

NorthlandInc

Growing Northland's Economy

Kia tupu ai te ōhanga o Te Tai Tokerau

Tauākī Whāinga
Statement of Intent

2022/23 - 2024/25

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1 Kupu Whakataki - Introduction

The Board of Directors of Northland Inc Ltd (Northland Inc) present this Statement of Intent (SOI) as a public declaration of the activities and intentions of Northland Inc Ltd in accordance with the requirements of Clause 9 of Schedule 8 of the Local Government Act 2002 (the Act).

Northland Inc is a Company registered under the Companies Act 1993, a reporting entity for the purposes of the Financial Reporting Act 1993. It is owned by Northland Regional Council (NRC), Far North District Council (FNDC) and Kaipara District Council (KDC), herein referred to as the 'Shareholders'. By virtue of the Shareholders right to appoint directors, Northland Inc is a council-controlled organisation (CCO) as defined under Section 6 of the Local Government Act 2002.

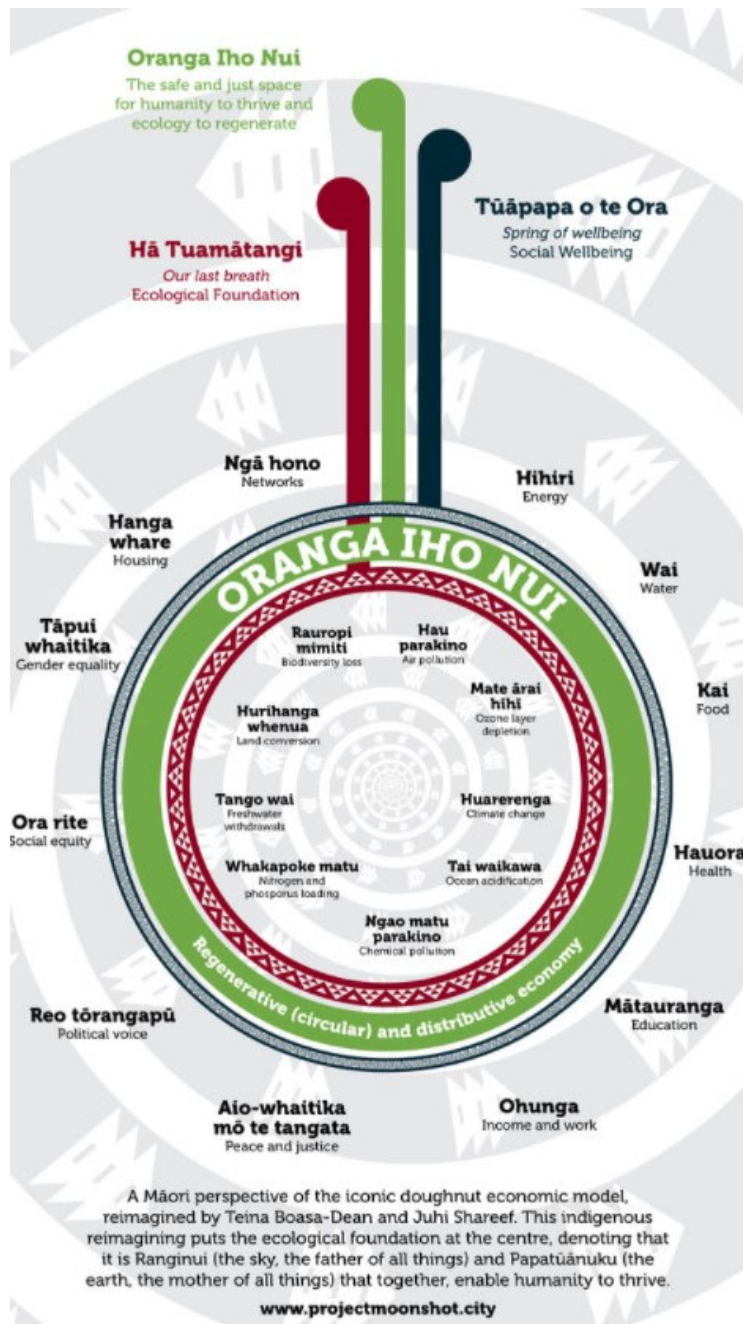
Northland Inc is partially funded by operational contributions from the Shareholders and is project funded through other public and private agencies, with central government being the next largest contributor. Northland Inc believes that despite overall strong regional economic performance many sectors and communities in Northland deserve further support and is committed to identifying partnerships and collaborations that help to increase funding and resources to enable equitable economic growth. Notwithstanding our intention to raise additional funding, our budget as presented reflects highly likely funding sources only. As such, for the sake of conservatism, the activities, workstreams and KPIs included in this document assume no aspirational funding objectives.

The organisation is governed by a board of six directors appointed for three years (or as otherwise specified from time to time by the Shareholders). The Board Chair is elected by the directors. Operational activity is led by the Chief Executive Officer.

This SOI is the guiding governance tool and terms of reference for Northland Inc and defines the key performance indicators (KPIs) as agreed by the Shareholders. It outlines the Directors' accountabilities to the Shareholders for performance of the business.

2 Tūāhua - Context

Northland Inc works with organisations and institutions in Te Tai Tokerau Northland and public and private sectors with a common purpose to identify and focus on those activities and relationships that will strengthen, diversify, and grow Te Tai Tokerau Northland's economy to help support strong communities and environmental sustainability. The figure below is a visual representation of how we approach our work as the Economic Development Agency and Regional Tourism Organisation, requiring focus on regenerative and distributive dynamics.



Central Government has agreed a framework for the whole of Government which will drive climate change policy towards low greenhouse gas emissions and climate resilience in New Zealand. The framework includes a focus on a productive, sustainable and climate-resilient economy and a just and inclusive society. This is consistent with guidance from the Shareholders focused on environmental sustainability, and this has been embedded within Northland Inc, our workstreams, and organisational activities.

Northland Inc will continue to evolve and support economic development strategies and actions that incorporate the principles of Inclusive Growth and look to provide alignment with the living standards framework. We strive to ensure fair and equitable outcomes that balance economic development with

environmental management and will prioritise economic opportunities which employ best practice environmental management, sustainability and regenerative activities.

The core principles of the Doughnut Economics model will be embedded in the organisation and refined over time. Our Strategic Pou are designed to reflect this journey while identifying pathways to implement this approach. The model we have adopted has been prepared and adopted by Iwi leaders at a national level. We see the engagement process of creating a new Regional Economic Development Strategy as the appropriate time to consider whether changes are necessary to the Doughnut Model to ensure its relevance to our Te Tai Tokerau Northland region and its people.

Looking forward we see the connection and whanaungatanga in Te Tai Tokerau being galvanised through the strategic thinking and aspirational vision-setting required as we develop the Regional Economic Development Strategy.

Northland Inc has developed its pathway towards improved cultural understanding, *He Korowai Manawanui*, a two-year programme working on our organisational culture towards elevating the importance of Māori economic development and becoming a better partner for Māori with a genuine understanding of tikanga and Te Ao Māori. This is of critical significance for Te Tai Tokerau Northland given more than one-third of the region's population identify as Māori, and regional aspirations of a thriving Māori economy.

Focus will also be on developing relationships to help guide Northland Inc in the use of current delivery platforms for Māori economic development. Medium to long-term, we will focus on enhancing relationships and evolving current delivery while identifying new opportunities as appropriate.

In March 2020 the government imposed severe restrictions on tourist travel into New Zealand and since then has sent Te Tai Tokerau into a series of lockdowns that at times have meant life virtually comes to a halt. Amid this disruption, economists rapidly slashed their forecasts for GDP and employment.

Whilst parts of the economy have bounced back from lockdown largely unscathed, other parts have been hard hit, particularly our Tourism industry.

Many businesses have shown an impressive ability to pivot their operations to fit with the changed economic environment. Vaccine passports and Covid-19 testing have become somewhat normal parts of doing business. However, we must acknowledge that the environment within which Northland Inc operates over the next few years will still be quite challenging.

Northland Inc has responded internally through ensuring our own team is supported with flexible working arrangements; working from home, remotely or in the office as appropriate. This has ensured we remain available to customers and clients across the region through whichever form of interaction suits the client best.

Looking forward, we will continue to champion the provision of clear and consistent messaging in all communications within our rohe, and actively support businesses and clients to adapt, both in terms of how they do business and creating new business opportunities.

Once we get through the current Covid-19 issues we foresee significant challenges in our economy. The need to address climate change is growing in urgency; the volume and pace of legislative change (including the RMA and Three Waters) will be significant; and the aftereffects of Covid-19 on social cohesion, workforce and the health sector are unknown.

Northland Inc has given priority to supporting the key sectors within our economy, particularly the primary sector and tourism, as well as encouraging the development of new and innovative economic development ideas by reinvigorating the pipeline through activities such as The Pick, the Regional Business Partnership services and funding project development work.

3 He Pou Mahi - Objectives

Whakatauākī

"He pukepuke moana, e ekengia e te waka"
A choppy sea can be navigated.

The coast is synonymous with Te Tai Tokerau Northland and suggests that although there are challenges, we can overcome them with intent.

Tirohanga ki Mua - Vision

An economy that supports a prosperous and thriving Te Tai Tokerau Northland that respects all people – past, present and future – and cares for the environment we all share.

Te Aronui - Mission

To identify and focus on those activities and relationships that will strengthen, diversify, and grow Te Tai Tokerau Northland economy to help achieve equity and environmental sustainability.

Rautaki - Strategy

Effective partnership through a limited number of impactful activities to achieve economic development that supports wellbeing and equity and sustains and improves the environment.

Northland Inc has developed six key Pou as the organisational objectives:

Pou Tahi: Māori Economic Development- “Āe Mārika”!

To respect and implement the principals of Te Tiriti O Waitangi, which support meaningful partnership with Māori. Working with strategic partners in the Māori Economic Development space to drive delivery on high impact Māori economic development projects across all levels, with a specific focus on improving capacity and capability of those who we partner with for delivery. Implementation of our pathway – He Korowai Manawanui – a two-year programme working on our organisational culture towards elevating the importance of Māori Economic Development and becoming a better partner for Māori with a genuine understanding of Tikanga and Te Ao Māori.

Pou Rua: Environmental Sustainability

Help prepare for Te Tai Tokerau Northland’s transition to a zero carbon and low emission economy by partnering to provide support and embedding environmental sustainability criteria within all active projects. Northland Inc will work to embed Te Ao Māori/Mātauranga Māori in environment/sustainability Kaupapa.

Pou Toru: Regional Investment

Grow investment and business support services such that regional economic activity improves consistently year on year. Following assessment and review we will prioritise activities and ideas, with a view to applying our resources to engage in focused impactful projects reflecting the organisational capacity at this time.

Pou Whā: Destination Management

To lead the implementation of a regional Destination Management Plan in partnership with relevant stakeholders, industry, iwi and hapū. Through a programme of investment and development, we will deliver destination management and marketing activity to position Te Tai Tokerau Northland within

target markets as a desirable place to visit and support a visitor economy that aims to enhance the distribution of benefits across the region, environmental sustainability, heritage, and culture.

Pou Rima: Profile and Advocacy of Economic Development

To develop and improve the profile of economic development and Northland Inc to ensure that Te Tai Tokerau Northland understands and values the efforts of Northland Inc. To advocate for Te Tai Tokerau Northland to improve the economic well-being of the region to help support strong communities and environmental sustainability.

Pou Ono: Organisational Culture

At its core, regional economic development is about improving the livelihoods of the people of Te Tai Tokerau Northland. As an economic development agency, our culture should therefore be focused on supporting our people and their livelihoods. Therefore, Northland Inc actively upholds a culture where our team are respectful and supportive of one another; our histories, our whānau, and our aspirations.

4 Ahua me te Whānuitanga a te Mahi - Nature and Scope of Activities

The nature and scope of activities for these Pou are detailed further below. It is important to note that the Māori Economic Development, Environmental Sustainability and Organisational Culture Pou are embedded across the work programs. More detailed descriptions of work activities are outlined within Northland Inc's Annual Business Plan.

1. Regional Investment

- Actively supporting and facilitating investment in strategic sectors (Aquaculture, Agriculture and Horticulture, Digital, Tourism, Ship and Boat Building and Repair Services) in Te Tai Tokerau Northland
- Leveraging the Investment and Growth Reserve to increase investment into Te Tai Tokerau Northland
- Supporting and facilitating the development of new and enabling infrastructure such as renewable Energy, digital Connectivity, roads, rail, and water
- Delivering the Ngawha Innovation and Enterprise Centre
- Delivering business advice effectively across the region to support innovation, capacity and capability development through incubation services and the Regional Business Partnership, New Zealand Trade & Enterprise, Callaghan Innovation and Business Mentors New Zealand
- Developing clusters, business networks or associations to take advantage of market development opportunities that leverage Te Tai Tokerau Northland's key sectors and comparative advantages
- Building and sharing specialist knowledge through a business events programme and providing opportunities to access a range of capital support mechanisms for Te Tai Tokerau Northland businesses
- Engaging and partnering with iwi, hapū, marae and the Māori community, central government agencies and other entities supporting Māori Economic Development to

advance their aspirations in economic development and enable investment, business growth and completion of economic development projects

2. Advocacy and Profile for Te Tai Tokerau Northland Economic Development

- Leading the development of a long-term Economic Development Strategy for Te Tai Tokerau
- Providing economic development intelligence and insights
- Assisting with project management and delivery of economic response activities (including PGF funded projects)
- Maintaining a delivery structure for the region (Action Plan)
- Working with, advocating for and supporting Māori businesses, trusts and entities with their aspirations for growth
- Delivering a promotional programme to encourage investment and market development of Te Tai Tokerau Northland's strategic growth sectors
- Assessing the environmental aspirations of businesses and projects

3. Destination Management and Marketing

- Implementing the Destination Management Plan
- Facilitating the regions access to the Regional Event Fund
- Identifying, and where appropriate, assisting with the development of infrastructure, products, services, and sub-regional destinations aiding the sector to respond to the industry changes imposed by COVID-19 and to coordinate the recovery effort
- Improving regional dispersal, length of stay, expenditure, and the appeal of off-peak travel particularly through leverage of the Twin Coast Discovery programme as a region wide development framework for tourism
- Co-ordinating, and where appropriate, leading the implementation of an Annual Tactical Marketing Plan for destination marketing, in alignment with the direction of national tourism organisations (including potential travel bubbles) and in partnership with the Te Tai Tokerau Northland tourism sector

5 He Tohu Eke Pānuku - Key Performance Indicators

Key performance indicators (KPI's) for the organisation are identified within the tables below. Additional 'Regional Outcomes' related to the contribution of the work programmes to Te Tai Tokerau are included for information but are **not** key performance indicators:

Hoaketanga – Objective	How we will measure		Targets			Additional Regional Outcomes
	Type	Measure	2022/23	2023/24	2024/25	
Māori Economic Development	Output	Number of engagements or established relationships with iwi/hapū groups and other Māori organisations, e.g. marae, land trusts, etc. that have led to a positive outcome	15	20	25	<ul style="list-style-type: none"> Reduction in Māori unemployment rate in Northland. Increase in average weekly income for Māori.
	Outcome	Proportion of Māori organisations that are satisfied with Northland Inc support	>50%	>50%	>50%	
Environmental Sustainability	Output	Number of workshops / events that help promote or support environmental sustainability values and culture in Te Tai Tokerau	5	6	7	<ul style="list-style-type: none"> Reduction of total greenhouse gas emissions per unit of GDP in Northland.
	Outcome	Proportion of businesses / projects that Northland Inc are supporting that have identified their environmental aspirations and complied with governmental regulations	90%	100%	100%	
		Change in carbon footprint of Northland Inc ²	5% Net reduction in footprint	10% Net reduction in footprint	10% Net reduction in footprint	
Regional Investment	Output	Number of unique businesses assisted (reporting by TA and industry)	240	250	250	<ul style="list-style-type: none"> Positive change in regional economic profile (living standards, productivity, structure of economy) Increase in level of government investment into the region (where possible breakdown by co investment, sector and research / tertiary activity). Increase in the number of jobs in the region Sustaining the number of business units in the region
		Proportion of those businesses assisted that are Māori (by TA and industry)	30%	40%	50%	
		Number of inward delegations hosted	3	3	3	
	Outcome	Client satisfaction with businesses assistance provided by Northland Inc as measured by Net Promotor Score	NPS >50	NPS >50	NPS >50	
		Value of grant funding and investment facilitated for Māori businesses	\$120k	\$130k	\$140k	
		Number of high impact projects that are implemented (reporting by regional strategic sectors)	4	4	4	
	Output	Number of destination promotion campaign initiatives to generate national exposure to the region (reporting will include number of businesses that are engaged in the campaign)	1 campaign per year	1 campaign per year	1 campaign per year	

Destination Management and Marketing		Number of workshops / events to promote product development and position Te Tai Tokerau as a green tourism destination	4	5	6	<ul style="list-style-type: none"> • Dispersal of tourism activity into the region measured through the accommodation data programme • Tourism activity in the region measured through TECT (electronic transactions indicating tourism spend)
Profile and Advocacy of Economic Development	Output	Number of regional economic development updates or reports released	6	6	6	
	Outcome	Number of media features that profile the region	24	24	24	
		Number of media activity that references Northland Inc	52	52	52	

Notes:

1. Appendix B explains the rationale and recording methodology behind each of the Key Performance Indicators.
2. The net carbon reduction target will be reviewed following the completion of the initial audit with any changes incorporated into following years SOIs.

6 Ngā hua mō ngā Kaipūpuri - Shareholders' funds, distributions and the value of shareholders' investment

Shareholders' funds (being retained surpluses plus share capital) at June 2021 was as follows:

	June 2021
Total Assets \$	\$3,703,231
Total Liabilities \$	\$3,541,740
Shareholders' Funds \$	\$160,391
Shareholders' Funds as % of Total Assets	4%

Northland Inc forecasts small surpluses year-on-year. Accordingly, Shareholders' Funds as % of Total Assets will remain approximately at this level.

Northland Inc is not required to make any distributions to its Shareholders as the shareholder.

The value of the shareholders' investment in Northland Inc is estimated by directors to be equal to current shareholders' funds being \$160,391.

7 Kaiwhakaruruhau - Governance

The Board will effectively represent and promote the interests of its Shareholders by seeking to fulfil its mandate as described above. The Board will discharge their duties in accordance with Northland Inc's Board Charter.

In undertaking its activities, Northland Inc will to:

- Achieve the objectives of its Shareholders, both commercial and non-commercial as specified in this Statement of Intent;
- Demonstrate ethical and good behaviour in dealing with all parties;
- Achieve active partnerships with Māori, and other key stakeholders within the region, promoting effective communication where appropriate;
- Comply with all relevant legislative requirements, including those relating to the principles of the Treaty of Waitangi;
- Maintain an open and transparent approach to decision-making with its Shareholders while respecting the need for commercially sensitive information to be protected;
- Be a good employer; and
- Hold itself to the highest standards of social and environmental responsibility.

The Board will adopt the following approach to its fiduciary responsibilities to ensure good governance:

- Prepare a 3-year SOI setting out its strategic goals for agreement with its Shareholders, as shareholder;

- Establish a clear business plan which reflects the agreed SOI;
- Establish a clear performance framework and job description for the Chief Executive Officer;
- Approval of detailed operating, capital and cashflow budgets;
- Attend regular meetings to review performance and progress towards set objectives and budgets; and
- Operation of appropriate Board subcommittees to appropriately manage Risk, Compliance, Remuneration and Board performance.

The Board believes regular communication with its Shareholders is important to ensure good governance. The Board and Chief Executive will use their best endeavours to communicate in a regular and timely manner and ensure that matters are raised so there will be 'no surprises'. Established processes will be maintained to ensure regular contact between the Board, management and its Shareholders, and informal meetings will be encouraged to ensure regular communication flows regarding matters of mutual interest.

8 Ngā kaupapa here kaute - Accounting policies

The accounting policies that have been adopted are detailed in the company's latest audited financial statements. A copy is included as **Appendix A**.

9 Ngā kōrero hei tuku ki ngā Kaipūpuri - Information to be provided to the Shareholders

Directors will formally report progress against the SOI to its Shareholders quarterly via a written report submitted within six weeks of the end of the 1st and 3rd quarters, and attendance at Joint Regional Economic Development Committee or Council(s) meetings thereafter as scheduled by Shareholders.

In compliance with Clause 66 of Part 5 of the Act the Directors will, within two months after the end of the first half of each financial year, deliver to its Shareholders an unaudited half year report containing:

- a Statement of financial Performance, Position and Cash flow as at the half year balance date
- financial forecasts for the full year and comparison to approved budgets
- commentary on progress to meeting performance targets and the expected year end position.

In accordance with Section 2 of Schedule 8 of the Act the Directors will deliver a draft SOI to its Shareholders as the shareholder by 1 March of each year for the subsequent three-year period.

In accordance with Section 3 of Schedule 8 of the Act the Directors will deliver a Board approved SOI to its Shareholders as the shareholder on or before the 30 June of each year.

In compliance with Clause 67 of Part 5 of the Act the Directors will, within three months of the end of the financial year, deliver to its Shareholders an audited Annual Report which meets the requirements

of Section 68 and Section 69 of Part 5 of the Act. In addition, the Annual Report is to contain a declaration by the Board as to the compliance with the Act and specifically that the requirements of Schedule 8 have been met.

10 Ngā urunga, ngā whiwhinga me ngā hokonga hou - New entries, acquisitions and sales

Directors may not create any new legal entity, acquire shares or any equity interest in any existing legal entity or sell any interest held by Northland Inc without the specific approval of the Shareholders as the shareholder.

11 Kia rapu pūtea nō ngā Kaunihera mō wēnei take - Activities for which local authority funding is sought

Northland Inc reserves the right to seek compensation from time to time for the necessity to provide any service required by its Shareholders where funding has not been previously agreed.

12 Wētahi atu take - Any other matters

Northland Inc can request its Shareholders hold a confidential meeting of the Joint Regional Economic Development Committee or Council(s) meeting for discussion about commercially sensitive matters, subject to this request meeting the requirements of section 7(2) of the Local Government Official Information and Meetings Act 1987. Any report submitted by Northland Inc for formal consideration by its Shareholders should be accompanied by advice from their management.

13 Whakamaramatanga-a-pūtea - Financial information

A prospective statement of financial performance is included below.

NORTHLAND INC Forecast Prospective Statement of Financial Performance			
Income	Forecast 22/23	Forecast 23/24	Forecast 24/25
BAU			
CCO Opex	\$ 1,823,552	\$ 1,972,104	\$ 2,139,595
NIF	\$ 66,000	\$ 66,000	\$ 66,000
IGR Project Development	\$ 192,000	\$ 84,000	\$ 84,000
MBIE RBP	\$ 330,000	\$ 330,000	\$ 330,000
WDC	\$ 105,000	\$ 105,000	\$ 105,000
Orchard Income	\$ 164,420	\$ 164,420	\$ 164,420
Website Income	\$ 15,000	\$ 15,000	\$ 15,000
Total BAU Income	\$ 2,695,972	\$ 2,736,524	\$ 2,904,015
BAU Expenses			
NIF	\$ 66,000	\$ 66,000	\$ 66,000
Investment - IGR Project Development	\$ 192,000	\$ 84,000	\$ 84,000
Business Grow - awards	\$ 12,000	\$ 12,000	\$ 12,000
RBP Partnership	\$ 67,271	\$ 67,271	\$ 67,271
The Orchard	\$ 7,000	\$ 7,000	\$ 7,000
Destinational Management & Marketing	\$ 70,000	\$ 150,000	\$ 200,000
Salaries	\$ 1,520,377	\$ 1,546,986	\$ 1,546,986
Overheads	\$ 759,835	\$ 759,307	\$ 759,307
Total BAU Expenses	\$ 2,694,483	\$ 2,692,563	\$ 2,742,563
Strategic Projects Income			
MBIE Action Plan	\$ 50,000	\$ -	\$ -
MSD Ngawha	\$ 124,664	\$ 300,000	\$ -
KDC Water	\$ 115,000	\$ -	\$ -
MPI Peanuts	\$ 390,000	\$ 30,760	\$ -
Picots Peanuts	\$ 8,000	\$ -	\$ -
MSD Regional Strategy	\$ 50,000	\$ -	\$ -
WDC Regional Strategy	\$ 20,000	\$ -	\$ -
Strategic Projects Reserves			
MBIE Stapp	\$ 400,000	\$ -	\$ -
NRC peanuts	\$ 64,000	\$ -	\$ -
MBIE REF	\$ 400,000	\$ -	\$ -
MPI Inshore Fishing	\$ 150,000	\$ -	\$ -
MSD Ngawha	\$ 65,000	\$ -	\$ -
MBIE Action Plan	\$ 260,000	\$ -	\$ -
NRC & MSD Regional Strategy	\$ 130,000	\$ -	\$ -
Extension 350	\$ 93,000	\$ -	\$ -
Total Strategic Projects Income	\$ 2,319,664	\$ 330,760	\$ -
Strategic Projects Expenses			
STAPP	\$ 322,750	\$ -	\$ -
Inshore Fishing	\$ 150,000	\$ -	\$ -
REF	\$ 400,000	\$ 300,000	\$ -
Ext 350	\$ 68,800	\$ 40,000	\$ 60,000
Action Plan	\$ 104,000	\$ -	\$ -
Water	\$ 73,800	\$ -	\$ -
Grow Northland/Peanuts	\$ 409,470	\$ -	\$ -
Ngawha	\$ 37,842	\$ -	\$ -
Regional Strategy	\$ 200,000	\$ -	\$ -
Project Salaries	\$ 553,002	\$ 30,462	\$ 98,097
Total Strategic Project Expenses	\$ 2,319,664	\$ 370,462	\$ 158,097
Total Income BAU & Strategic Projects	\$ 5,015,636	\$ 3,067,284	\$ 2,904,015
Total Expenses BAU & Strategic Projects	\$ 5,014,147	\$ 3,063,025	\$ 2,900,660
Total Net Surplus/Deficit	\$ 1,489	\$ 4,259	\$ 3,355
Other Income/Expenses			
NIEP			
IGR Project Development	\$ 108,000	\$ 216,000	\$ 216,000
NIEP Expenses			
Overheads	\$ 150,460	\$ 294,984	\$ 294,984
Salaries	\$ 32,500	\$ 66,990	\$ 66,990
Total NIEP Expenses	\$ 182,960	\$ 361,974	\$ 361,974
Total Net Surplus/Deficit Other Income/Expenses	-\$ 74,960	-\$ 145,974	-\$ 145,974
Total Net Surplus/Deficit	-\$ 73,471	-\$ 141,715	-\$ 142,619

Appendix A: Ngā Kaupapa Here Kaute - Accounting Policies

1. Statement of Accounting Policies

BASIS OF PREPARATION

The financial statements have been prepared in accordance with Tier 2 Public Benefit Entity (PBE) Financial Reporting Standards as issued by the New Zealand External Reporting Board (XRB). They comply with New Zealand equivalents to International Public Sector Accounting Standards Reduced Disclosure Regime (NZ PBE IPSAS with RDR) and other applicable Public Benefit Entity Financial Reporting Standards as appropriate to Public Benefit Entities.

The entity is eligible to report in accordance with Tier 2 PBE Accounting Standards on the basis that it does not have public accountability and is not large. The entity transitioned to PBE Standard Tier 2 from 1st July 2016.

The financial statements have been prepared in accordance with the Local Government Act 2002, which requires compliance with generally accepted accounting practice in New Zealand ("NZ GAAP"). [LGA. 111].

The entity is deemed a public benefit entity for financial reporting purposes, as its primary objective is to provide services to the community for social benefit and has been established with a view to supporting that primary objective rather than a financial return.

CHANGES IN ACCOUNTING POLICIES

Previously adopted Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit). The impact of new and amended standards and interpretations applied in the year was limited to additional note disclosures.

Appendix B: Supporting Information for Northland Inc Statement of Intent

Introduction

The Statement of Intent for Northland Inc contains Key Performance Indicators (KPI's). The rationale for choosing the KPI's and the method in which these indicators are reported on is not always clear, and therefore this document provides more detail around the KPI and the method of reporting.

The KPI table also includes Regional Outcomes which do not form part of the formal Sol but are an important source of information and coloration of Northland Inc's performance against macro trends occurring within Te Tai Tokerau. The intention is to report on the regional outcomes at the same time as reporting on the KPI's.

Rationale

KPI's need to have a solid rationale, clear line of site back to the activities of Northland Inc, be simple to understand and be measurable. It is important to have a least one indicator for each Pou and where possible a mixture of the different type of indicators. A brief explanation of the rationale for each KPI is provided below. The internal culture Pou does not have KPI's.

KPI's

The KPI's are as follows:

(Note these have been numbered for ease of reference within this appendix)

Pou: Māori Economic Development

1. Number of engagements or established relationships with iwi/hapū groups and other Māori organisations, e.g. marae, land trusts, etc. that have led to a positive outcome.
2. Proportion of Māori organisations that are satisfied with Northland Inc support.

Pou: Environmental Sustainability

3. Number of workshops / events that help promote or support environmental sustainability values and culture in Te Tai Tokerau.
4. Proportion of businesses / projects that Northland Inc are supporting that have identified their environmental aspirations and complied with governmental regulations.
5. Change in carbon footprint of Northland Inc.

Pou: Regional Investment

6. Number of unique businesses assisted.
7. Proportion of those businesses assisted that are Māori.
8. Number of inward delegations hosted.
9. Client satisfaction with business assistance provided by Northland Inc as measured by Net Promoter Score.
10. Value of grant funding and Investment facilitated for Māori businesses.
11. Number of high impact projects that are implemented.

Pou: Destination Management and Marketing

12. Number of destination promotion campaign initiatives to generate national exposure to the region.
13. Number of workshops / events to promote product development and position Te Tai Tokerau as a green tourism destination.

Pou: Profile and Advocacy and of Economic Development

14. Number of regional economic development updates or reports released.
15. Number of media features that profile the region.
16. Number of media activity that references Northland Inc.

Rationale and Methodology for Individual KPI's

1. Rationale: measures the volume of work being directed specifically at Iwi/hapu and Māori organisations.

Methodology: Evidence for KPI is the number of meetings held and details of attendees

2. Rationale: indicates that our engagement with Māori businesses is adding value to the businesses themselves

Methodology: Evidence for KPI will be sought through our own feedback/review process with our Māori clients including face to face interviews or focus groups to capture feedback.

3. Rationale: measures the level of pro-active activity Northland Inc undertakes that has an environmental focus.

Methodology: Evidence for KPI is the number of meetings/events held and details of attendees.

4. Rationale: measures the number of business / projects that have an active environmental aspiration reflecting Northland Inc's view that this is an important aspect of any project we are supporting

Methodology: Evidence for this KPI recorded within Project Assessment documentation.

5. Rationale: measures the organisations contribution to climate change, reflecting Northland Inc's view that this is an important aspect of its operational activity.

Methodology: Evidence for KPI is completion of a carbon footprint audit then annual assessment of reduction in the level of carbon footprint.

6. Rationale: measures the volume of work being generated and processed

Methodology: Evidence for KPI is recorded in Northland Inc's CRM database. Breakdown of data is presented by TLA and industry.

7. Rationale: measures the volume of work being generated and processed that is specifically targeted at Māori businesses, given Northland Inc's view of the importance of Māori Economic

Development. The increase in target over three years is to align the target with percentage of population.

Methodology: Evidence for KPI is recorded in Northland Inc's CRM database. Breakdown of data is presented by TLA and industry.

8. Rationale: indicates that the region is attractive for inward investment. Suggests that the Landing Pad and regional promotion activity are functioning.

Methodology: Evidence for KPI is the number of meetings held and details of attendees.

Inward delegation is a reference to an expression of interest from a reputable company (national or international) who is interesting in investing in the region. The KPI is achieved when Northland Inc participates in the hosting (meeting) of the company's representatives (delegates). Note that often Chinese delegates are hosted jointly with Councils as this is the preferred way to establish a relationship with Chinese culture.

9. Rationale: Independent verification that the services within this work programme are of success.

Methodology: Evidence for KPI is recorded in Northland Inc's CRM database. Breakdown of data is presented by TLA and industry. NPS is a widely used customer loyalty or satisfaction metric used to measure success across NZTE services. It is an index ranging from -100 to 100 that measures the willingness of customers to recommend a company's products or services to others.

10. Rationale: measures the value of investment that is specifically targeted to support Māori businesses aligns with previous KPI and Northland Inc's view of the importance of Māori Economic Development.

Methodology: Evidence for KPI is recorded within Northland Inc's CRM database.

11. Rationale: ensures the work area is aligned with the vision and mission.

Methodology: High Impact projects are projects that are likely to make a significant contribution to their sector in one or more of the following areas: employment, training, GDP, household income, sector strength diversity, research and development. All projects are assessed using standardised internal processes to understand the potential impact/contribution.

12. Rationale: indicates the level of activity being undertaken to promote the region and the level of support from businesses for this activity

Methodology: Evidence for KPI recorded within National publications or regional publications in regions other than Te Tai Tokerau. Reporting to include number of businesses that are engaged in the campaign.

13. Rationale: indicates the level of activity being undertaken to support the development of environmentally beneficial tourism products within Te Tai Tokerau.

Methodology: Evidence for KPI is the number of meetings held and details of attendees

14. Rationale: indicates the level of activity being undertaken to promote regional economic development

Methodology: Evidence for KPI recorded within external publications

15. Rationale: indicates the level of media awareness and support for the Te Tai Tokerau

Methodology: Evidence for KPI recorded within external publications.

16. Rationale: indicates the level of media activity being generated by Northland Inc.

Methodology: Evidence for KPI recorded within external media pickup.