

Annual Report

Year Ended 30th June 2024

Enterprise North Canterbury Annual Report to June 2024

ENC's Vision

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

ENC developed a new 10 year Strategic Plan in 2023 which was adopted by the Board at their November 2023 Board meeting and endorsed by the two Councils. It has three key objectives which will be the foundation for ENC's future strategic direction, Statement of Intent's (SOI) and Annual Business plans. It also aligns with Waimakariri Districts' 10 year Economic Development Strategy of which ENC plays a significant role in the delivery of projects.

This financial year continued to see the three objective and performance measures delivered with good results:

- Supporting existing businesses to grow and prosper
- Attract and Inspire businesses, Mana Whenua and Government to invest in our region
- Promote Waimakariri District

We thank both Waimakariri and Hurunui District Councils for the foundation funding (\$687k and \$56k respectively) that enables ENC to leverage additional funding from various Government agencies as well as sponsor businesses. This year we more than doubled the Council's grant to a turnover of \$1,550,664 which included an additional \$430,744 of Government funding and \$324,030 from sponsors and businesses.

We would also like to acknowledge the ENC Trustees who give their time and support to the team and business community. Thank you to Holly Sterne for completing two terms on the Board, including one as Chair. Welcome to the two new Trustees, Sarah Henderson and Rebecca Hyde.

Key highlights in 2023/24:

ENC Economic Development Initiatives:

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

- Successful delivery of the Regional Business Partner Programme with NZTE
- Ran a very successful North Canterbury Business Awards at the new MainPower Stadium
- Ran two large business networking events (sponsored by MoMac and WDC)
- 26 new businesses registered for the annual new business networking function at ENC sponsored by Sidekick Accounting
- Ran two Supervising and Managing Others Workshops with 28 attendees
- Ran two free marketing workshops with 43 attendees

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

- Worked closely with the owners (ECan and Te Kohaka Trust) of the recreational trails around Waimakariri District to deliver the Department of Internal Affairs funding to upgrade the cycle trails
- Ran the 2nd 'North Course' working with 21 local restaurants (33 last year) and included 41 producers with an increase in ratings from customers during the month of November from 206 last year to 546 this year (a 166% increase).
- We hosted Alexia the journalist from Auckland for two days to write up the four page article for [Cuisine Magazine profiling the top 4 winners of The North Course](#): Black Beech Wine & Pizza Bar, Brew Moon, No.31 Restaurant and The Office.
- Produced 3 new videos and photography for the website www.northcanterbury.co.nz. This was self-funded by the businesses to showcase the region as a great place to work and live.

- Continued developing an employer toolkit for the website and adding information on immigration, visas and recruitment.

Promoting the Waimakariri District:

- ENC interviewed and supported 49 start up businesses and welcomed and promoted 79 new businesses to the district through social media and our newsletter.
- 97 people signed up to the online business start-up course.
- 11 new businesses were established as a direct result of varying levels of influence and assistance from ENC.
- Two new district promotional videos produced to promote Waimakariri District
- Marketing campaign 'Why not make a day of it' ran from November to April and was directed at Christchurch and included social media, Electronic Billboards, Stuff Media and Christchurch suburban newspapers
- New Official Visitor Guide produced and funded by 61 local operators (\$26k) and a further \$5k from Kiwi Gaming Foundation
- Distributed local event funding – to 15 local events in the amount of \$39,241

Future Developments:

ENC will continue to work hard for the two Councils and businesses who invest in their programmes. This will include:

- Deliver the three new objectives in ENC's 2023-33 Strategic Plan
- Fully utilise the MBIE Management Capability Funding allocation
- Deliver new training courses that will include Workplace Culture and Leadership
- Deliver the 3rd MADE NORTH CANTERBURY hospitality activation 'The North Course' to showcase local food and beverage on their menu for the month of November
- Continue to co-invest in the talent attraction project and 'Move on Up' campaign to support North Canterbury businesses in enticing new staff to their roles to the region
- Secure sponsorship and launch the 2025 North Canterbury Business Awards
- Work with Council to support businesses on their sustainability journey
- Deliver the Waimakariri District Promotion Contract to:
 - Get signage up on the Pegasus Bay Trail
 - Provide intensive promotion of the newly upgraded recreational tracks in Waimakariri
 - Attend the 2024 NZ Motorhome and Caravan Assn trade show in Hamilton
 - Work with ChristchurchNZ to implement the shared objectives within the Destination Management Plan (DMP)
 - Attract quality investment to Waimakariri District
 - Increase in number of visitors to the district through greater branding and marketing

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

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

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

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

Clare Giffard
ENC Chair

ENC Strategic Objectives

Performance Measures 2023/24

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

STRATEGIC OBJECTIVE ONE: SUPPORTING EXISTING BUSINESSES TO GROW & PROSPER

	Performance Measure	Target	Results
Objective 1.1 Support businesses	Deliver the Regional Business Partner Programme for NZTE	Undertake 48 Capability Assessments and issue a minimum of \$80,000 NZTE Vouchers	65 capability assessments (135%). <i>Achieved</i> NZTE only allocated \$60,000 of vouchers this year compared to \$80,000 last year. ENC issued \$68,469 vouchers issued (114%). <i>Not achieved due to NZTE vouchers.</i>
		A minimum of 24 businesses referred to Business Mentors NZ	16 businesses referred to Business Mentors NZ (67%). This was not the best option for many of the businesses interviewed this year. <i>Not achieved.</i>
	Attract Talent to the Region	Four businesses pay to be profiled on the website	Three businesses paid for three new videos for the website therefore <i>Not achieved</i> . A further two businesses were profiled on the website.
		Twenty businesses pay to be part of the campaign 'Move on Up'	Two ENC surveys reflected that hiring skilled employees was no longer such a significant issue. Therefore it was decided to pause the Move on Up campaign. <i>Not achieved.</i>
		Measure the number of local employers and recruiters who use website and toolkit to attract employees to the region to work and live.	The northcanterbury.co.nz website grew from 2,071 new users to 8,452 new users for this period. Two new additions to the employer toolkit (immigration and recruiting staff). 28 downloads of toolkit this period. <i>Achieved.</i>
			59 startup businesses supported (118%)

	Support new, expanding and declining businesses	Provide business support 50 new startup businesses and 50 existing businesses to grow/expand Track number of declining business and what additional support was provided	51 expanding businesses supported (102%) 33 mature businesses supported 13 declining businesses supported and support options tracked. <i>Achieved.</i>
Objective 1.2 Celebrate and Recognise Business Leaders in the region	Organise and Host the 2023 Business Awards Gala Dinner and Ceremony	Achieve at least 3 entries for all categories Business Awards Gala event hosted Sell 90% of available tickets to Gala Dinner and Ceremony	55 businesses over 9 categories (average of 6). Minimum entries in any category was 4. <i>Achieved.</i> <i>Achieved.</i> Gala held at MainPower Stadium which had 2000 seats available. However we had 371 people attend up from 370 (event held in 2018 at the Ohoka Hall). <i>Not achieved.</i>
Objective 1.3 To assist Hurunui Council establish economic projects in the district, improving the wellbeing and viability of Hurunui communities	Programme of initiatives agreed and implemented	ENC assists and supports all initiatives as agreed	<i>Not achievable</i> as no new initiatives were identified this year. However Hurunui businesses make up at least 20% of all ENC's economic development projects and initiatives.
Objective 1.4 To develop a new 10 year strategy commencing 2023	New Strategic Plan developed by September 2023	Adopt Strategic Plan by July 2024 taking into account submissions made to Council's LTP process	ENC Strategic Plan 2023-33 adopted at the Board meeting in November 2023 and received by both Councils in December 2023. <i>Achieved.</i>
Objective 1.5 Support the Implementation of the Waimakariri Economic Development Strategy	Agree implementation plan in conjunction with ENC's 2023-33 Strategic Plan	Draft implementation plan adopted by the Board by the end of December 2023	Draft implementation plan yet to be adopted by Council. However ENC commenced two projects within this plan. Sustainability in Business and Farm Diversification. ENC will work with WDC staff to plan the remaining economic development projects. <i>Not achieved.</i>

STRATEGIC OBJECTIVE TWO: ATTRACT & INSPIRE BUSINESSES, MANA WHENUA (Te Ngāi Tūāhuriri Rūnanga and Ngāti Kuri) & GOVERNMENT TO INVEST IN OUR REGION

	Performance Measure	Target	Results
2.1 Develop a North Canterbury Cycle Trail	Complete planning of cycle trail improvements from Kaiapoi to Waikuku and work commenced.	Planning completed Funder satisfied with final report	Project completed, final report submitted to DIA and funder satisfied. Signed off on 27 th May 2024. <i>Achieved.</i>
2.2 Deliver the MADE NORTH CANTERBURY Food and Beverage project to achieve greater collaboration	Local food and beverage producers and manufacturers are provided opportunities to collaborate and connect	Provide two networking functions for members each year Undertake market research in 4 supermarkets with at least 100 people surveyed on brand awareness Run The North Course annually and increase participation by 10%	One Flavours of Business networking functions held in 28 th May 2024. <i>Not achieved.</i> 276 surveys completed. <i>Achieved.</i> However in only three supermarkets. <i>Not achieved.</i> There was a higher participation rate from consumers from 206 to 546 (a 166% increase). <i>Achieved.</i>
2.3 Collaborate with Te Ngāi Tūāhuriri Rūnanga and Ngāti Kuri	Activate relationships with the business entities through various projects involving ENC and both Councils	Meet annually with the commercial arm of both Runanga's in conjunction with the two Councils.	No meetings were held throughout the year. <i>Not achieved.</i>

STRATEGIC OBJECTIVE THREE: PROMOTE THE WAIMAKARIRI DISTRICT

	Performance Measure	Target	Results
Produce an annual business promotion plan for board and Council approval	Deliver on Business Promotion objectives, as contracted to Council	Contract delivered Performance reported six monthly to Waimakariri District Council	The contract ran until June 2024. Negotiations have commenced. To achieve the Promotion Objectives the 2023/24 Promotion Plan has four key goals with an aim to attract new businesses and visitors through marketing and events. <i>(Achieved contract was delivered)</i> ENC provides an annual business plan and budget that the ENC Board approve at their

			<p>May board meeting. It is then presented and approved by Waimakariri District Council. ENC staff provides a six monthly written and verbal report to Council, along with a full twelve month report on results (both written and verbal). <i>(Achieved)</i></p>
--	--	--	---

2.0 General

2.1 Other Activities/projects implemented and achieved this year

- Two business opinion surveys were undertaken in October 2023 (58 responded) and April 2024 (with 53 respondents). Results were circulated to participants, the board and local newspaper.
- ENC ran two networking functions - July 2023 at The Better Half in Leithfield with 126 registering to attend. This was kindly sponsored by MoMac and on the 20th March 2024 at Lacebark Function Centre sponsored by Waimakariri District Council with 127 registering to attend.
- ENC ran a networking event for 'new businesses to North Canterbury' at the ENC Business Centre sponsored by Sidekick Accounting on the 16th of April 2024 with 26 businesses registered to attend the event.
- ENC produced 11 newsletters throughout the year

2.2 Sponsorship and Financial Support:

Other valued contributors toward our activities during the year included:

Government Funders - \$430,744 (\$272,927 last year), major variations:

- NZTE for the Regional Business Partner Programme - \$63,668 (\$55,800 last year)
- MBIE for the Regional Event Fund - \$83,799 (\$47,242 last year)
- DIA Community Facility Fund for the Pegasus Bay Cycle Trail development - \$273,917 (\$3,000 last year).
- No MBIE digital boost funding this year (\$120,000 last year)

Business Funding - \$324,030 from businesses (\$185,418 last year):

- **Business Centre Sponsors:** We are grateful to our existing sponsors MainPower (corporate), BDO (silver sponsor), Spark Business Hub Christchurch, Hellers, PLC, Hazeldine Construction; Ray White Morris & Co, and Misco Joinery, Ravenswood, Brannigans, Blackwells Department Store (bronze sponsors) and we welcomed a new bronze sponsor Harris Farms. This provided an income of \$66,005 (\$65,185 last year)
- **Business Service Partners:** six local partners contributing \$5,157 included Corcoran French, SRB Law, Muritai Group, North Canterbury Business Services, Success Factor and Attraction Studio.
- **Business Centre external bookings** were \$10,065 this financial year (\$11,538 last year)
- **Networking Events Sponsors:** ENC ran two networking functions fully sponsored by MoMac and Waimakariri District Council.
- **ENC Training Programmes:** ENC held two Supervising and Managing Others Courses which generated an income of \$29,224
- **North Canterbury Business Awards Sponsors:** \$57,000 included MainPower, Spark Business Hub Christchurch, BDO Christchurch, Hanmer Springs Thermal Pools and Spa, Misco Joinery, Rangiora PaknSave, Total Span, Harris Farms/Patoa Farms, Cartwright Catering, North Canterbury News and Kaikoura District Council.
- **North Canterbury Business Awards Ticket Sales:** \$62,510
- **Additional and valued sponsors:** \$1,200 from Morris & Co Ray White for Cycle Maps
- **The North Course - Hurunui Tourism** contributed \$5k to support the campaign
- **Talent Attraction Programme** – Three new videos produced this year and fully funded by MainPower, Patoa Farms and Waikari Health Centre at an investment of \$20,712
- **Waimakariri Official Visitor Guide:** 61 operators paying \$26,707 and Kiwi Gaming Grant of \$5,000
- Kaiapoi isite net commission on sales: \$14,036 (\$10,731 last year)

2.3 Staff:

Our focus continues to be on matching staff skills and resources with the programme objectives sought by our funders. ENC is a team of 7 full time (6 last year) and 3 part time (3 last year) employees/contractors.

During this financial year:

- Pauline Guthrie – new position part time Visitor Information Assistant, commenced in her role in July 2023 and works 12 hours a week at the Kaiapoi site.
- Kelly Lynch – new position Digital Communication Specialist commenced in a full time role in September 2023.
- Alissa Wilson – Business Development Manager, went on Maternity Leave in March 2024
- Retained existing valued staff Miles Dalton, Guy Graham, Janine Rogers, Zoe Williams, Anna Western-Bell.

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

2.4 Governance

Trustees:

- Clare Giffard was re-elected as Chair of ENC in September 2023
- Two new trustees Sarah Henderson and Rebecca Hyde commenced in February 2024
- Holly Sterne completed her two terms as a Trustee at ENC in February 2024

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

Reporting:

- The annual Draft Statement of Intent (SOI) based on the new Strategic Plan was submitted to both Councils prior to the 28 February as required. It was endorsed at the WDC Audit and Risk Committee meeting on the 14th of November 2023 and at HDC Council meeting on the 19th of December 2023.
- ENC presented their six month report and SOI to Hurunui District Council on the 2nd of April 2024 and to WDC's Audit and Risk Committee on the 12th of March 2024
- The Board approved the 2024/25 final Statement of Intent and annual business plan and budget at their May 2024 board meeting taking into account the additional \$39,000 gratefully received by Waimakariri District Council plus a lift in CPI.

Processes:

- Health and Safety remains as an agenda item at the beginning of every Board meeting and every monthly staff meeting.
- The Board Registration of Interest is updated annually and remains an Agenda item at each board meeting.
- The Risk Register is reviewed every six months by the Audit and Risk Committee
- New policies approved this period included:
 - Cyber Security Policy
 - Business Continuity Plan

2.5 Rent:

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

3.0 CONCLUSION

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

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

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

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

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

ENTERPRISE NORTH CANTERBURY

ENTITY INFORMATION FOR THE YEAR ENDED 30 JUNE 2024

Legal name

North Canterbury Economic Development Trust

Type of entity and legal basis

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

The Trust's purpose or mission

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

Structure of the Trust's operations, including governance arrangements

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

Main sources of the Trust's cash and resources

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

ENTERPRISE NORTH CANTERBURY

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$ Actual	2023 \$ Actual
Revenue			
Council funding	1	743,432	841,598
Central government funding		430,744	272,927
Sales of goods and services		181,989	103,638
Other grants and donations received	2	128,005	71,048
iSITE commissions		14,036	10,732
Interest received		52,458	35,566
Depreciation recovered		-	6,957
Total Revenue		1,550,664	1,342,466
Expenditure			
Employment related costs	3	710,314	658,750
Advertising and marketing costs		176,654	215,297
Rent costs		80,224	78,244
Depreciation of property, plant & equipment	9	27,015	26,681
Costs of providing goods & services		408,306	164,776
Other expenses	4	146,149	136,803
Loss on sale		77	2,298
Total Expenditure		1,548,739	1,282,849
Net Surplus/(Deficit) for the year		1,925	59,617
Less taxation expense	5	-	13,912
Net Surplus/(Deficit) after taxation		1,925	45,705

The accompanying notes form part of these financial statements

ENTERPRISE NORTH CANTERBURY
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	Note	2024 \$ Actual	2023 \$ Actual
Assets			
Current assets			
Bank accounts and cash	6	73,710	373,356
Short term investments		641,191	630,386
GST refund due		35,909	84,794
Debtors and other receivables	7	14,454	26,048
Taxation Refund		17,311	-
Inventories	8	3,469	1,009
Prepayments		4,482	7,350
Total current assets		790,526	1,122,943
Non-current assets			
Property, plant and equipment	9	61,586	82,124
Total non-current assets		61,586	82,124
Total Assets		852,112	1,205,067
Liabilities			
Current liabilities			
Creditors and accrued expenses	10	41,663	70,569
Grants and funding subject to conditions	11	195,773	526,864
Taxation payable		-	2,176
Employee costs payable	12	47,695	40,402
Total current liabilities		285,131	640,011
Total Liabilities		285,131	640,011
Total assets less total liabilities		566,981	565,056
Trust Equity			
Accumulated surpluses	13	566,981	565,056
Total trust equity		566,981	565,056

.....
Clare Giffard
Chairman

.....
Mike Weight
Trustee

The accompany notes form part of these financial statements

ENTERPRISE NORTH CANTERBURY

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$ Actual	2023 \$ Actual
Cash flows from operating activities			
Receipts of council funding		762,112	723,582
Receipts of central government funding		98,337	232,384
Receipts from sale of goods and services		189,835	121,196
Net GST		46,962	(26,312)
Interest receipts		52,458	35,566
Receipts of other grants and donations		127,137	70,043
Payments to suppliers and employees		(1,539,718)	(1,243,426)
Net taxation refund		(19,487)	(8,720)
<i>Net cash flow from operating activities</i>		(282,364)	(95,687)
Cash flows from investing and financing activities			
Receipts from sale of property, plant and equipment		77	6,957
Receipts from sale of investments		630,386	915,777
Payments to acquire property, plant and equipment		(6,554)	(45,534)
Payments to acquire investments		(641,191)	(630,386)
<i>Net cash flow from investing and financing activities</i>		(17,282)	246,814
Net increase/(decrease) in cash for the year		(299,646)	151,127
Add opening bank accounts and cash		373,356	222,229
Closing bank accounts and cash	6	73,710	373,356

ENTERPRISE NORTH CANTERBURY
STATEMENT OF ACCOUNTING POLICIES
FOR THE YEAR ENDED 30 JUNE 2024

ACCOUNTING POLICIES APPLIED

Basis of preparation

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

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

The financial statements are prepared on the assumption that the Trust will continue to operate as a going concern.

Goods & services tax

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

Commitments and contingencies are disclosed exclusive of GST.

Significant accounting policies

Revenue

Grants

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

Sales of goods

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

Sales of services

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

Donated assets

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

Interest Received

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

Employee related costs

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

Advertising, marketing, administration, overhead and function costs

These are expensed when the related service has been received.

Leases

Operating leases

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

Bank accounts and cash

Bank accounts and cash comprise cash on hand, cheque or savings accounts and deposits held at call with banks. Short term investments are held for between 3 to 6 months and are therefore not readily available and because of this reason have not been classified as cash.

Debtors

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

Inventories

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

Investments

Investments comprise investments in term deposits over three months in length.

Property, plant and equipment

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

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

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

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

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

Creditors and other payables

Creditors and other payables are stated at cost

Employee costs payable

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

Income Tax

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

Provisions

The Trust recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event,

it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Tier 2 PBE Accounting Standards applied

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

CHANGES IN ACCOUNTING POLICIES

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

ENTERPRISE NORTH CANTERBURY

Explanatory notes to and forming part of the financial statements for the year ended 30 June 2024

	2024 \$ Actual	2023 \$ Actual
Note 1: Council funding		
Waimakariri District Council	687,182	790,348
Hurunui District Council	56,250	51,250
Total council funding	743,432	841,598

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

Note 2: Other grants and donations received

MainPower sponsorship	52,000	30,000
Food & beverage sponsorship	-	1,912
Silver & bronze sponsorship	31,005	35,186
North Canterbury Business Awards sponsorship	40,000	3,950
Kiwi Gaming Grant	5,000	-
Total other grants and donation received	128,005	71,048

Note 3: Employment related costs

Salaries & wages	626,103	532,196
Management contractors	82,068	123,142
Other employment related costs	2,143	3,412
Total employment related costs	710,314	658,750

Note 4: Other expenses

Administration and overhead costs	125,149	115,803
Audit fees paid to PricewaterhouseCoopers for the financial statement audit.	21,000	21,000
Total other expenses	146,149	136,803

OAG fees of \$2,106 are due for the 2024 financial statement audit (2023 \$2,016)

ENTERPRISE NORTH CANTERBURY

Explanatory notes to and forming part of the financial statements for the year ended 30 June 2024

	2024 \$ Actual	2023 \$ Actual
Note 5: Taxation		
Taxation expense		
Net (Deficit)/Surplus before taxation	1,925	59,617
Tax @ 33%	635	19,673
Plus/(less) tax effects of non-deductible expenses	(822)	(461)
Plus tax losses (recognised)/not recognised	187	(5,300)
	<u>-</u>	<u>13,912</u>
Components of tax expense		
Current tax	-	13,912
Taxation expense	<u>-</u>	<u>13,912</u>

Unused tax losses of \$564.84 (2023 \$NIL) are available to carry forward and offset against future taxable income.

Note 6: Bank accounts and cash

Cash at bank and on hand	120	120
Westpac cheque account	65,719	138,658
Westpac online saver account	7,871	234,578
Total bank accounts and cash	<u>73,710</u>	<u>373,356</u>

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

Note 7: Debtors and other receivables

Total debtors and other receivables	<u>14,454</u>	<u>26,048</u>
-------------------------------------	---------------	---------------

The carrying amount of receivables approximates their fair value.
Trade receivables are shown net of impairment losses amounting to nil.

Note 8: Inventories

Stock held at Kaiapoi iSITE for sale	<u>3,469</u>	<u>1,009</u>
--------------------------------------	--------------	--------------

ENTERPRISE NORTH CANTERBURY

Explanatory notes to and forming part of the financial statements for the year ended 30 June 2024

Note 9: Property, plant and equipment (Office equipment includes Computer software at cost \$38,659, Amortisation for year ended 30 June 2024 of \$8,790 and Carrying amount of \$12,451)

At 30 June 2024

	Cost	Accumulated Depreciation	Carrying Amount	Current Year Additions	Current Year Disposals	Current Year Depreciation	Cost	Accumulated Depreciation	Carrying Amount
	1 July 2023		1 July 2023			2024	30 June 2024	2024	30 June 2024
PPE									
Office equipment	166,106	114,744	51,362	6,554	(1,867)	19,481	170,793	132,435	38,358
Motor vehicles	37,668	6,906	30,762	-	-	7,534	37,668	14,440	23,228
Total	203,774	121,650	82,124	6,554	(1,867)	27,015	208,461	146,875	61,586

At 30 June 2023

	Cost	Accumulated Depreciation	Carrying Amount	Current Year Additions	Current Year Disposals	Current Year Depreciation	Cost	Accumulated Depreciation	Carrying Amount
	1 July 2022		1 July 2022			2023	30 June 2023	2023	30 June 2023
PPE									
Plant	1,064	(1,064)	-	-	(1,064)	-	-	-	-
Office equipment	244,993	(174,765)	70,228	3,206	(82,093)	19,775	166,106	114,744	51,362
Motor vehicles	28,101	(28,101)	-	37,668	(28,101)	6,906	37,668	6,906	30,762
Total	274,158	(203,930)	70,228	40,874	(111,258)	26,681	203,774	121,650	82,124

ENTERPRISE NORTH CANTERBURY

Explanatory notes to and forming part of the financial statements for the year ended 30 June 2024

	2024 \$ Actual	2023 \$ Actual
Note 10: Creditors and accrued expenses		
Creditors	14,663	37,687
Accrued expenses	27,000	32,882
Total creditors and accrued expenses	41,663	70,569

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

WDC promotion contract	109,023	90,343
DIA cycle trail	22,222	337,226
Other government grants	51,510	79,219
Other grants and donations	10,127	10,995
Sales of goods and services	2,891	9,081
Total grants and funding subject to conditions	195,773	526,864

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

Note 12: Employee costs payable

Accrued employee costs	24,510	20,950
Annual leave	23,185	19,452
Total employee costs payable	47,695	40,402

Note 13: Equity

Accumulated surpluses

Balance at 1 July	565,056	519,351
Surplus for the year	1,925	45,705
Total equity at 30 June	566,981	565,056

ENTERPRISE NORTH CANTERBURY

Explanatory notes to and forming part of the financial statements for the year ended 30 June 2024

Note 14: Related Parties

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

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

	2024 \$	2023 \$
Waimakariri District Council		
Services provided by the Trust (excluding GST)	687,182	790,348
Outstanding balances as at 30 June 2024:		
- Income in advance	109,023	90,343
- Accounts receivable	-	-
Hurunui District Council		
Services provided by the Trust (excluding GST)	56,250	51,250
Outstanding balances as at 30 June 2024:		
- Accounts receivable	-	-

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

Note 15: Capital commitments and operating leases

Operating leases as lessee

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

	2024 \$	2023 \$
Less than one year	39,482	78,965
Later than one year and not later than two years	-	39,482
Later than two years but not later than five years	-	-
Later than five years	-	-
	<hr/> 39,482	<hr/> 118,447

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

Note 16: Contingent liabilities

The trust has no contingent liabilities and no contingent assets as at balance date (2023: NIL)

ENTERPRISE NORTH CANTERBURY

**Explanatory notes to and forming part of the financial statements
for the year ended 30 June 2024**

Note 17: Events after balance sheet date

There were no significant events after balance sheet date.