

**NELSON  
REGIONAL  
DEVELOPMENT  
AGENCY**

# Annual Review 2022 – 2023





The NRDA is a combined Economic Development Agency and Regional Tourism Organisation, established on 1 July 2016. As a Nelson City Council (NCC) Controlled Organisation, NRDA is 100% owned and supported with core funding by NCC. Funding contribution from Tasman District Council ensures NRDA's services are Nelson Tasman region in focus and contributes to enabling significant Central Government funding leverage.

Photo credit: @cjmaddock

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## Directory

### Corporate Structure

NRDA is a Council Controlled Organisation established 1 July 2016 and is 100% owned by the Nelson City Council (NCC).

### NRDA Board

- Meg Matthews (Chairperson to March 2023)
- Sarah-Jane Weir (Chairperson from April 2023)
- Jeremy Banks (to September 2022)
- Alan Dunn (to September 2022)
- Marina Hirst Tristram (to September 2022)
- David Johnston
- Hugh Morrison
- Matthew Peacey (from September 2022)
- Sam Ng (from September 2022)
- Bridget Giesen (from September 2022)
- Dennis Christian (from May 2023)

### Chief Executive

Fiona Wilson

### Street Address

Mahitahi Colab, Nelson Marlborough Institute of Technology  
A Block, 322 Hardy Street, Nelson 7010

### Postal Address

P O Box 788, Nelson, 7040

### Auditor

Crowe New Zealand Audit Partnership on behalf of the Auditor General

### Solicitors

Duncan Cotterill

### Bankers

Westpac

### Company Registration Number

5887332

Cover photo credits:  
Martin de Ruyter  
Bare Kiwi

# Highlights



**Priority Regional Investment Projects**  
presented to Government



**413** businesses supported through the Regional Business Partner Programme, with a net promoter score of 72+



**Hosted Tasmanian Government Trade Delegation**



**\$1M+** funding secured via Regional Business Partner Programme



**\$3.8M** funding leveraged from core funding at 2.3:1



**5** domestic marketing campaigns delivered with a combined reach of **2.7M**



**\$65,700** generated through our Visitor Sector Promotion Programme



**\$24M+** total estimated value of NCC sponsored events



**120 Businesses** and **12 High Schools** engaged in our Education to Employment programme



**\$1M+** establishment funding for Moananui Blue Economy Cluster

Photo credit: Bare Kiwi

# Chairperson and Chief Executive's Report

Tēnā tātou katoa,

E paoro ana te maimai aroha  
ki ngā raorao o te motu.

He roimata ka rere ki ōna rau  
awaawa.

Kei te hunga kua huri atu ki te  
pae o mahara.

Haere, haere, haere atu rā.

Otia te pō, nau mai te ao.

Ki a tātou ngā wawata o te  
Tauihu nei.

Tēnā tātou katoa.

On behalf of the Board and staff of the Nelson Regional Development Agency (NRDA), we are proud to present our 2022/23 Annual Report.

It has been a mixed year economically, from easing of conditions as international connections, travel and migration started returning post-Covid, to multiple challenges impacting our business community and economy, including geopolitical uncertainty, supply chain, inflationary and workforce pressures. Our region also suffered the effects of extreme weather events, with both widespread flooding and a localised cyclone event. Economic development is a long game. As these factors compounded through 2022/23, we continued to deliver against our strategic agenda, and remain impact-focused, whilst also supporting recovery.

### Purposefully targeted

In this context, the NRDA 2022/23 programme was purposefully targeted towards initiatives with greatest potential to strengthen productivity to support higher wages, to position the region for investment, and to help build business resilience and confidence. We are an organisation and a region that is clear and unified on our direction, our challenges and our investment priorities.

### Maintaining strong collaboration – impactful partnerships and investment

We have maintained a strong collaborative approach through the Kōkiri Forum. Post-Covid, the focus of this collaboration moved from economic response to strategic regional priorities. Aligned with this collaboration, we delivered and advocated to government on the regional investment priority agenda, the Briefing for Ministers 2023, 'A more productive, resilient Nelson Tasman', a tool we update annually, to present a consistent regional voice, and to track delivery progress of regional investments that will strengthen our economy.

Despite the challenges of the economic environment, the focus of business in the region on R&D and digitisation has remained strong. Our Regional Business Partner (RBP) team directly facilitated over \$1m funding to businesses, with 80% of this into R&D (Callaghan Innovation).

### Strengthening our blue economy

As a founding and contributing partner of Moananui, the blue economy cluster, we partnered with industry to successfully secure Ministry for Primary Industry funding to support the formal establishment and ongoing development of the cluster. Our region is home to over 400 companies in the blue economy, and Moananui provides an exciting opportunity to achieve regional productivity gains and grow the international profile of this sector. We look forward to continued partnership with Moananui in 2023/24 and beyond, to support regional investment and growth.

### Supporting our visitor economy

While challenges to tourism have eased somewhat, the sector is still recovering from extreme weather events, whilst simultaneously tackling the negative national economic factors felt across all sectors. Nevertheless as we welcomed back our international visitors during the year, end of year figures reported an increase in total regional visitor spend<sup>1</sup>.

An extended implementation period for Government Destination Management Plan support enabled us to continue strong project delivery while the visitor partner programme remained paused in the first half of the year. Through this funding, we delivered programmes and campaigns focused on the domestic market and strengthening local businesses encouraging longer stay and local spend. This included our flagship 'Themed Journeys' campaign, flood-recovery campaigns and 'PLAY Nelson- Tasman Holiday Challenges'.

### Building the skills pipeline

Skills and workforce are key to a strong economy. Through our Education to Employment programme we drove industry-school connections to inspire careers, and secured Government funding to continue this programme through 2023-2025. Through partnership with the Regional Skills Leadership Group, we have also received confirmation of Government funding to support a new three-year critical skills and workforce planning role in 2023/24.

### Valuing our team – valuing our partners

NRDA's high performing team continues to be our most valuable asset. Our team has remained focused and agile, demonstrating resilience and unwavering commitment, delivering a substantial programme of activities. Through the year, we continued to focus on organisational culture, values and team development, critical to individual wellbeing and positive organisational performance.

With special thanks, we acknowledge Meg Matthews who retired as Chair of the Board in March 2023, with existing Board member Sarah-Jane Weir taking up the position of Chair. We also thank 2022/23 retiring members Jeremy Banks, Al Dunn and Marina Hirst Tristram, and welcome Dennis Christian, Bridget Giesen, Sam Ng and Matthew Peacey to the Board.

Partnerships and collaboration are a key strength of how this region does business and underpins our collective ability to deliver and unlock the economic potential of Nelson Tasman. NRDA was proud to lead the newly formed Civil Defence and Emergency Management

Economic Pou, in response to the August floods, bringing together NRDA, NTCC, Toiere Māori Business Network, Rural Assist and Ministry of Social Development.

We thank and acknowledge te iwi o Te Taihū, our formal and informal partners in the public and private sector, and our long-term sponsor Bowater Motor Group.

We particularly acknowledge our shareholder Nelson City Council and their funding partner Tasman District Council, in addition to the New Zealand Government who provide additional funding support to our activity programmes.

Through our core funding, we leveraged over \$3.8m investment. NRDA successfully achieved the delivery of a balanced budget, and we are proud to have achieved 32 of 35 performance measures, with an achievement rate of 91%.

Heoi anō, nei te mihi atu ki a koutou katoa.

Nā māua iti noa



Sarah-Jane Weir, Chairperson



Fiona Wilson, Chief Executive



Photo credit: Oliver Weber



Photo credit: abeltasman.com



Photo credit: Oliver Weber

<sup>1</sup> Infometrics QEM June 2023. Figures refer to combined domestic and international spend increase of 18.2% since 2022, noting this is lower than the national average.

# Our Mission

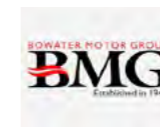
To unlock the economic potential of Nelson Tasman to enable our people and places to thrive.

We do this by leading inclusive and regenerative economic development, supporting our businesses and people to grow, and shaping and amplifying our profile to attract people, business, and investment to the region. Everything we do is built on a strong platform of collaboration and partnership with the public and private sectors to achieve alignment, build stakeholder engagement, and to drive NRDA's role in execution.



Photo credit: Lumiere

# Partnerships and Collaborations\*



\*Funding partnerships, support and project collaboration

# Programme Delivery Overview

Our 2022/23 programme delivered against the four strategic areas of the Statement of Intent.

## Economic Strategy and Innovation

Ensuring a strategic approach to our regional economic development.

## Investment Attraction and Promotion

Shaping and amplifying our profile, destination story and investment proposition.

## Business and Workforce Development

Supporting our businesses, key industry sectors, and people to upskill, innovate and grow.

## Organisation Management and Performance

Growing an effective and efficient organisation, with the right culture, knowledge and outward focus to deliver our strategic priorities.

# Economic Strategy

## Ensuring a strategic approach to our regional economic development.

Strong collaboration and partnerships are key to delivering on our goal of an inclusive and regenerative economy. Our economic development activity must be purposeful, data-driven and strategy led. The Nelson Tasman Regeneration Plan 2021/2031 is a 10- year economic development strategy setting out our collective regional direction and priorities. In August 2022, the Regeneration Plan was finalised by NRDA and endorsed by our two Councils. NRDA maintains dual responsibility under the Plan; to deliver specific programmes, and to maintain oversight of monitoring and reporting on the Plan.

### Regional Collaboration

Project Kōkiri, originally established as a COVID-19 response, was confirmed and extended as an ongoing regional economic development collaboration to support the delivery of the Regeneration Plan, and to ensure collective economic oversight on emerging issues. Through 2022/23, the Kōkiri Forum brought together NRDA, the Nelson Tasman Chamber of Commerce, Nelson City Council, Tasman District Council, mana whenua, Multicultural Nelson Tasman, NMIT/Te Pūkenga, and regionally based public agencies.

### Maintaining Focus on Productivity

Initiated in 2021/22, this project quantified the region's productivity challenge and informs NRDA's Investment Programme. This long-term project is focused on keeping the region's \$1.63 billion productivity gap in focus as we seek to strengthen economic wellbeing. In 2022/23 the project conducted initial research and interviews with high-performing local firms, then moved to identify gaps in the region's innovation ecosystem and to further inform priorities across workstreams in 2023/24.

### Business and Planning Tools - Data, Insights and Business Toolkit

NRDA maintains a suite of resources to support businesses and regional partners in their planning, decision making, promotion and talent attraction<sup>2</sup>.

#### 2022/23 provision included:

- The Quarterly Economic Monitor (QEM).
- Nelson Tasman Regional Economic Briefing 2023.
- Updated Nelson Tasman Productivity Report 2023.
- Māori Economic Profile extension, including economic data per Māori population.
- Sector Profiles for Forestry and Wood Processing, Visitor sector, and an updated Blue Economy profile.
- Updated Events Economic Impact Assessment Tool.
- Extension of our library of over 2,000 images videos available to businesses.
- In partnership with Nelson Tasman Chamber of Commerce, supported by Nelson Building Society, NRDA delivered the quarterly Nelson Tasman Regional Insights Survey.



<sup>2</sup> The Business Toolkit is available on the website: [NelsonTasman.NZ](https://www.NelsonTasman.NZ)



### Supporting the Māori Economy

Consideration of the Māori Economy is embedded within NRDA programmes, with commitment to strengthen this area of work. 2022/23 engagement activity included: Regional Business Partner 1:1 business support; working with Toiere Māori Business Network on emergency event response (CDEM Economic Pou); Iwi consultation and support for the regional skills hub proposal; Kōkiri Forum initiatives; Māori business promotion (visitor sector) and profiling to Tourism New Zealand; Moananui blue economy cluster; and Māori economy data extension.

### Regional Advocacy and Representation

In addition to specific targets, NRDA provided input to the wider regional and national strategic agenda:

- Advocated on economic development related matters on behalf of the region.
- Formal submissions including:
  - National: Government Industry Transformation Plans (Tourism, Forestry, Food and Beverage, and Fisheries); the Future for Local Government report; Te Pūkenga Organisational Structure.
  - Local: Nelson Arts and Creativity Strategy, Annual Plans: Nelson City Council and Tasman District Council.

### Regional Response

NRDA provided reach-out support, communications and advocacy for affected businesses throughout the extended flood-impacted period and resulting road closures, working with NTCC, Toiere Māori Business Network, Rural Assist and MSD, and reporting through CDEM. Following the floods, NRDA is the confirmed lead for the Civil Defence and Emergency Economic Pou.

### Business Communications

NRDA maintains a comprehensive communications programme, engaging with national and international audiences across a variety of platforms, with EDMs a core method of communication for support services and relevant updates. Through 2022/23 NRDA published 57 EDMs across all audience groups, equating to 103,833 deliveries. NRDA's LinkedIn page is another key communication channel to engage with our public and private sector audiences. The page has 1,815 followers, an increase of 17% from 2021/22.



# Investment Attraction

## Shaping and amplifying our profile, destination story and investment proposition.

Our region offers investment opportunities in exciting growth markets such as the Blue Economy, High Value Nutritional Food & Beverage, Forestry and Wood Processing, Research, Science and Technology, in addition to the Visitor Sector.

### Briefing for Ministers 2023: Opportunities for Investment and Partnership

Throughout 2022/23 we continuously advocated to Government on the regional investment priority agenda. In May 2023, we developed and distributed the second Nelson Tasman Briefing for Ministers – ‘A more productive, resilient Nelson Tasman’.

The Briefing, developed under the auspices of the Kōkiri Forum, presents a summary of the economic profile, strategic opportunities, and performance of Nelson Tasman, whilst providing an update on projects previously identified and bringing the priority investment and partnership opportunities with the greatest potential to lift both our regional and national economies over the next three years to the fore.

The Briefing for Ministers was distributed to over 60 political leaders, ministers, and Government departments on several occasions throughout 2022/23.

Our objective is to keep this Briefing for Ministers current, and in front of Government.

The Briefing for Ministers is informed by the Te Taihū Intergenerational Strategy and the Nelson Tasman Regeneration Plan 2021-2031. These are long term strategies, and as such, we expect to make progress whilst recognising the long-term challenges which will take multiple years to bring to fruition.

### The 2023 Briefing presents strategic investment priorities under four key areas:

- Blue economy.
- Science, research and technology.
- Reinforcing initiatives to strengthen economic development, including enhanced focus on our cultural and creative potential.
- Core community infrastructure.

We continue to prioritise our blue economy as a key economic focus based on evidence of regional distinctiveness, competitive advantage, and high potential to lift our low productivity. Together with our other strategic investment priorities, our region has an opportunity to significantly shift the economic outlook and contribute to strengthening New Zealand’s economy.



Photo credit: Martin de Ruyter

## Regional Investment Proposition and Referrals

- NRDA's Regional Investment Proposition was produced to support presentations through 2023/24 to promote the region as a place to invest and encourage potential investors to visit the region.
- International delegations/visits hosted, included: Invest Hong Kong; Danish Delegation; and the Tasmanian Trade Delegation to promote and connect potential business opportunities.
- Venture Capital companies hosted, connected over 50 local business people to investment opportunities.
- Government investment opportunities were promoted/connected to businesses: Forestry and Wood Processing Fund, Tourism Innovation Fund, Tourism Infrastructure Fund, Kānoa Strategic Partnerships.
- Promotion of Nelson Tasman as a place to live and work, included the Edmund Hillary Fellowship Virtual Regional Showcase, and production/distribution of the Live and Work Nelson Tasman Guide.

## Tasmanian Trade Delegation

In August 2022, NRDA led the region in hosting the 19-strong Tasmanian Trade Delegation to New Zealand, accompanied by the Tasmanian Minister for Primary Industries and Water. The 3-day mission visited 15 Nelson Tasman businesses, engaged over 120 business stakeholders and brought forward the announcement by BioMar, the Australian aquaculture feed manufacturer, of a direct shipping route between Hobart and Nelson. This delegation demonstrated to the Tasmanian and New Zealand Government the depth of industry opportunity, collaboration and capacity in this region.



# Business and Workforce Development

Supporting our businesses, key industry sectors, and people to upskill, innovate and grow.

Small to medium businesses (SMEs) are the cornerstone of our regional economy and community; the resilience and success of our SMEs is key to our economic resilience. Due to the changing future of work, the impact of COVID-19 and other global conditions, our businesses are facing new and increasing pressures. NRDA has a vital role to play connecting businesses and people in the region with the right support, tools and funding to enable them to upskill and grow to meet changing needs. Supporting the development of the region's talent pipeline is also important to support growth of our economy and key sectors and businesses within it. This includes both retaining and developing talent and skills already in the region, and attracting those with the skills and experience our region needs.

## Regional Business Partner Programme

NRDA is the Regional Business Partner for Te Taihū for the Callaghan Innovation and MBIE Regional Business Partner (RBP) Network. We support businesses to innovate and grow by directly facilitating Government funding and investment, and providing support services through connections, business collaborations, and independent advice and resources.

2022/23 was the 11th year of fulfilling the Regional Business Partner role; we have built a strong reputation for assisting local SMEs to improve their management practices and to understand how innovation and investment into R&D can grow their business and productivity.



### Trinder Engineering

A Callaghan Innovation R&D Student Experience grant supported a Master of Engineering R&D position, enabling cooperation between Canterbury University and Trinder Engineering, working to develop log transport safety products.

### 2022/23 Key Highlights:

- Facilitated over \$1m Government funding to businesses
  - \$800k Callaghan Innovation R&D funding
  - \$200k Management Capability funding
- Supported a total of 413 businesses, with approximately 70% of businesses employing five or fewer FTEs.
- Achieved a Net Promoter Score of +72 for the programme, demonstrating another year of strong customer connection and value, building trust and credible relationships with business owners, and enabling organisations to achieve their goals.
- Produced a promotional video for the Student Experience Grant scheme, which was used by Callaghan Innovation to promote the programme nationally.

[Watch the video here](#)

- Facilitated over 20 Student Experience Grants, successfully helping companies to employ students across a variety of roles over summer months.
- Delivered business innovation programmes, including Lean workshop, and Industry 4.0.
- Delivered the national Digital Facilitation Scheme.

- Direct feedback\* from businesses identified benefits from NRDA's intervention, such as:
  - Increased revenue
  - New IP
  - More rapid delivery of R&D projects
  - Increased capability within their company
  - Independent advice on business models and R&D projects
  - Access to new technical resources within their business, including student graduates
  - Increased competitiveness in global markets
  - Stronger connections across the local and national ecosystem.



## Digital Facilitation Scheme

In 2022/23, through the RBP programme, NRDA delivered the first national Digital Facilitation Scheme to 116 businesses across 11 different industries across the region. This 6-month digital training was delivered in partnership with 8 regional intermediaries to increase businesses' digital capabilities. A series of workshops were held spanning topics such as - running online courses; using social media; using digital tools to build a brand; website design; email marketing; eCommerce and SEO; google analytics; finance tools and many more. Formal MBIE evaluation is expected late 2023.



Photo credit: Wolfhorse

## Regional Business Partner Network

### About the Regional Business Partner Network

The Regional Business Partner (RBP) Network is designed to make it easier for NZ businesses to access early-stage support. We provide help to local businesses making big moves because thriving local businesses empower our communities. This national network is made up of 14 Regional Business Partners and is supported by MBIE and Callaghan Innovation. Regional Business Partner for Te Taihū, NRDA partners with the Nelson Tasman Chamber of Commerce and Marlborough Chamber of Commerce who assist us to provide information, advice, funding and connections to local businesses seeking support in their growth journey.

\* Excluding Digital Facilitation Scheme



### Future Skills

2022/23 was the second year of NRDA's Education to Employment programme, engaging all 12 regional high schools and over 120 businesses and organisations.

This programme showcases vocational education and employment opportunities to young people in the region and inspires career pathways. Funded through the Ministry of Social Development, the programme includes digital tools and communication channels, and an annual calendar of activities. The construction and aquaculture industries were prominent features of the 2022/23 programme, aligning with the priority industry sectors under the Regional Workforce Plan.

#### 2022/23 delivery included:

- Partnership with the Nelson Tasman Pasifika Community Trust, to deliver a Pasifika Pathways careers event at Saxton Oval, with 100 attendees and families.
- 12 career exploration days: civil construction, aquaculture, hospitality, hair & beauty, conservation, forestry, horticulture and, IT & computing.
- The second Fantastic Futures careers event, an interactive industry showcase at Founders Heritage Park featuring over 150 high school students and more than 30 businesses.
- Launch of LifeLab careers website, hosting over 30 videos and blogs showcasing businesses and career opportunities within the region, industry sector overviews and an interactive digital 'careers hub' of information and inspiration.

In June 2023, NRDA was delighted to receive confirmation from Government of an additional two years funding for this programme.

### Innovation

NRDA is a core partner of the Mahitahi Colab, with the Nelson Tasman Chamber of Commerce and NMIT/Te Pūkenga. The Colab has operated successfully since 2018 as an event and co-working space, focused on fostering business innovation and collaboration in Nelson Tasman. In 2022/23, demand for the co-working facility increased to capacity, and over 30 businesses now operate from the Colab. Despite the continued impacts of COVID-19 early 2022/23, the Colab held 172 events during the year, hosting a total of 2188 attendees.

#### Events and initiatives delivered in 2022/23 included:

- Co.Starters 10-week business programme - 100% of businesses engaged with this NRDA facilitated programme reported improvement in their entrepreneurial capability (KPI 70%).
- Callaghan Innovation Lean Workshop (RBPP).
- Industry 4.0 network presenting Mobile Showcase (technologies).
- Venture Capitalist business innovation evening with local business leaders.
- Business Innovation Profile series with NZ Entrepreneur magazine showcasing Nelson Tasman businesses for innovation and business achievements.

### Sector Transitions

Sector transition and development work throughout 2022/23 was focused on maintaining a carbon reduction lens for key projects, strengthening the blue economy, and supporting a resilient visitor sector.

NRDA submitted and facilitated industry consultation on Industry Transformation Plans for: Tourism, Forestry and Wood Processing, Food and Beverage; and Fisheries.

We partnered with the Energy Efficiency and Conservation Authority (EECA), to support commencement of the Regional Energy Transition Accelerator (RETA) programme and from planning workshops between EECA, energy users, forestry, and industry.

Other specific initiatives/support to assist industry solutions for reducing carbon footprint include: Mission Zero Podcasts (Food and Fibre; Blue Economy); Better Bus Transport Sharing; Nelson Tasman Light Travel itinerary; the Mārahau Pledge.



### Strengthening Our Blue Economy

The blue economy is a central element of our regional economy. Identified in the Te Taihū Intergenerational Strategy and the Nelson Tasman Regeneration Plan 2021 - 2031 as a key driver and anchor sector of future economic development; in many ways it will define the region's future economic distinctiveness.

The blue economy in the Nelson Tasman region includes a broad range of industries, from deep sea fishing and primary production of aquaculture products, to seafood processing and marine support services. The sector also includes transportation activities, tertiary and vocational education, innovation support and cutting-edge scientific research and development into new industry segments, new products and new technologies.

The region's blue economy contributes \$332m / 5% to Nelson Tasman's GDP, and employed 3,700 people / 6.3% of total regional employment in 393 businesses / 2.8% of total business units in the region<sup>3</sup>.

#### Blue Economy Sector Profile

NRDA published a regional Blue Economy Sector Profile in 2022/23. Developed in collaboration with industry, this sector profile aims to increase our understanding of the blue economy and the various industries within it. The profile provides an overview of current context, assets, challenges and components of the region's blue economy, to inform both NRDA and regional priorities in this area.

The Government's Aquaculture Strategy seeks to grow the national aquaculture industry to reach revenues of \$3.5b by 2035, and Nelson Tasman is well placed to be at the front of this growth.

<sup>3</sup>Infometrics Regional Economic Profile for Nelson Tasman, for the year to March 2022.

### moananui

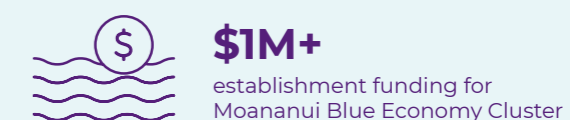
The formal establishment of Moananui blue economy cluster in 2022/23, provides an exciting opportunity to achieve regional productivity gains and grow the international profile of our blue economy.

Moananui is an industry collaboration, with the shared goal of transforming Aotearoa New Zealand into a world-leading ecosystem for developing and commercialising blue economy products, services, technology, research and capability. Moananui's focus is projects that increase value, connect people and improve ocean health.

As a founding and contributing partner of Moananui, NRDA collaborated to build and present a business case to Government to support the formal establishment of the cluster. This resulted in successfully securing \$500,000 MPI Sustainable Food and Fibre Futures (SFF Futures) funding across two years, with match funding (direct and indirect) committed by local industry partners. This funding has allowed Moananui to actively drive innovation projects, attract investment and grow membership.

Additional funding of \$700,000 from MBIE Sustainable Seas was secured to accelerate the uptake of blue economy practices and a series of projects have commenced:

- Partnership with AUT Ventures to support careers in the blue economy.
- Hosting aquaculture-focused investor networking with regional businesses.
- Co-hosting a seaweed summit with the Nature Conservancy, reflecting the conservation and economic growth focus of the cluster.
- Activation of several commercially confidential partner-led initiatives.





The visitor economy is a significant driver for Nelson Tasman, comprising a range of industries, from food and beverage services and accommodation providers, to experience operators, museums and transport. The importance of the sector goes beyond direct economic contribution. Events, the arts, hospitality, retail and outdoor experiences all contribute to the vitality and vibrancy of Nelson Tasman, and in turn support the attraction of talent and investment, and showcase regional products to broader audiences.

NRDA's support for the visitor sector and for tourism in the region is broad ranging. We are focused on strengthening the sector, building resilience, encouraging longer stay and increased spend. In context of the Nelson Tasman Destination Management Plan, local community and sustainability are priorities.

In delivering this programme, we work directly with local industry and collaborate closely with regional and national partners, including Tourism New Zealand and Regional Tourism New Zealand. Our business support and investment work streams also involve and benefit the visitor sector and economy.

The Nelson Tasman Destination Management Plan identifies our industry challenges opportunities, and the targeted actions which inform our workplans. Our April 2023 [Visitor Sector Profile](#) further informed this programme.



Welcoming international students to the region in February 2023.

## Visitor Sector Regeneration

Extension of the MBIE Destination Management Plan funding period, provided continued support for the programme as the region and visitor sector sustained prolonged impacts from COVID-19, the August flood events and associated infrastructure disruption.

### Development initiatives included:

Supporting creative tourism with the Makers, Creators, and Curators project; delivering feature length stories, an image library and professional development workshops for 36 practitioners.

With Golden Bay Promotions Association, we collaborated on a new programme to encourage visitors to support a regenerative projects. This eventuated into our Explore More, Care More page hosted on the Nelson Tasman website.

With MBIE and MSD funding and in partnership with DOC, NRDA delivered the Tourism Conservation Skills Workforce pilot programme, exploring potential for (tourism and conservation) seasonal employment transfer opportunities in the region.

With tourism businesses, NRDA facilitated development of the transport code sharing collaboration project 'Better Bus', supporting light footprint travel with a smart business solution. Driven by Wine, Art and Wilderness, this project was established in November with 27 operators, and achieved twin objectives to reduce emissions and improve visitor road transport efficiencies between Abel Tasman National Park and Nelson.

### Training initiatives included:

- Zero Carbon best practice.
- Inclusive and accessible tourism workshops and research.
- Mountain biking development - expansion opportunities.



## Destination Profiling Campaigns – Domestic Market

In 2022/23, we developed and successfully delivered five destination profiling campaigns. Where appropriate, these campaigns were adapted to support regional response to the impacts of border restrictions and August flood events.



### Still Beautiful

Flood recovery campaign, highlighting a region still open for business.



### PLAY Nelson Tasman and PLAY Nelson Tasman-Spring Holiday Challenge

Running through winter and spring 2022, supporting flood-impacted visitor sector businesses.



### Themed Journeys

Our flagship campaign for the year targeting both domestic and international visitors to encourage longer stays. Three 'themed journeys' were developed - Makers, Creators & Curators, Light Footprint, and Wellness Trails.

[Watch the campaign video here.](#)



### Getting a Taste of Tasman's Great Taste Trail

Partnership with The Nelson Tasman Cycle Trail to profile Tasman's Great Taste Trail and the trail operators.



### Spotlight on Golden Bay

Partnership with Neat Places to highlight a sample of Mohua Golden Bay's unique attractions and businesses, leveraging Neat Places 102,000 audience.

## Visitor Sector Promotion Programme (VSPP)

The Visitor Sector Promotion Programme facilitated by the NRDA is a paid membership initiative, enabling businesses and organisations within the sector to get in front of the right customers, grow their business, and assist the NRDA to provide continued support for destination management and visitor marketing.

The partnership programme was paused during 2020-2022 and introduced in late 2022/23, with 43 businesses, securing \$65,700 in private sector funding.

### 2022/23 Gold Partners include:



Photo credit: Bare Kiwi

## International Marketing

As international travel returned, we partnered with Tourism New Zealand to build our international visitor profile and reconnect key international travel wholesalers to the region.

### Key activities include:

- Supporting in-region filming.
- As part of the five-region, Top of the South Marketing Cluster, we promoted Te Taihū with a new website; [topofthesouthnz.com](http://topofthesouthnz.com) and targeted campaigns.
- Through strengthened partnership with Marlborough, we collaborated to represent a unified Te Taihū offshore in the US and UK.



International travel wholesalers and media return to Te Taihū – **7 regional famils** hosted



Achieved an Equivalent Advertising Value (EAV) of **\$1.4m**

## Increased Engagement with our Visitor Sector Audiences

Our digital channels provide the perfect platform to inspire visitation to the region, by showcasing our beautiful assets to potential domestic and international visitors.

Nelson Tasman's social media channels have achieved particularly successful engagement rates throughout 2022/23, far exceeding industry averages.

Facebook - combined engagement rate of 38% (industry average is 3.6%)

Instagram - 21% engagement for organic content (industry average is 1.16%)

NelsonTasman.nz website - 15% increase in page views by users (compared to previous year), indicating a greater engagement by those visiting the site.

<sup>4</sup> All figures calculated using the events economic impact model commissioned by NRDA from APR Limited, as previous years, including direct spend and indirect spend (GDP).

<sup>5</sup> A full list of events supported through this funding is available at <https://www.nelsontasman.nz/meet/event-funding/nelson-city-council-event-funding/>

## Events in Nelson Tasman

The NRDA Events team is focused on ensuring our region hosts a diverse annual programme of local, national and international events, to encourage out-of-region visitation and deliver strong value to the regional economy.

This is achieved through a comprehensive work programme, including funding support, hosting proposals, event attraction and information, advice and support services to event organisers.

### Nelson City Council Events funding<sup>4</sup>

Through 2022/23, NRDA continued to manage the economic and community streams of the Nelson Events Fund and the Venue Hire Fund on behalf of Nelson City Council, facilitating the Events Development Committee and supporting decision making with event economic impact assessments.

Through 2022/23, 53 events were approved, with 26 of these events occurring in 2022/23, generating an estimated \$24.6m value to the regional economy and an overall return on investment of 32.1.

Supported events include: T20 Super Smash Double Header Cricket, The Adam Chamber Music Festival (2024), NZ Mountain Bike Rally (2024), first production from The Professional Theatre Company, NZ Open Veterans Table Tennis Championships, Nelson Jewellery Week, and Ceol Aneas<sup>5</sup>.



Photo credit: Josie Gritten

<sup>6</sup> Figures calculated using the events economic impact model commissioned by NRDA from APR Limited, as previous years, including direct spend and indirect spend (GDP).

<sup>7</sup> Business event and conference impact is direct spend only, based on BEIA (Business Events Industry Aotearoa) standard estimates for daily delegate spend.

NRDA also manages the **Te Taihū Regional Events Fund (REF - MBIE)**, in partnership with Nelson City Council, Tasman District Council, Marlborough District Council and Destination Marlborough. Granted in 2020, the \$960k allocated to Nelson Tasman under this fund spans 4.5 years, ending 30 June 2025. This supports our event function, direct event contributions, capability and capacity building, and event feasibility and development. In 2022/23 \$108,180 from REF was invested in events that occurred within the year, generating an estimated value for Nelson Tasman of \$3.2m<sup>6</sup>. Supported events include: Nelson Clay Week, Nelson Jewellery Week, NZ Antique and Classic Boat Show.

**Business events and conferences:** Through REF support, our dedicated business events and conferences workstream attracted and/or supported 23 business events to the region, hosting 3300 delegates, generating total estimated spend in excess of \$5.2m<sup>7</sup>.

**Events network facilitation:** SPICE (Sporting, Professional, Incentives, Conferences and Events), convened by NRDA and independently chaired, is an active group of over 30 industry representatives who collaborated through the year to support the local sector and to build excellence in training, employment, event management and manaakitanga.

## Visitor Information

Following the closure of the Nelson iSITE at Millers Acre, in 2022, NRDA continued to provide visitor information through a range of channels throughout 2022/ 23 including online, by phone, pop-up cruise ship welcomes, and in partnership booking arrangements. As visitor numbers increased in February, we 'popped-up' a visitor information point at the Nelson City Council Customer Service Centre, moving this to a trial at the Nelson Provincial Museum (trial ongoing at year end). We particularly acknowledge our partnership and support from the Motueka iSITE, Nelson City Council and the Nelson YHA as visitor information services have adapted to changing demands.



**\$24M+**  
total estimated value of NCC sponsored events



# Statement of Service Performance

For the year ended 30 June 2023

### 3.1 Description of Outcomes

For the year ended June 2023, NRDA achieved 91% of our Key Performance Measures (KPMs) which are summarised below.

#### Key Performance Measures Summary

Table 3.2 presents a summary of achievement against the NRDA Statement of Intent (SoI) Key Performance Measures for the year. The summary indicates the achievement of 32 of the 35 performance measures, with an achievement rate of 91%. Of the three KPMs not fully achieved, two are due to a necessary project extension within the three-year SoI period; one reflects our recovering tourism industry.

Table 3.2 Key Performance Measures Summary

<b>Achieved</b>	<i>Includes targeted outcomes which have been achieved via adjustment to approach or to timing, but which remain on track to meet overall SoI timeframes</i>
<b>Delivery Impacted or Deferred</b>	<i>Impacted by COVID-19 or by another factor out of NRDA control such as funding, changes to national programmes, changes to policy</i>
<b>Not Achieved</b>	

Economic Strategy and Innovation	
Project Kōkiri collaboration maintained as an enduring regional partnership (minimum quarterly meetings), with actions and outcomes detailed	Forum convened
Nelson Tasman Productivity Project developed with regional stakeholder participation and buy-in	Firm interviews. Innovation ecosystem review
Quarterly economic profile reports aligning with shareholder and business needs	Quarterly Monitor
Māori businesses engaged with NRDA report a net promoter score of 50 or higher <i>Performance based on engagement. NPS not collected separately for Māori Business.</i>	Engagement focus
Angus and Associates Views on Tourism Research Report shows positive feedback from residents	Research delivered
Visitor spend in Nelson Tasman increases at a rate exceeding the national average	18.2% increase (NZ 32%)
Investment Attraction and Promotion	
Regional Identity update project complete and endorsed by Kōkiri Forum	Extended; on track to complete 2023/24
Number of unique visitors to nelsontasman.nz increases 5% on previous year	13% page view increase
Revised Regional Identity implementation plan in place	Timeframe revised with Regional Identity project
Regional investment proposition produced and provided to NZTE	Investment proposition
12+ investment referrals/promoted opportunities per year	12+ opportunities
\$1m EAV secured by June 2023	\$1.4m EAV

Total engagement rate across social media channels exceeds industry average (3.6% on Facebook and 1.16% on Instagram) for year to June 2023	Facebook 5% Instagram 21%
Three campaigns and promotions delivered profiling Nelson Tasman as a great destination for visitors, businesses and talent attraction	7 campaigns and promotions
6+ film enquiries per year and 2+ filming outcomes	Supported over 9 filming outcomes
Regional events deliver over \$15m of value to the regional economy	Over \$25m value
Business and Workforce Development	
Number of businesses supported through 1:1 business advisory service (contract annual target 200)	413 businesses
Businesses have experienced positive business outcomes by reporting a net promoter score of 50+ or higher (contract annual target 50+)	NPS 72+
Total annual value of capability development and R&D funding issued: contract annual target circa \$1m	Issued \$1,020,927
Capability improvement, reported through programme feedback <i>Formal MBIE evaluation to take place in 2023/24.</i>	Feedback scheduled
2022/23 SOI includes Workforce Development programmes that align with the RSLG Workforce Development Plan	e.g. Skills hub bid
50 businesses engaged in youth transition and employment programmes	E2E 120 businesses
80 events held at the Mahitahi Colab with 2500 total attendees	172 events; 2188 people
Quarterly innovation event programme delivered	Quarterly programme
70% of businesses engaged with Co.Starters programmes report an improvement in entrepreneurial capability	100% reported
Te Taihū Blue Economy cluster established and 20+ businesses engaged	22+ businesses
3+ Partnership initiatives with climate action/industry sector groups directly supporting industry solutions for reducing carbon footprint	EECA, 2x podcasts
6+ Visitor sector business resilience training and development delivered	10 visitor sector training initiatives
Organisational Management and Performance	
Future model 2022 onwards: Investigate future funding model for destination management and marketing and private sector partnerships to support programmes in 2022/23 and 2023/24 Investigate and confirm future service levels, location and funding model for the iSITE	Visitor sectors partners x 43, \$65.7k. Visitor information point pop up/trial
Wellbeing and Development programme implemented by December 2022	PD delivered
Zero Carbon or Climate Positive certification is maintained	24% carbon reduction
The NRDA maintains a balanced/positive budget	Balanced budget
NRDA delivers a clean Audit	Clean audit
Zero lost-time work injuries	Zero
Stakeholder survey scheduled Q1 2024.	Scheduled 2024

## 3.2 Description of Inputs

Our work is enabled through the core funding from our shareholder and Tasman District Council, Government-funded programmes that we can leverage, and public and private sector partners. The Nelson Tasman region also benefits significantly from in-kind support provided through our range of partnerships. The shareholder investment and the business plan are guided by the NRDA Statement of Intent.

## 3.3 Description of Outputs

### 3.3.1 Governance

NRDA is supported by an independent Board of seven Directors.

Led by Chairperson Sarah-Jane Weir, each Board member brings a unique set of skills and experience, enabling us to identify and maximise on regional development opportunities. Our Directors are appointed by Nelson City Council for a term of 1-3 years, ensuring that a culture of fresh thinking and new perspectives is supported and embraced at a strategic level.

The NRDA Board maintains a robust governance and policy framework that has specific governance policies as follows:

- Accounting Policy (reviewed November 2021 by Board – Audit August 2022)
- Conflict of Interest Policy (reviewed November 2022)
- Delegated Authority Policy (reviewed November 2022)
- Expenditure Policy (reviewed November 2022)
- Family Violence Policy (reviewed November 2022)
- Fraud Policy (reviewed November 2022)
- Gender Equality in Employment Policy (reviewed November 2022)
- Health Safety and Wellness Policy (reviewed November 2022)
- Investment Policy (reviewed November 2022)
- Procurement Policy (new policy adopted November 2022)
- Reward Performance and Remuneration Policy (reviewed November 2022)

A Register of Interests is tabled and updated at each Board meeting and any conflicts of interest declared. All policies are subject to regular review no less than three-yearly as per the Policy Register.

## NRDA Board of Directors at 30 June 2023



**Sarah-Jane Weir**

Sarah-Jane is Chairperson of the Nelson Regional Development Agency Board and brings with her a breadth of skills and knowledge from previous roles.

Sarah-Jane is the independent chairperson of the Nelson Bays Primary Health Organisation, a trustee of the Cawthron Trust Board, a national councillor, and local branch chairperson of the Institute of Directors. She is also a member of the Financial Advisors Disciplinary Committee.



**Bridget Giesen**

Bridget has a commercial background, qualifying as an accountant and lawyer, with a wide breadth of knowledge and experience across strategy, corporate finance, Māori investment, organisational development and people leadership.

A former Strategy Manager for Air New Zealand and Corporate Strategy Analyst for Auckland Airport, Bridget is currently Director Manufacturing for New Zealand Trade and Enterprise. She is director of Puketeraki Limited, Christchurch City Holdings, Wool Impact and Hopkins Farming Group. Bridget also has governance and management experience with entities of Te Rūnanga o Ngāi Tahu and recently spent 12 months as the Associate Director of Pamu Landcorp.



**David Johnston**

David is Ngāti Porou, and whānau is his foundation. David has extensive experience in leadership and has a proven track record in CEO Management of Iwi business as well as deep experience in governance, banking and operations management. In the past, he has been runner-up in the Duncan Cotterill Nelson Marlborough Aspiring Directors award and completed the Institute of Directors Mentoring for Diversity Programme.

David's experience includes recent past Co-Chair of the Kotahitanga mo Te Taiao Alliance, and the Te Taihū Iwi Charitable Trust set up in response to Covid-19 by the eight Iwi of Te Taihū. David is the Managing Director for his Business Consulting Company named Kururangi Consulting Ltd.



**Dennis Christian**

Dennis has a background in finance, tourism and governance.

After many years with the Bank of New Zealand he owned and operated Flying Kiwi Adventures, a nationwide tour operation, and now utilises his sales skills and experience in Bayleys Real Estate

As well as his role with the NRDA, Dennis is Chair of the Tahuna Beach Camp Association, is the independent chair for Wilsons Abel Tasman and is a trustee for the Nelson Marlborough Rescue Helicopter Trust.



## NRDA Board of Directors at 30 June 2023



### Hugh Morrison

Hugh is Chief Executive of Port Nelson Limited, a port serving the import and export needs of Te Taihū.

With civil engineering and management qualifications, Hugh has worked in the infrastructure, construction and property sectors for over 30 years. This has allowed him to work in over ten countries and to lead projects valued in the billions and businesses with team sizes of up to 500.



### Matthew Peacey

Matthew is the founder of Fintech businesses utilising new tech and machine learning to solve SMEs' cash flow issues in Australia and New Zealand.

Matthew began his career as a scientist with a Doctorate in Virology and Immunology, developing novel virus-like particle vaccines for cancer treatment, followed by roles as a Senior Scientist and Principal Investigator leading the development of novel virus detection.

Matthew has continued to hone his interests in governance and entrepreneurialism, winning Nelsonian of the year for business. He is also an independent director for the Cawthron Institute and the Tasman Rugby Union.



### Sam Ng

Sam Ng is an experienced technology and social entrepreneur with a passion for harnessing technology for social and environmental good. He currently leads teams at the Chief Digital Office at the United Nations Development Programme. He previously started Optimal Experience and Optimal Workshop and various social ventures in educational technology, anti-human trafficking, humanitarian work and impact investing.

His exposure to technology and innovation on a global scale led him to focus on both the risks and opportunities of emerging technologies.

## 3.3.2 Reporting

The NRDA Board met the legislative requirements as set out in the Local Government Act 2002, to provide the following documents to Nelson City Council (NCC) by the required dates:

- 2021/2022 Annual Report by the 30th September 2022
- NRDA Annual General Meeting held 21st September 2022
- Half yearly report to 31st December 2022 by 30th March 2023 (also presented to Tasman District Council)
- Draft Statement of Intent by 30th March 2023
- The Final Statement of Intent, delivered within the July 2023 timeframes established by NCC.

Regular meetings were maintained throughout the year between the NRDA Chairperson and CE with the Mayors, and between the CE and representatives of Councils' Senior Leadership Teams. NRDA provided regular shareholder and stakeholder updates, connected extensively with businesses and network organisations, and held monthly NRDA Board meetings.

NRDA also attended Council meetings and workshops on specific, ad hoc issues, as required.

In addition to the NRDA CE and relevant leadership team representation, relevant meetings and workshops with Elected Members in 2022/23 were also attended by the NRDA Chairperson and/or other NRDA Board members.

This Annual Report has been prepared in alignment with the NRDA Statement of Intent 2021-24 and the Nelson Tasman Regeneration Plan 2021-2031, and in accordance with generally accepted accounting practice in New Zealand and the PS PBE Tier 2 framework.

# Statement of Financial Performance

For the year ended 30 June 2023

These financial statements should be read in  
conjunction with the notes to the financial  
statements contained in section 4.5.

## 4.1 Statement of Comprehensive Revenue and Expense

Nelson Regional Development Agency Limited for the year ended 30 June 2023

	Notes	2023	2022
<b>Revenue</b>			
Revenue from non-exchange transactions	1	3,072,450	2,937,967
Revenue from exchange transactions	1	204,525	262,758
<b>Total Revenue</b>		<b>3,276,975</b>	<b>3,200,725</b>
<b>Expenses</b>			
Cost of sales		-	25,872
Depreciation and amortisation expense	2	38,133	49,866
Grants and sponsorship	3	288,522	226,890
Marketing and strategic projects		1,135,787	1,026,107
Employee benefits	4	1,467,096	1,269,557
Other overhead and administrative expenses	5	382,933	595,796
<b>Total Expenses</b>		<b>3,312,470</b>	<b>3,194,088</b>
<b>Net Finance Income</b>			
Finance income	6	51,534	12,032
Interest expense		(916)	(1,526)
<b>Total Net Finance Income</b>		<b>50,618</b>	<b>10,506</b>
<b>Operating Surplus Before Tax</b>		<b>15,123</b>	<b>17,142</b>
<b>Taxation expense</b>			
Tax Expense	11	849	9,204
<b>Total Comprehensive Revenue and Expenses After Tax</b>		<b>14,274</b>	<b>7,938</b>

 Chairperson  
**Sarah-Jane Weir**  
18<sup>th</sup> August 2023

 Director  
**David Johnston**  
18<sup>th</sup> August 2023

These financial statements have been authorised for issue by the Board of Directors on 18th August 2023

## 4.2 Statement of Financial Position

Nelson Regional Development Agency Limited As at 30 June 2023

	Notes	30 June 2023	30 June 2022
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	7	619,747	942,759
Receivables	8	294,749	97,926
Prepayments	9	20,675	14,881
Investments	10	509,742	502,548
Income tax receivable		21,199	4,888
<b>Total Current Assets</b>		<b>1,466,112</b>	<b>1,563,001</b>
<b>Non-Current Assets</b>			
Deferred tax	12	29,022	29,871
Property, Plant and Equipment	13	37,442	36,664
Intangibles	13	12,939	13,416
<b>Total Non-Current Assets</b>		<b>79,403</b>	<b>79,951</b>
<b>Total Assets</b>		<b>1,545,515</b>	<b>1,642,951</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Payables	14	327,006	375,558
Deferred revenue	15	797,998	888,884
Employee entitlements	16	122,147	84,570
Accruals	17	45,291	33,539
Taxes payable	14	(14,502)	6,922
Loans and borrowings		-	176
<b>Total Current Liabilities</b>		<b>1,277,939</b>	<b>1,389,649</b>
<b>Total Liabilities</b>		<b>1,277,939</b>	<b>1,389,649</b>
<b>Net Assets</b>		<b>267,576</b>	<b>253,302</b>
<b>Equity</b>			
Share capital	18	370,285	370,285
Accumulated deficit		(102,709)	(116,983)
<b>Total Equity</b>		<b>267,576</b>	<b>253,302</b>

## 4.3 Statement of Changes in Net Assets

Nelson Regional Development Agency Limited for the year ended 30 June 2023

	Notes	Share capital	Accumulated funds	Other equity reserves	Total equity
Funds introduced	18	370,285			370,285
Total opening balance		<b>370,285</b>	<b>(124,921)</b>	-	<b>245,364</b>
Surplus/(deficit) for the year			7,938		<b>7,938</b>
Other comprehensive revenue and expenses					
<b>Total comprehensive revenue and expenses</b>			<b>7,938</b>		<b>7,938</b>
Transfer to/(from) equity reserves in the year					
<b>Balance at 30 June 2022</b>		<b>370,285</b>	<b>(116,983)</b>		<b>253,302</b>
<b>Surplus/(deficit) for the year</b>			14,274		<b>14,274</b>
Other comprehensive revenue and expenses					
<b>Total comprehensive revenue and expenses</b>		-	<b>14,274</b>	-	<b>14,274</b>
Transfer to/(from) equity reserves in the year					
<b>Balance at 30 June 2023</b>		<b>370,285</b>	<b>(102,709)</b>	-	<b>267,576</b>

## 4.4 Statement of Cash Flows

Nelson Regional Development Agency Limited for the year ended 30 June 2023

	2023	2022
<b>Statement of Cash Flows</b>		
<b>Cash flow from operating activities</b>		
Public Sector grants and subsidies	2,878,457	3,479,373
Receipts from goods and services provided, exchange transactions	110,809	86,364
Payments to suppliers	(1,561,314)	(1,748,958)
Payments to employees	(1,429,519)	(1,258,770)
Grants, contributions and sponsorship paid	(288,522)	(208,874)
Tax	(37,736)	49,983
<b>Net Cash from/(used in) operating activities</b>	<b>(327,825)</b>	<b>399,118</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(22,369)	(3,484)
Purchase of intangible assets	(16,065)	(10,000)
Investment in term deposit	(7,194)	(2,548)
Purchase of financial assets	-	-
<b>Net cash from/(used in) investing activities</b>	<b>(45,628)</b>	<b>(16,032)</b>
<b>Cash flow from financing activities</b>		
Proceeds from borrowings	(176)	-
Repayment of borrowings	-	(2,112)
Interest and dividends received	51,534	12,032
Interest paid on borrowings	(916)	(1,526)
<b>Net cash from/(used in) financing activities</b>	<b>50,442</b>	<b>8,394</b>
<b>Cash and cash equivalents</b>		
Net increase/(decrease) in cash and cash equivalents	(323,012)	391,480
Cash and cash equivalents, beginning of the year	942,759	551,279
Cash and cash equivalents at end of the year	619,747	942,759

## 4.5 Statement of Accounting Policies

Nelson Regional Development Agency Limited for the year ended 30 June 2023

### 1. Reporting Entity

The Nelson Regional Development Agency Ltd (“NRDA”) is a company incorporated and domiciled in New Zealand and registered under the Companies Act 1993. The NRDA is owned 100% by the Nelson City Council.

The NRDA is a Council Controlled Organisation as defined in S6 (1) of the Local Government Act 2002.

The primary objective of the NRDA is to enhance the sustainable economic vitality of the Nelson Tasman Region by leading the development of a unique and compelling Regional Identity. This will be achieved in partnership with the public and private sectors, through the attraction and retention of investment, visitors and talent who want to add to the special character of the region.

Accordingly, the Company has designated itself as a public sector (“PS”) public benefit entity (“PBE”) for the purposes of the Public Benefit Entity International Public-Sector Accounting Standards (“PBE IPSAS”).

The financial statements of the NRDA for the year ended 30 June 2023 were authorised for issue by the Board of Directors on 18th August 2023.

### 2. Significant Accounting Policies

#### (a) Statement of Compliance

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

The financial statements of the NRDA have been prepared in accordance with the Tier 2 PS PBE Accounting Standards Reduced Disclosure Regime (“RDR”) and disclosure concessions have been applied. The NRDA is eligible to report in accordance with the Tier 2 PS PBE Accounting Standards RDR because it does not have public accountability and it is not large (operating expenditure has been between \$2m and \$30m in the current and prior period).

#### (b) Basis of Preparation

The financial statements are presented for the year ended 30 June 2023.

The financial statements have been prepared on a historical cost basis and all transactions in the financial statements have been recorded using the accrual basis of accounting.

The financial statements are presented in New Zealand dollars. They are rounded to the nearest dollar.

Management is not aware of any material uncertainties that may cast significant doubt on the NRDA’s ability to continue as a going concern. The financial statements have therefore been prepared on a going concern basis.

#### (c) Changes in Accounting Policy

PBE IPSAS 41 Financial Instruments.

In March 2019, the External Reporting Board (XRB) issued PBE IPSAS 41 Financial Instruments, which supersedes both PBE IFRS 9 Financial Instruments and PBE IPSAS 29 Financial Instruments: Recognition and Measurement. The standard is effective for the year ended 30 June 2023. The main changes between PBE IPSAS 29 and PBE IPSAS 41 are:

- New financial asset classification requirements for determining whether an asset is measured at fair value or amortised cost.
- A new impairment model for financial assets based on expected credit losses, which may result in earlier recognition of impairment losses.

Other than the asset classification changes, the only impact was limited to disclosures only.

#### (d) Goods and Services Tax

The NRDA is registered for GST. All amounts in the financial statements are recorded exclusive of GST, except for debtors and creditors, which are stated inclusive of GST.

#### (e) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits or service potential will flow to the NRDA and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

The specific recognition criteria described below must also be met before revenue is recognised.

#### Revenue from non-exchange transactions:

##### Grants, funding and donations

Revenues from non-exchange transactions with the Council, the Government and other providers are recognised when the NRDA obtains control of the transferred asset, and:

- It is probable that the economic benefits or service potential related to the asset will flow to the NRDA and can be measured reliably; and
- The transfer is free from conditions that require the asset to be refunded or returned to the provider if the conditions are not fulfilled.

Revenues from grants, funding and donations are measured at the fair value of the assets transferred over to the NRDA at the time of transfer.

To the extent that there is a condition attached that would give rise to a liability to repay the grant, funding or donation amount or to return the donated asset, a deferred revenue liability is recognised instead of revenue. Revenue is then recognised only once the NRDA has satisfied these conditions.

#### Revenue from exchange transactions:

##### Event management

Revenues from exchange transactions relating to contracts for event management are recognised when the service has been rendered by reference to the stage of completion.

##### Membership fees

Revenues from exchange transactions relating to membership fees are recognised on a straight-line basis over the course of the membership period.

##### Trading fees and charges

Revenues from exchange transactions relating to trading fees and charges are recognised when the underlying transaction occurs.

##### Cost recoveries

Revenues from exchange transactions relating to cost recoveries are recognised when the NRDA becomes entitled to receive the reimbursement.

##### Interest income

Interest income is recorded using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

#### (f) Lease expense

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the NRDA. Operating lease payments are recognised as an operating expense in surplus or deficit on a straight-line basis over the lease term.

After initial recognition, inventories held for sale are subsequently measured at the lower of cost and net realisable value. However, inventory held for distribution or deployment at no charge or for a nominal charge is measured at cost, adjusted when applicable for any loss of service potential.

#### (g) Property, plant and equipment

##### Initial recognition and subsequent expenditure

Property, plant and equipment is initially recorded at cost. Cost includes expenditure that is directly attributable to the acquisition of the items. The cost of an item of property, plant and equipment is recognised only when it is probable that future economic benefit or service potential associated with the item will flow to the NRDA, and if the item’s cost can be reliably measured.

Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

Subsequent costs that meet the recognition criteria above are recognised in the carrying value of the item of property, plant and equipment. Such cost includes the cost of replacing part of the property, plant and equipment if the recognition criteria are met.

**Measurement subsequent to initial recognition**

Subsequent to initial recognition, property, plant and equipment are measured at cost less any accumulated depreciation and accumulated impairment losses.

**Depreciation**

Depreciation is charged on a straight-line or diminishing value basis over the useful life of the asset. Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life:

Furniture	SL 5 to 10 years, DV 7% and Full
Office Equipment	SL 2 to 5 years
Motor Vehicles	DV 21 %

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

An asset's carrying amount is written down immediately to its recoverable amount, if the asset's carrying amount is greater than its estimated recoverable amount. Please refer to policy on impairment of non-financial assets below.

**Derecognition**

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits or service potential are expected from its use or disposal.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in surplus or deficit.

**(h) Intangible assets**

**Initial recognition**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange.

**Measurement subsequent to initial recognition**

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred.

**Amortisation**

The useful lives of intangible assets are assessed as either finite or indefinite. The NRDA only has finite life intangible assets. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits or service potential embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

The amortisation rates applied to the NRDA's intangible assets are summarised as follows:

Software	SL 40% to 100%
Website	SL 40 %

The amortisation expense on intangible assets with finite lives is recognised in surplus or deficit as the expense category that is consistent with the function of the intangible assets.

**Derecognition**

An intangible asset is derecognised upon disposal or when no further future economic benefits or service potential are expected from its use or disposal.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in surplus or deficit when the asset is derecognised.

**(i) Employee benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the NRDA in respect of services provided by employees up to the reporting date.

**(j) Equity**

Equity is the Nelson City Council's interest in the NRDA, measured as the difference between total assets and total liabilities. Equity is made up of the following components:

**Contributed capital**

Contributed capital is the capital that was initially invested by the Nelson City Council when the NRDA was formed.

**Accumulated comprehensive revenue and expense**

Accumulated comprehensive revenue and expense is the NRDA's accumulated surplus or deficit since formation, adjusted for transfers to/from specific reserves.

**(k) Financial instruments – Initial recognition and subsequent measurement**

A financial instrument is any contract that gives rise to a financial asset in one entity and a financial liability or equity instrument in another entity.

**Financial assets**

*Initial recognition and measurement*

The NRDA's financial assets include: cash and short-term deposits and trade and other receivables. All financial assets are recognised initially at fair value.

On initial recognition, a financial asset is classified as measured at: amortised cost; Fair Value through Other Comprehensive Revenue and Expenditure (FVOCRE) – debt investment; FVOCRE – equity investment; or Fair Value Through Surplus or Deficit (FVTSD).

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its management model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the management model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTSD:

- it is held within a management model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCRE if it meets both of the following conditions and is not designated as at FVTSD:

- it is held within a management model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCRE. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCRE as described above are measured at FVTSD. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCRE as at FVTSD if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

*Subsequent measurement – Trade and other receivables*

These assets are subsequently measured at amortised cost using the effective interest method.

The amortised cost is reduced by impairment losses. Interest income and impairment losses are recognised in surplus or deficit. Any gain or loss on derecognition is recognised in surplus or deficit.

**(l) Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

*Current income tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of comprehensive revenue and expense because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The NRDA's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

*Deferred Tax*

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the NRDA expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

*Current and deferred tax for the year*

Current and deferred tax are recognised in surplus or deficit, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

**(m) Critical Accounting Estimates and Assumptions**

In preparing these financial statements, the Company has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities recognised in the financial statements are described in the notes to the financial statements.

**4.6 Notes to the Financial Statements**

Nelson Regional Development Agency Limited for the year ended 30 June 2023

	2023	2022
<b>1. Revenue</b>		
<b>Total Revenue from non-exchange transactions</b>	<b>3,072,450</b>	<b>2,937,967</b>
<b>Revenue from exchange transactions</b>		
Local body funding	85,776	86,271
Memberships	65,717	-
Trading fees and charges	-	15,698
Sale of goods	17,850	62,327
Services rendered	7,940	76,500
Other income	27,241	21,963
Total Revenue from exchange transactions	204,525	262,758
<b>Total Revenue</b>	<b>3,276,975</b>	<b>3,200,725</b>

	2023	2022
<b>2. Depreciation, amortisation and impairment</b>		
<b>Depreciation on property, plant and equipment</b>		
Depreciation on PP&E	18,164	14,142
Loss/Gain on Assets	3,427	10,815
Total Depreciation on property, plant and equipment	21,591	24,957
Amortisation of intangibles		
Depreciation on Software	16,542	24,908
Total Amortisation of intangibles	16,542	24,908
<b>Total Depreciation, amortisation and impairment</b>	<b>38,133</b>	<b>49,866</b>

	2023	2022
<b>3. Grants and sponsorship</b>		
Regional Business Partnership	281,022	190,890
Sponsorship	7,500	36,000
<b>Total Grants and sponsorship</b>	<b>288,522</b>	<b>226,890</b>

	2023	2022
<b>4. Employee Benefits</b>		
Wages and salaries	1,385,768	1,182,404
Employer contributions to superannuation	37,219	34,227
Other costs of employment	44,109	52,926
<b>Total Employee benefits</b>	<b>1,467,096</b>	<b>1,269,557</b>

## 5. Expenses

The following amounts were expensed in the surplus/(deficit) for the year:

Expenses	2023	2022
Audit fees	32,196	21,968
Director fees	37,083	37,500
Operating lease payments	10,486	19,767
<b>Other administrative expenses</b>		
Accountancy	6,660	-
Bank Fees	1,085	250
Cleaning Contract	7,392	13,761
Computer Contract & Service	35,128	33,529
Contractors	90,239	195,114
FBT	10,432	9,623
General Expenses	5,004	9,585
Insurance	11,922	10,565
Light, Heating & Power	5,855	9,117
Low Cost Assets	1,208	7,595
Motor Vehicle Expenses	6,654	6,962
Printing, Stamps & Stationery	5,836	5,238
Professional Services	34,622	40,583
R & M Building/Office Equipment	61	75
Relocation Costs	165	-
Rent	57,301	148,538
Rent - Parking	4,900	3,600
Rent - Storage	3,120	3,120
Rent - Venues	838	313
Security	30	390
Telephone & Tolls	14,715	18,605
<b>Total Other administrative expenses</b>	<b>303,168</b>	<b>516,562</b>
<b>Total Other overhead and administrative expenses</b>	<b>382,933</b>	<b>595,796</b>



	2023	2022
<b>6. Finance Income</b>		
Interest income on bank deposits	51,534	12,032
<b>Total Finance Income</b>	<b>51,534</b>	<b>12,032</b>

	2023	2022
<b>7. Cash and cash equivalents</b>		
Cash at bank	619,747	942,404
Cash on hand	-	354
<b>Total Cash and cash equivalents</b>	<b>619,747</b>	<b>942,759</b>

The carrying amount of cash and cash equivalents approximates their fair value.

Cash at bank earns interest at floating rates on daily deposit balances.

	2023	2022
<b>8. Receivables</b>		
<b>Receivables from non-exchange transactions</b>		
Trade debtors	-	-
Related party receivables	-	-
Less allowance for doubtful debts	-	-
<b>Total Receivables from non-exchange transactions</b>	<b>-</b>	<b>-</b>
<b>Receivables from exchange transactions</b>		
Sundry Debtors	6,806	2,381
Trade debtors	221,415	73,677
Related party receivables	66,528	21,868
Less allowance for doubtful debts	-	-
Total Receivables from exchange transactions	294,749	97,926
<b>Total Receivables</b>	<b>294,749</b>	<b>97,926</b>

All receivables are non-interest bearing and receipt is normally on 30 days terms. Therefore the carrying value of trade debtors and other receivables approximates its fair value.

As at 30 June 2023 all overdue receivables have been assessed for impairment and appropriate Expected Credit Loss allowance has been made. All receivables are subject to credit risk exposure.

The maximum exposure to credit risk at the reporting date is the carrying amount of trade debtors and other receivables as disclosed above. The entity does not hold any collateral as security.

	2023	2022
<b>9. Prepayments</b>		
Memberships and subscriptions	2,750	-
Rent prepaid	-	6,451
Projects prepaid	15,186	-
Other prepayments	2,739	8,430
<b>Total Prepayments</b>	<b>20,675</b>	<b>14,881</b>

	2023	2022
<b>10. Investments</b>		
<b>Term deposits</b>		
Maturing within 12 months of balance date	509,742	502,548
<b>Total Investments</b>	<b>509,742</b>	<b>502,548</b>

	2023	2022
<b>11. Taxation</b>		
<b>Components of income tax expense</b>		
Current year tax expense	-	-
Deferred tax movements temporary differences (please see note 12)	849	9,204
<b>Total Components of income tax expense</b>	<b>849</b>	<b>9,204</b>
<b>Income tax payable (receivable)</b>		
Opening balance	(4,888)	(2,475)
Current tax expense	-	-
Tax refunds received	4,888	2,475
Provisional tax and RWT paid	(21,199)	(4,888)
<b>Total Income tax payable (receivable)</b>	<b>(21,199)</b>	<b>(4,888)</b>
<b>Taxable income after adjustments</b>		
Operating profit before tax	15,123	17,142
Non-assessable income	(3,158,226)	(3,024,237)
Non-deductible expenses	3,160,450	3,026,908
Movement in timing differences	(43,260)	(16,638)
<b>Total Taxable income after adjustments</b>	<b>(25,913)</b>	<b>3,175</b>
<b>Total current tax at 28%</b>		
Tax	-	-
<b>Total current tax at 28%</b>	<b>-</b>	<b>-</b>
<b>Deferred tax relates to the following</b>		
Accelerated depreciation for tax purposes	(3,194)	(14,230)
Movement in holiday pay	(32,837)	(3,208)
Movement in audit fee accrual	(7,229)	800
<b>Total Deferred tax relates to the following</b>	<b>(43,260)</b>	<b>(16,638)</b>

	2023	2022
<b>12. Deferred tax</b>		
<b>Deferred tax on temporary differences</b>		
Opening balance	29,871	39,075
<b>Total Temporary differences movement:</b>		
Accelerated depreciation for tax purposes	3,090	(5,960)
Movement in audit accrual	(2,248)	385
Movement in employee entitlements	(8,296)	(3,391)
Tax losses for the year	6,605	(238)
Total Temporary differences movement:	(849)	(9,204)
<b>Total Deferred tax on temporary differences</b>	<b>29,022</b>	<b>29,871</b>
<b>Total Deferred tax</b>	<b>29,022</b>	<b>29,871</b>

### 13. Property, plant and equipment

Movements for each class of property, plant and equipment are as follows:

	Furniture and Fittings	Office Equipment	Motor Vehicles	Total
	\$	\$	\$	\$
<b>2023</b>				
<b>Opening Book Value at 1 July 2022</b>	<b>14,688</b>	<b>13,852</b>	<b>8,124</b>	<b>36,664</b>
Purchases	-	22,369	-	22,369
Depreciation	(940)	(9,329)	(7,895)	(18,164)
Impairment	-	-	-	-
Disposals	(3,427)	-	-	(3,427)
Depreciation written back on disposal	-	-	-	-
Closing balance	10,321	26,892	229	37,442
<b>Carrying amount 30 June 2023</b>	<b>10,321</b>	<b>26,892</b>	<b>229</b>	<b>37,442</b>

	Software	Total
	\$	\$
<b>2023</b>		
<b>Opening Book Value at 1 July 2022</b>	<b>13,416</b>	<b>13,416</b>
Purchases	16,065	16,065
Depreciation	(16,542)	(16,542)
Impairment	-	-
Disposals	-	-
Closing balance	12,939	12,939
<b>Carrying amount 30 June 2023</b>	<b>12,939</b>	<b>12,939</b>

	Furniture and Fittings	Office Equipment	Motor Vehicles	Total
2022	\$	\$	\$	\$
<b>Opening Book Value at 1 July 2021</b>	<b>27,069</b>	<b>13,764</b>	<b>17,305</b>	<b>58,138</b>
Purchases	2,000	3,901	-	5,901
Depreciation	(1,462)	(3,500)	(9,181)	(14,143)
Impairment	-	-	-	-
Disposals	(12,919)	(314)	-	(13,233)
Depreciation written back on disposal	-	-	-	-
Closing balance	14,688	13,851	8,124	36,663
<b>Carrying amount 30 June 2022</b>	<b>14,688</b>	<b>13,851</b>	<b>8,124</b>	<b>36,663</b>

	Software	Total
2022	\$	\$
<b>Opening Book Value at 1 July 2021</b>	<b>28,324</b>	<b>28,324</b>
Purchases	10,000	10,000
Depreciation	(24,908)	(24,908)
Impairment	-	-
Disposals	-	-
Closing balance	13,416	13,416
<b>Carrying amount 30 June 2022</b>	<b>13,416</b>	<b>13,416</b>

	2023	2022
<b>14. Payables</b>		
<b>Payables under non-exchange transactions</b>		
Trade creditors	8,146	17,844
Grants and donations	8,193	8,193
<b>Total Payables under non-exchange transactions</b>	<b>16,339</b>	<b>26,037</b>

<b>Payables under exchange transactions</b>		
Related party payable	81	18,383
Trade creditors	310,585	331,138
<b>Total Payables under exchange transactions</b>	<b>310,667</b>	<b>349,521</b>
<b>Total Payables</b>	<b>327,006</b>	<b>375,558</b>

	2023	2022
<b>Current tax</b>		
Resident Withholding Tax	21,199	4,888
<b>Total Current tax</b>	<b>21,199</b>	<b>4,888</b>

	2023	2022
<b>Taxes payable</b>		
GST	(47,960)	(26,141)
PAYE, Kiwi Saver	33,458	33,063
<b>Total Taxes payable/receivable</b>	<b>(14,502)</b>	<b>6,922</b>

	2023	2022
<b>15. Deferred revenue</b>		
Government Grants	626,584	882,595
Local Body Grants	95,000	3,000
Billing in advance of work completed	-	-
Industry Contributions	76,414	3,289
<b>Total Deferred revenue</b>	<b>797,998</b>	<b>888,884</b>

**Government Grants**

NRDA has been awarded and/or delivered programmes under government grants for the Regional Business Partners Programme (MBIE/Callaghan) Tourism Conservation Pilot programme (MBIE/MSD), Regional Events Fund (MBIE), Education to Employment Brokerage Service contract (MoE), and Moananui (MPI and NIWA). These funds are for the development and delivery of programmes and events in the local region and wider Te Taihū. Grants awarded for Moananui (Ministry for Primary Industries Sustainable Food and Fibres Futures Funding and National Institute of Water and Atmospheric Research Sustainable Seas). Funds are to be released to the Statement of Comprehensive Revenue and Expenses as the development work and events are completed. Funds for Moananui will be transferred to the new operating entity when it is fully operational.

**Local Body Grants**

NRDA has one local body funding to be used on the Regional Identity project and will be released to the Statement of Comprehensive Revenue and Expenses once the event is completed.

**Industry Contribution**

Funds received by NRDA for use on specific group costs and for Moananui project costs. These will be released to the Statement of Comprehensive Revenue and Expenses as the costs are incurred and Moananui funds will be transferred to the new operating entity post July 2023.

	2023	2022
<b>16. Employee entitlements</b>		
Annual leave entitlements	97,574	64,737
Wages & salaries accrued	24,573	19,833
<b>Total Employee entitlements</b>	<b>122,147</b>	<b>84,570</b>

Employee entitlements represent the entity's obligation to its current and former employees that are expected to be settled within 12 months of balance date. These consist of accrued earnings and holiday entitlements at the reporting date.

	2023	2022
<b>17. Accruals</b>		
Audit fees	28,479	21,250
Other accruals	16,812	12,289
<b>Total Accruals</b>	<b>45,291</b>	<b>33,539</b>

	2023	2022
<b>18. Share capital</b>		
Issued Capital	200,000	200,000
Equity transferred from predecessor entities	170,285	170,285
<b>Total Share capital</b>	<b>370,285</b>	<b>370,285</b>

	2023	2022
<b>19. Directors fees</b>		
Meg Matthews - Chairperson (retired 30 April 2023)	5,625	7,500
Sarah-Jane Weir	5,625	5,000
Marina Hirst Tristram (retired 30 September 2022)	1,250	5,000
Alan Dunn (retired 30 September 2022)	1,250	5,000
David Johnston	5,000	5,000
Jeremy Banks (retired 30 September 2022)	1,250	5,000
Hugh Morrison	5,000	5,000
Sam Ng (effective 30 September 2022)	3,750	-
Matthew Peacey (effective 30 September 2022)	3,750	-
Bridget Giesen (effective 30 September 2022)	3,750	-
Dennis Christian (effective 4 May 2023)	833	-
<b>Total Directors fees</b>	<b>37,083</b>	<b>37,500</b>

	2023	2022
<b>20. Related Parties</b>		
<b>Revenue</b>		
<b>Innovate Charitable Trust – Trustee</b>		
Finance/Admin & marketing	-	472
Business Innovation services	-	7,728
Reimbursements	-	230
Total Innovate Charitable Trust	-	8,430
<b>Nelson City Council – Shareholder</b>		
Events Grants drawn down	611,403	266,023
Funding	1,764,168	1,714,600
Purchase of services	9,741	2,827
Total Nelson City Council – Shareholder	2,385,312	1,983,450
<b>Nelson Airport Authority – Common Shareholder</b>		
Contribution to Marketing Activities	-	-
Event sponsorship	5,000	-
Film permit	350	-
Total Nelson Airport Authority – Common Shareholder	<b>5,350</b>	-
<b>Cawthron Institute Ltd – Common Board Member</b>		
Moananui contribution	10,000	-
Total Cawthron Institute Ltd	10,000	-
<b>Wilson's Abel Tasman National Park – Common Board Member</b>		
Advertising & promotion	3,625	-
Total Wilson's Abel Tasman National Park	3,625	-
<b>Tahuna Beach Camp – Common Board Member</b>		
Advertising & promotion	1,200	-
Total Tahuna Beach Camp	1,200	-
<b>Total Revenue</b>	<b>2,405,487</b>	<b>1,991,879</b>

	2023	2022
<b>Expenses</b>		
<b>Innovate Charitable Trust – Trustee</b>		
Business Innovation activity	-	5,511
Other contributions	1,401	28,500
Rental	69,540	83,342
Total Innovate Charitable Trust – Trustee	70,942	117,354
<b>Nelson City Council – Shareholder</b>		
Rental and venue hire	(5,361)	79,628
Other contributions	-	16,690
Total Nelson City Council – Shareholder	(5,361)	96,317
<b>Nelson Airport Authority – Common Shareholder</b>		
Contribution to marketing activities	-	-
Total Nelson Airport Authority – Common Shareholder	-	-
<b>Cawthron Institute Ltd – Common Board Member</b>		
Sponsorship	500	-
Total Cawthron Institute Ltd	500	-
<b>Wilson's Abel Tasman National Park – Common Board Member</b>		
Famil services	422	-
Total Wilson's Abel Tasman National Park	422	-
<b>Tahuna Beach Camp – Common Board Member</b>		
Transport services	458	-
Total Tahuna Beach Camp	458	-
<b>Kururangi Consulting – Common Board Member</b>		
Cultural services	750	-
Total Kururangi Consulting	750	-
<b>Economic Development New Zealand</b>		
Membership	3,000	-
Conference	3,990	-
Professional development	7,480	-
Total Economic Development New Zealand	14,470	-
<b>Total Expenses</b>	<b>82,180</b>	<b>213,671</b>

## 21. Key management personnel remuneration

		2023	2022
	FTE	\$	\$
Executive management	1	190,000-200,000	190,000-200,000

## 22. Contingent assets and contingent liabilities

The entity has no contingent assets or contingent liabilities as at 30 June 2023 (2022: nil).

## 23. Events after the reporting period

After balance date funds in deferred revenue in relation to Moananui will be transferred to the new entity Moananui Governance Ltd once this is fully set up. (2022: nil)

Account	2023	2022
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## 24. Operating Commitments

### Commitments to lease or rent assets

#### Computer Equipment Lease

No later than 1 year	8,341	11,526
Later than 1 year and no later than 5 years	8,784	15,477
<b>Total Computer Equipment Lease</b>	<b>17,125</b>	<b>27,003</b>

#### Rental of NCC building

No later than 1 year	-	-
Later than 1 year and no later than 5 years	-	-
<b>Total Rental of NCC building</b>	<b>-</b>	<b>-</b>

#### Sublease of Mahitahi COLAB

No later than 1 year	75,237	95,844
Later than 1 year and no later than 5 years	25,079	119,804
<b>Total Sublease of Mahitahi COLAB</b>	<b>100,316</b>	<b>215,648</b>

<b>Total Commitments to lease or rent assets</b>	<b>117,441</b>	<b>242,651</b>
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NRDA entered a 3-year lease for the sublease of Mahitahi COLAB with a right of renewal for a further 3-year term from 1 October 2021.



Photo credit: Oliver Weber



# Auditor's Report



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## INDEPENDENT AUDITOR'S REPORT

### TO THE SHAREHOLDER OF NELSON REGIONAL DEVELOPMENT AGENCY LIMITED'S FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION FOR THE YEAR ENDED 30 JUNE 2023

The Auditor-General is the auditor of Nelson Regional Development Agency Limited (the Company). The Auditor-General has appointed me, Philip Sinclair, using the staff and resources of the Crowe New Zealand Audit Partnership, to carry out the audit of the financial statements and performance information of the company on his behalf.

#### Opinion

We have audited:

- the financial statements of the Company on pages 36 to 58, that comprise the statement of financial position as at 30 June 2023, and the statement of comprehensive revenue and expense, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies; and
- the performance information of the Company on pages 27 to 30 and page 33

In our opinion:

- the financial statements of the Company on pages 36 to 58:
  - present fairly, in all material respects:
    - the financial position as at 30 June 2023; and
    - its financial performance and its cash flows for the year then ended; and
  - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Accounting Standards Reduced Disclosure Regime issued by the New Zealand Accounting Standards Board; and
- the performance information of the company on pages 27 to 30 and page 33 presents fairly, in all material respects, the Company's actual performance compared against the performance targets and other measures by which performance was judged in relation to the company's objectives for the year ended 30 June 2023.

Our audit was completed on 18 August 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 Board of Directors and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

#### Basis for Opinion

We carried out our audit in accordance with 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.

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

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

#### Responsibilities of the Board of Directors for the financial statements and the performance information

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

The Board of Directors is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

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

The Board of Directors' responsibilities arise from the Local Government Act 2002.

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

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of shareholders, 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 Company's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.





- We evaluate the appropriateness of the reported performance information within the Company's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company'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 Company 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 Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

**Other Information**

The Board of Directors is responsible for the other information. The other information comprises the information included on pages 3 to 26, 31 to 32 and 66 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 Company 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 company

Philip Sinclair  
 Crowe New Zealand Audit Partnership  
 On behalf of the Auditor-General  
 Nelson, New Zealand

The title 'Partner' conveys that the person is a senior member within their respective division and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

# Professional Associations



ECONOMIC DEVELOPMENT  
 NEW ZEALAND





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**NELSON  
REGIONAL  
DEVELOPMENT  
AGENCY**

A vertical bar with a rainbow gradient, transitioning from purple at the top to red at the bottom.

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