:

- the financial statements of the Trust on pages 18 to 29, that comprise the statement of financial position as at 30 June 2023, the statement of financial performance and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the performance information of the Trust on pages 7 to 12.

In our opinion:

- the financial statements of the Trust on pages 18 to 29:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2023; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Public Sector) Standards; and
- the performance information of the Trust on pages 7 to 12 presents fairly, in all material respects, the Trust's actual performance compared against the performance targets and other measures by which performance was judged in relation to the Trust's objectives for the year ended 30 June 2023.

Our audit was completed on 28 September 2023. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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



Responsibilities of the Trustees for the financial statements and the performance information

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

The Trustees are responsible for such internal control as they determine is necessary to enable them to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

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

The Trustees' responsibilities arise from the Local Government Act 2002.

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

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

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

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

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

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- We evaluate the appropriateness of the reported performance information within the Trust's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern.



If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

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

Our responsibilities arise from the Public Audit Act 2001.

Other Information

The Trustees are responsible for the other information. The other information comprises the information included on pages 2 to 6 and 13 to 17, but does not include the financial statements and the performance information, and our auditor's report thereon.

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

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

Independence

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

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

A handwritten signature in black ink, appearing to read 'Nathan Wylie', written over a large, stylized flourish.

Nathan Wylie
On behalf of the Auditor-General

28 September 2023
Christchurch, New Zealand

PricewaterhouseCoopers