

ANNUAL REPORT  
TE PŪRONGO Ā-TAU

20  
21

For the year ended 30 June 2021







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**From the Chair and Chief Executive**  
Mai i te Kaihautū me te Tumu Whakarae

# 01

# 01 From the Chair and Chief Executive

## Mai i te Kaihautū me te Tumu Whakarae



Tēnā ra tātou i runga i te āhuatanga o te ao hurihuri

Tāmaki Makaurau was again reminded of the fundamental importance of neighbourhoods as we navigated the lasting impacts of the COVID-19 pandemic through 2020/2021.

Auckland needs thriving neighbourhoods, well serviced with local shops and transport connections, reflective of the way our local needs are changing. As we've come into and gone out of lockdowns, the people of Tāmaki Makaurau are supporting local and experiencing their neighbourhoods in different ways.

Community and well-planned neighbourhoods are important during challenging times. This, combined with the planet's climate emergency, shows how critical urban regeneration is for the well-being of our region.

Eke Panuku must continue to respond to that challenge, by partnering with mana whenua, the Auckland Council whānau, the Crown and private sector to enable urban regeneration and create supportive communities.

Our priority this financial year was to maintain momentum for change in our town centres. We have enabled significant development partnerships and more homes to be built. We've completed award-winning capital projects that create heart in our neighbourhoods – new playgrounds, parks and open spaces.

Our influence over the sustainability of Tāmaki Makaurau is crucial, with approximately 40 per cent of Auckland's emissions coming from transport, and 30 per cent from energy use in buildings. As part of supporting Auckland Council's Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan, we have developed our own Climate Change Strategy to address how we can help Aucklanders minimise their impact on the environment.

Another key role was to support Auckland Council through its Emergency Budget 2020/2021. As council's property manager, we've supported the organisation to sell property that is no longer needed, as it responds to the financial challenges brought by the pandemic.

At Eke Panuku, people are our biggest resource. Despite the challenges of the past year, and the impact of the pandemic resulting in some changes to our organisation, we are proud of our people's commitment to deliver important outcomes for our communities and the council.

Ngā manaakitanga  
Nā māua noa,  
nā

**Paul Majurey**

Chair

**David Rankin**

Chief Executive

01

Who we are  
Ngā kōrero mō mātou

02



# 01

## 02 Who we are

Ngā kōrero mō mātou

**Panuku Development Auckland Limited (Eke Panuku) is the council-controlled organisation (CCO) that delivers urban regeneration in Tāmaki Makaurau Auckland.**

**Our city is facing rapid growth. It needs good development to accommodate this growth.**

### **We imagine a city of strong neighbourhoods.**

We work across many neighbourhoods throughout our city – from large, long-term urban regeneration plans to small projects on specific sites – to meet the needs of long-term growth, including enabling more types of homes.

We work alongside other parts of the council, government organisations, businesses and locals to regenerate our city in ways that benefit our communities and Auckland as a whole.

We recognise that we can't achieve our mandate alone. Our complex operating environment means we need the expertise of others. Building and maintaining strong relationships and partnerships is an ongoing focus for us. We rely on private sector investment to achieve our vision.

We optimise returns for the council, but at the same time we ensure our buildings contribute positively to their neighbourhoods.

We manage around \$2.4 billion of land and buildings the council owns, which we regularly review to find smart ways to make money for our city.

**We're visionary.** We imagine a city of strong neighbourhoods that are resilient, thriving, unique, and great places to live.

**We're strategic.** We're guided by strategies such as the Auckland Plan, local board plans, economic development strategies and our own town centre plans. We're a centre of excellence for urban regeneration that brings these plans to life.

**We're place-led.** The identity, attributes and aspirations of the neighbourhoods we work in lead our thinking in everything from engagement to design.

**We collaborate.** We believe that working together will always create a better result than working alone. We work closely with the council whānau, including councillors, CCOs and local boards, mana whenua, the private sector, Crown organisations and our neighbourhood locals to deliver urban regeneration for Tāmaki Makaurau.



# 03

What we do  
Ā mātou mahi

Tamariki playing games in Silo Park, celebrating Auckland Anniversary Weekend.





## 03 What we do Ā mātou mahi

### Urban regeneration

Urban regeneration involves planning neighbourhoods and attracting investment to strengthen communities and the economy, to make Tāmaki Makaurau an even better place to live.

A vibrant and well-functioning town centre can be the heart of a community. Eke Panuku specialises in town centres, ensuring homes, offices, shops and eateries are close to public transport to reduce people's reliance on cars. This benefits the wider community. One of our priorities is to increase the number of homes available in Auckland.

Our challenge is to balance our requirement to deliver returns for Auckland Council with ensuring our regeneration projects are well designed, meet strategic objectives and are better for the environment.

#### Density done well

Quality, compact urban living is critical for a liveable and thriving city. Eke Panuku works with urban planners, architects and designers to create town centres where people want to live, work and play.

This means:

- ensuring our designs align with council plans and what the community wants
- talking regularly to stakeholders and the community to ensure our projects reflect the character and needs of the neighbourhood
- creating sustainable town centres that incorporate public transport, roads and public spaces for all to enjoy
- enabling more homes and more housing choices in our neighbourhoods.

Urban regeneration is a complex process that requires integrating many different types of skills.

We start with a plan, working with the local board, mana whenua and stakeholders, and importantly building on any plans that have already been prepared with the community. We seek approval of our board outcomes for the neighbourhood (called a High-Level Project Plan) by Auckland Council's Planning Committee and the relevant local board. This confirms our role in the neighbourhood's regeneration, what we are seeking to achieve and the council land that can be used. We build on our overarching plans through ongoing, robust masterplanning.

# 03

## Our development partners

We choose the properties we develop for their strategic value, usually because they're close to a good public transport network.

We don't build on land directly, instead we work with others such as private organisations, the Government, iwi and not-for-profits. We agree upon a set of outcomes, including that all homes are healthy, energy efficient and better for the environment. That's why we insist on Homestar 6 rated homes in all our locations.

Eke Panuku is in a unique position; when grouped together strategically, these development projects contribute to creating a more attractive, lively and liveable neighbourhood. They often also provide much-needed homes.

## Public good investment

We work with other parts of the council, including local boards, on infrastructure and other public good investment. This includes creating and upgrading public spaces such as parks, playgrounds, cycling paths and streets. Public good investment unlocks the potential of our neighbourhoods, meeting community needs but also enabling us to take a holistic approach to urban regeneration.

## The environment

Sustainability is at the heart of everything we do.

This includes:

- **Conserving resources.** We take action to reduce energy use and conserve resources through the design and delivery of our regeneration projects. We set environmental standards for ourselves and our development partners.
- **Adaptation and resilience.** We're future-proofing our communities and assets. This includes the use of green infrastructure, water-sensitive urban design, ecological improvements and community resilience planning.
- **Healthy, low-carbon lifestyles.** Living and working in our communities means you have amenities on your doorstep, access to public transport, and safer walking and cycling routes. We require our development partners to deliver housing to a minimum Homestar 6 rating.



The popup cycleway in Henderson making greener travel easy.



Some of the modern, eco-friendly homes in Wynyard Quarter.



New homes in Ormiston.



Janine and Charles Williams' mural in Amey Daldy Park, celebrating manu māori - our native birds.



# 03

## Working with Māori

We take our name from the whakataukī (proverb) *kia Eke Panuku, kia Eke Tangaroa* and in combination with our Te Tiriti relationship with iwi, Eke Panuku makes a meaningful contribution to Auckland Council's Māori outcomes.

Some of the work we do with mana whenua includes:

- supporting mana whenua aspirations including governance, economic, culture, wellbeing, and te taiao (environment)
- creating better outcomes that restore and enhance the mauri of Tāmaki Makaurau
- enabling commercial opportunities for iwi to grow intergenerational wealth.

## The Mana Whenua Outcomes Framework

For several years, Eke Panuku has sought to understand the aspirations of mana whenua better. Now, we can use our resources to support mana whenua aspirations in a more collaborative way.

The outcomes framework captures mana whenua aspirations for Eke Panuku. These are organised into five pou:

- **Governance:** We involve mana whenua in transparent decision-making
- **Culture:** We will increase our practice of kaitiakitanga and increase the visibility of Māori identity and culture in our projects
- **Economic:** We will create more commercial investment, procurement and engagement opportunities for Māori
- **Wellbeing:** We will foster a sense of community and connectedness and help enhance the wellbeing of Māori here in Tāmaki Makaurau
- **Natural environment:** We will work together to ensure we are working towards significant improvements to te mauri o te taiao.



# 02 03



An epic celebration of Matariki at Silo Park.

## Place-led thinking

Our urban regeneration projects need to reflect the people, character and needs of their areas. Place-led thinking drives all parts of our business.

Placemaking is crucial to our work. It's a process that fosters the creation of vital, successful places. The kind of places where people feel a strong relationship with their communities and a commitment to make things better.

We've developed our placemaking practice over the past decade or so, initially for spaces like the city centre waterfront but now across the wider Auckland region.

Through placemaking, the people of a place play a strong cooperative role in the building of their public places. It's an inclusive approach which can benefit all outcomes – social, commercial and everything in between.

## Partnership

We know we can't achieve urban regeneration alone. Our collaborative approach means taking people with us, through proactive engagement and communications. Investors in housing and commercial development are critical to what we do and we're always looking for ways to be an easy partner to work with. Partnerships with the private sector, iwi, Kāinga Ora – Homes and Communities and other government organisations, community housing providers and others are our focus. We must work together, prepare plans jointly, co-fund projects and align delivery. This is especially vital with other parts of the council, such as Auckland Transport, Healthy Waters and the Community Services team, that deliver community facilities.



# 03

## Property management

### Buying property

Eke Panuku buys property on behalf of Auckland Council for public services, such as parks, open spaces and stormwater upgrades. We also buy land for urban renewal. The council buys more land than it sells, to support the region's growth. Land is purchased in line with the council's 10-year Budget requirements, which ensure good community outcomes.

### Managing property

We mostly manage property for the council if it is not needed for a council service. There are some properties held for the long-term, including landfills, quarries, marinas and some heritage buildings.

RIGHT NOW,  
WE MANAGE A PORTFOLIO OF MORE THAN

2000 ASSETS

THIS PORTFOLIO GENERATES AROUND

\$68 MILLION

IN INCOME FOR THE REGION EACH YEAR.

Where the council leases property for council purposes, such as for a library, we also manage the relationship with the landlord.

### Selling property

Auckland Council owns properties that vary in quality. In partnership with the council, we continually review its property portfolio. This includes recognising when properties may no longer be required by the council group. We support the council to make informed decisions on its portfolio, providing advice after talking with the wider council group, including local boards, and with mana whenua groups and the Independent Māori Statutory Board.

If the property is considered unneeded for a future service use, the council can decide to sell it. The council's Finance and Performance Committee must approve all sales. Once this happens, we begin a sale process on the council's behalf. In certain cases, we set conditions on the sale to ensure a good outcome for the community; for example, that homes must be built on it.

Properties in our urban regeneration locations and some key properties around the region are sold in a different way. Here we select a development partner for the property and agree a set of outcomes. These include requirements to create buildings that meet neighbourhood needs, and guarantee that all homes are healthy, energy efficient and better for the environment.



**Where we're working**  
Ō mātou wāhi mahi

**04**






# 03 04


Auckland Council agrees the neighbourhoods we work in from areas that are a focus for growth in the Auckland Plan.

All around the region, we're working on behalf of Auckland Council to:

- ensure economic prosperity
- create better connected neighbourhoods
- facilitate quality public space
- improve housing quality and choice.

**Project type**

 **Transform**  
Where we transform an entire neighbourhood through urban regeneration.

 **Unlock**  
Where we facilitate revitalisation of an area through a few key properties within a town centre.



# 04

# 05

**Highlights from our neighbourhoods**  
He tīpakonga kōrero i ō tātou hapori

An example of Avondale's incredible street-art scene.





# 04

## 05 Highlights from our neighbourhoods

He tīpakonga kōrero i ō tātou hapori

**Eke Panuku is proud to have maintained momentum in many neighbourhoods, despite the COVID-19 pandemic giving rise to Auckland Council's Emergency Budget this year. Here are some highlights of the progress made; we concentrated on completing current projects and critical renewals.**

### North

#### **Te Ara Awataha wins award | Northcote**

The quality of urban design involved in a project to establish a 1.5km network of new reserves through Northcote and restore daylight to the historical Awataha Stream was honoured.

Eke Panuku is leading the regenerative design of Northcote's future greenway – Te Ara Awataha. The project won the new GHD Award for Environmental Leadership at the 2021 Taituarā Local Government Excellence Awards on 6 May.

As well as being the inaugural winner, Eke Panuku was the first council-controlled organisation since 2012 to receive an Excellence Award.

The judge called Te Ara Awataha "...a collaborative piece of placemaking that goes beyond a physical corridor..." with its design interweaving principles of te ao Māori, urban design and environmental remediation.

For Eke Panuku, the award also recognised the commitment of our partners and wider project team. Mana whenua and the Kaipātiki Local Board are key partners, with Auckland Council and Kāinga Ora joining us to deliver the project.

Under Te Ara Awataha, the new reserves will connect a revitalised town centre, schools and new homes. The project also aims to resolve long-standing stormwater issues in Northcote.

#### **More homes for older people | Northcote**

Eke Panuku supports Haumarū Housing for Older People by finding opportunities to redevelop sites in the Haumarū property portfolio to deliver more warm, dry homes.

We reached an important lease and management agreement with Kāinga Ora for a new apartment building on an existing Haumarū property in Northcote. The redevelopment on this property will increase the number of homes on this property from 12 to 52.

This year we sold 16 Handley Avenue, Narrow Neck, a property no longer being used by Haumarū, and the proceeds will be reinvested into future Haumarū projects. The new owner will also redevelop 16 Handley Avenue to bring more homes to the neighbourhood.



#### **Toka Puia car park enables new neighbourhood heart | Takapuna**

The new car park is serving residents, businesses, shoppers and leisure-seekers who thrive on Takapuna's city and beach vibe.

A few minutes walk from the town centre, Toka Puia car park opened on 3 December 2020, in time for the summer season and America's Cup.

Beyond providing 420 short-stay car spaces and 84 bike spaces for current and future parking needs, Toka Puia is a key puzzle piece in enabling Takapuna's growth and the creation of a safe, accessible and vibrant centre. It replaces 250 spaces at 40 Anzac Street, which will be transformed into a new town square, shops, eateries, businesses and homes.

Now managed by Auckland Transport, the five-storey car park at 15 Northcroft Street marks the first fully completed project under the Eke Panuku Unlock Takapuna programme.

The name gifted by mana whenua, Toka Puia, references the volcanic rock – 'toka' – that an ancient spring originally flowed from – 'puia'.

Toka Puia's flexible and multi-use nature is forward-looking, with electric bike charging facilities, repair stations and changing rooms, while the facade of metallic gold lattice gives a nod to the site's industrial history. It's inspired by patterns on the 1915 gas facility that once stood there.

# 04 05

## West

### Housing boost out west | Henderson

New homes in Henderson are now complete thanks to a development partnership enabled by our Haumarū Housing apartment build.

After the apartment building was finished last year, we partnered with Brilliant Stone to develop the remaining land with an agreement to build a mix of homes. A minimum of 75 new homes, achieving Homestar 6 will be built at Henderson Green, with the first stage of 38 mixed and terraced homes now complete.

The second stage will include three apartment buildings with homes for rent.

Henderson is becoming a focus for private development with its proximity to the train station and walkable town centre. Nearby, a 10-level apartment complex is being built, including a number of KiwiBuild homes. The increase in homes will add to the vibrancy of the town centre and support local businesses.

### Locals get look at latest designs | Avondale

Avondale locals have given freely of their time, thoughts and energy when it comes to plans for a new library and community hub and improved town square. And their thumbs-up on the latest designs, along with endorsement from the Whāu Local Board, marked exciting progress.

The development is the cornerstone of Avondale's town centre regeneration, which Eke Panuku is leading. We're working closely with other council whānau including Auckland Transport, as well as Kāinga Ora, private sector developers and the Avondale community.

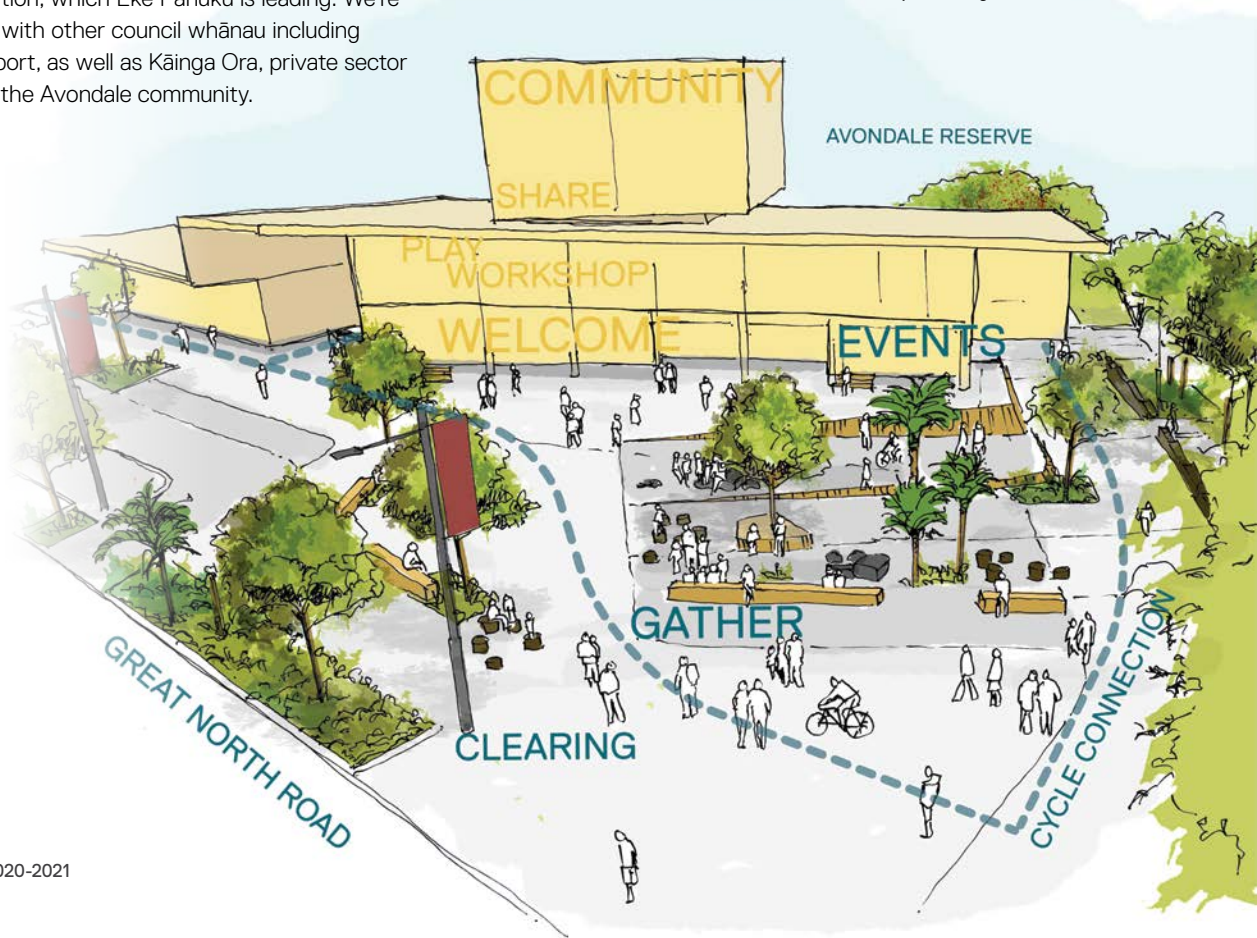
During three weeks in April and May, the community gave feedback on draft designs by architecture and design studios Athfield Architects and Isthmus Group. We also asked for people's thoughts on how they and their whānau will use the new buildings and outdoor spaces.

As well as checking the designs had captured community input, we wanted to ensure the facilities will meet diverse needs for generations to come.

This hub in the heart of Avondale will offer a safe and welcoming place for people to connect. Key features of the open, airy and flexible design include:

- a new town square
- a new library and two multipurpose community spaces for hire
- indoor-outdoor options for event space
- views to the Waitākere Ranges
- rooftop solar-power panels and a rainwater catchment system for efficient energy and water use.

A new Avondale library, community hub and town square design.



# 04 05

## Apartment buyers love Aroha | Avondale

BUYERS SHOWED A LOT OF LOVE FOR THE AROHA APARTMENTS IN AVONDALE – LAUNCHED IN SEPTEMBER 2020, THEY WERE SOLD OUT BY JUNE 2021.

THE DEVELOPMENT OF

# 117 UNITS

(INCLUDING 47 KIWIBUILD) SET A SALES SPEED RECORD FOR OCKHAM RESIDENTIAL.

In a partnership with the Marutūāhu iwi collective, it's being built at the Great North Road and Ash Street intersection on land sold by Eke Panuku for the purposes of residential development and urban regeneration.



**CONSTRUCTION STARTED IN FEBRUARY AND IS SCHEDULED TO BE COMPLETED IN LATE 2022.**

Just as Avondale is an Eke Panuku focus for regeneration, due to its prime location, infrastructure and services, Aroha epitomises the kind of high-quality, medium-density development we look for to help create successful neighbourhoods. It's also on a major bus route and near the rail station.



The new Aroha apartments in Avondale are currently under construction.

Both Auckland Council and the government are using and releasing development-ready land they own in Avondale town centre to spark urban regeneration.

# \$600 MILLION

**WORTH OF DEVELOPMENT IS PLANNED OVER THE NEXT 15 YEARS, INCLUDING \$50 MILLION IN COUNCIL AND EKE PANUKU PROJECTS.**

Overall about 1,000 new homes are expected in the town centre, 750 of which will be directly enabled or developed by Eke Panuku or Kāinga Ora.





# 04 05

## South

### 'Sold' signs mark milestone at Kōtuitui Place | Manukau



New homes and a new neighbourhood at Kōtuitui Place.



NEIGHBOURHOOD BUZZ HAS BEEN BUILDING AT KŌTUITUI PLACE – A NEW AREA OF URBAN REGENERATION ENVISAGED BY EKE PANUKU.

UP TO  
**300**  
AFFORDABLE  
HOMES

ARE AT VARIOUS STAGES OF CONSTRUCTION AND COMPLETION ON THE 5HA SITE AT 20 BARROWCLIFFE PLACE, WIRI.



With the 'sold out' milestone met, the development is welcoming more and more residents as homes are finished and the keys handed over.

Kōtuitui Place is the largest affordable housing initiative we've undertaken to date. Homes range from one-bedroom apartments to four-bedroom houses, with at least half being sold under an affordable housing scheme. Purchase models included rent-to-buy and shared equity to help ensure affordability.

People living in Kōtuitui Place and Puhinui Park will also enjoy a safer and easier connection to Manukau town centre. Construction on the Barrowcliffe Bridge began in December, with completion expected mid-to-late 2021. This remake of the old motorway over-bridge turns it into a joint route for people walking, cycling and driving. Building began in February on the Barrowcliffe pond shared pathway, adjacent to the bridge.

Wiri's younger generation has a new playground in Wiri Stream Reserve – building began in January and is now complete. Eke Panuku led the design, in partnership with mana whenua, the Manurewa Local Board and Auckland Council. The design themes are based around natural and cultural play and draw on the Puhinui Stream environment.

Kōtuitui Place is being transformed as part of an overall vision for Wiri to foster healthy living. It will become a place where people can live in healthy homes in safe neighbourhoods, with good schools and health services.

Eke Panuku entered agreements with Te Ākitai Waiohūa and the Puhinui Park Ltd partnership of the New Zealand Housing Foundation, Te Tumu Kainga and CORT Community Housing to build the residential development.

# 04 05

## Town centre takes off | Ormiston

The fast-growing population of south-east Auckland has a new town centre in the heart of the Ormiston and Flat Bush communities.

Ormiston Town Centre officially opened for business on 15 March, giving residents a major retail destination on Ormiston Road for shopping and socialising, meeting and eating. It offers:

- supermarkets and department stores
- gyms, a cinema complex, and food and drink outlets
- a mix of health and beauty and specialty services.

The opening marks an important milestone in a 19ha development of local Auckland Council land by Todd Property Group in partnership with Eke Panuku. We're masterplanning this area, with more homes, roads, commercial and community development to come.

### ABOUT

# 88,000

## PEOPLE CALL ORMISTON HOME,

A NUMBER PROJECTED TO GROW.

EVENTUALLY, THE TOWN CENTRE WILL SERVICE A POPULATION THE SIZE OF GISBORNE.



Ormiston Town Centre

# 04 05

## Across Auckland

### Shaping better streets for people | Takapuna, Henderson, Pukekohe and Manukau

Under the Innovating Streets for People programme, 'co-design by trial' gives communities a greater say in redesigning their own neighbourhoods. It enabled Eke Panuku to test various ideas temporarily, get people's views on how they work in practice, and make changes to find the best solutions. We've delivered these projects in close collaboration with Auckland Transport. Some of the projects had mixed results and lots of community feedback, and we responded to this by making changes on the ground.

The public response combined with monitoring and evaluation, such as safety audits and traffic studies, will inform decisions around longer-term improvements.

Innovating Streets for People is an initiative funded mostly by Waka Kotahi (NZ Transport Agency).

**In Takapuna**, we worked with locals on how to improve Huron and Northcroft streets, which form part of the walking route between the new Toka Puia car park (see page 17) and the future town square.

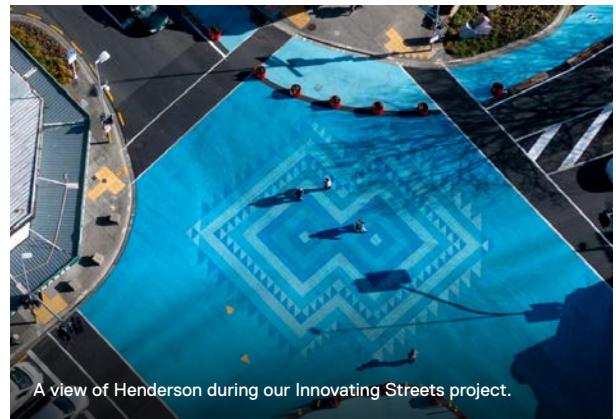
Temporary installations began popping up from June, aimed at making the streets safer and more vibrant and less dominated by traffic.

**In Pukekohe**, King Street was reinstated in June as a two-way street after public feedback on a temporary one-way trial showed it wasn't working for the community. The Devon Lane shared space trial is continuing with support from affected businesses as the changes have improved safety for pedestrians. Our intention is to make the town centre safer to move around.

**In Henderson**, over a six-week trial to the end of July, we changed some street layouts to reduce the focus on cars, added new pathways for cycling and walking, and used colour to add vibrancy to parts of the town centre. Some parts of the trial were reversed early-on due to compliance and safety issues, and other elements have been successful and will be retained for up to 2 years. **In Manukau Central**, we tried something new with temporary upgrades in Osterley Way and Amersham Way from June 2021. The work included some road layout changes, a one-way shared space in Osterley Way with room for walking and cycling, and street art and furniture designed and made by local people.



A bike ride through Henderson during our Innovating Streets project.



A view of Henderson during our Innovating Streets project.



Takapuna's Innovating Streets look.



Pukekohe receives an Innovating Streets makeover.



04  
05

## Central

**Aotea Central looking up | City centre**

New homes and business space will rise at the heart of Auckland's public transport network. Tapping into the demand for inner-city life and convenient travel, they will help revitalise midtown.

Concepts of the future look and use of the 4780m<sup>2</sup> site at Mayoral Drive and Wellesley Street were released in March. A 21-storey building above the City Rail Link's new Aotea Station will be the centrepiece of the mixed-use development – working title Aotea Central.

Aotea Central will turn a former Auckland Council fleet car park into well-designed and high-density housing, as well as shops and commercial spaces. It's close to attractions such as the art gallery and Aotea Centre, and will support what will be Auckland's busiest train station.

Eke Panuku will sell this cornerstone site on behalf of Auckland Council to international property developer Malaysian Resources Corporation Berhad (MRCB), which will work with experienced development and project management company RCP.

We believe choosing the right development partner was key for this important urban regeneration. MRCB has a long track record of quality transport-oriented developments. Work at Aotea Central will start when the station is finished in 2024.







Te Nukuao, an artwork by Tessa Harris in the Silo Park extension, Wynyard Quarter.

**Auckland’s waterfront**

**America’s Cup winds of change | Wynyard Quarter**

Auckland’s track record of major sporting events leaving a lasting imprint on waterfront developments continued with the city’s summer hosting of America’s Cup 36 from December 2020 to March 2021.

Beyond the euphoria of Emirates Team New Zealand retaining the sailing trophy amid rapturous crowds, Eke Panuku and the Wynyard Edge Alliance had done the hard mahi to lay down infrastructure for bases, wharves and breakwaters – ultimately, transforming industrial areas into public spaces for people to love.

Together, we also created a new public open space around Silo Park. Part of the park extension opened in late 2020 and features:

- bulk-storage tanks retained for their authentic industrial character and repurposed with lighting and greenery
- a waka-inspired sail structure that serves as a cultural marker for mana whenua and provides shade.

The sail structure Te Nukuao won artist Tessa Harris, with Beca Architects and LandLAB, an award for Small Project Architecture at the 2021 Auckland Architecture Awards.

Improvements to Wynyard, Hobson and Halsey wharves to get Wynyard Quarter ‘event ready’ for the regatta were well received. These new spaces accommodated the Challenger of Record’s base and hospitality centre, housed big screens for the public to watch the action and offered new vantage points over the Wynyard Basin, Viaduct Basin and Waitematā Harbour.

Auckland’s resource consent for hosting America’s Cup lasts until 2028, but the future location of the 37th regatta is unknown. Meanwhile, Eke Panuku has planned for using the blank-canvas spaces in a transitional way – think pop-up zones with activities, events and public amenities that can be enjoyed by everyone. We also have our planning eye on the site’s longer-term future.



New spaces built to support America’s Cup 36 in early 2021.

04  
05**Orams Marine celebrates first stage | Wynyard Quarter**

The ambitious Orams Marine development on Beaumont Street, which borders Westhaven Marina and Wynyard Quarter, reached an impressive milestone with the completion of its first stage.

**THE NEW SITE HAS AN ADDITIONAL**

**12,000sqm  
HARDSTAND,**



**WATER TREATMENT  
PLANT,**

**3X**

**90 METRE  
MARINA FINGERS,**



**85 TONNE,  
820 TONNE  
TRAVEL LIFT.**

**THE NEW ADDITIONS ALLOW ORAMS MARINE TO TRIPLE ITS CAPACITY AND HAUL OUT UP TO 80 PER CENT OF THE WORLD'S SUPERYACHT FLEET.**

The upgrade provides much needed maintenance facilities for a wide range of boats including ferries, fishing boats, and private and commercial vessels.

The development, which has another stage to go, is part of a development agreement with Eke Panuku. The agreement enables Wynyard Quarter to continue as a working waterfront, build on its maritime history and boost Auckland as an internationally competitive marine hub.

Next for Orams Marine is to build an 85-tonne work shed for its travel lift. This will enable work on boats to be completed under cover and protected from the elements. This will be followed by commercial buildings and a residential tower.

**Marine business buzz in new village | Westhaven**

The new Westhaven Marine Village ensures the marine industry has a home in Auckland city, and further develops the marina as a competitive, world-class facility.

The village has taken part of The Waterfront Plan 2012 off the page and realised it as an urban and marine sanctuary. These two projects reflect the plan's vision of making the Tāmaki Makaurau waterfront edge a space for all people, and a plan goal of creating a smart, working waterfront to support economic growth.

Completed in late 2020, Westhaven Marine Village is home to new tenants Burnsco, Signcorp, Sports Marine, Harken, Cargo bar and eatery, and the Westhaven Marina office. Designed by ArchOffice and built by Argon Construction, the building's sustainable elements include rainwater tanks, shaded window glazing and cycle racks.

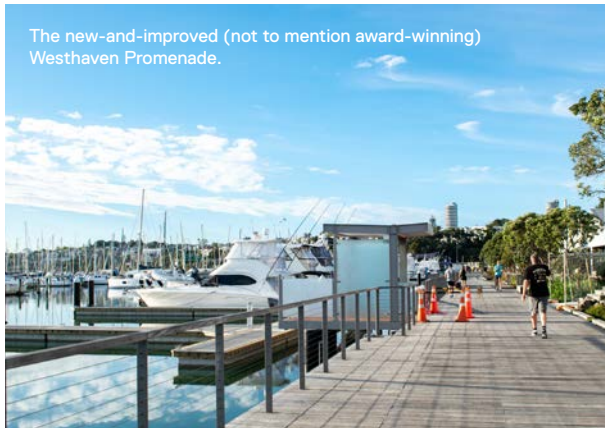
The village location offers Instagrammable views over the marina back towards the city. And berth holders access the piers from the promenade boardwalk through gates featuring artwork by Graham Tipene of Ngāti Whātua Ōrākei.

The new Westhaven Marine Village, ideal for maritime needs.





# 04 05



The new-and-improved (not to mention award-winning) Westhaven Promenade.

### Walk this (award-winning) way | Westhaven

People can now wander, exercise or relax with the sea by their side along an uninterrupted path from Wynyard Quarter to Auckland Harbour Bridge. It's been made possible by completion of the second stage of boardwalk building in November 2020, which extended the popular Westhaven Promenade by 400m.

On 19 June the promenade won Best Project in its category at the 2020/2021 HYNDS CCNZ Construction Awards. This topped off several years of hard work by Eke Panuku and the project team, including designer LandLAB, builder HEB Construction, RCP Consulting and Beca. The awards cited the project for delivering a sophisticated waterfront experience and excelling in areas such as construction quality, engineering and safety standards.

The 1km boardwalk is designed as a shared space for people on foot or on bikes and scooters at a slow pace, and as a protection from traffic on Westhaven Drive. We also upgraded the seawall and marina car park, and built new rain gardens.

The public ranked Westhaven Promenade as the highest priority for investment during consultation on the waterfront plan. It will be an important link for the Northern Pathway project, with the pathway landing in Westhaven and connecting to the boardwalk.

Winning ways continued for Westhaven at the New Zealand Marina Operators Association awards for 2020:

- Outstanding Individual Contribution Award for our General Manager of Marinas, Kevin Lidgard
- Outstanding Initiative Award for the marina's Load'n'Go passenger berth
- Highly commended in the Marina of the Year category for high customer satisfaction and strong teamwork in a challenging environment.

And offshore, Westhaven was a finalist in the Marina Industries Association's International Marina of the Year Award 2021.

### Percy Vos heritage in action | Wynyard Quarter

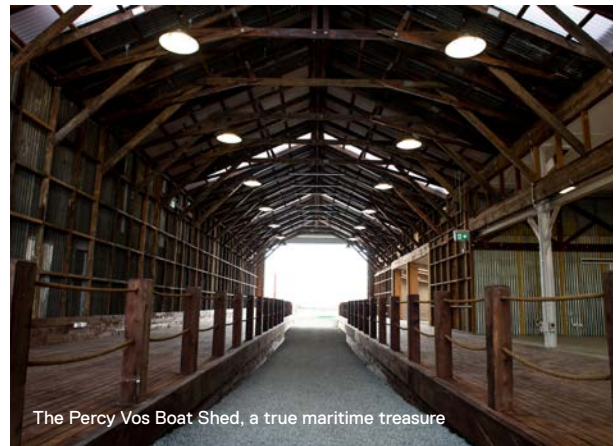
The legacy of Kiwi boatbuilding icon Percy Vos is alive and well, and newly restored in his historic Hamer Street shed in the marine precinct.

In redeveloping Wynyard Quarter, Eke Panuku is committed to retaining and preserving the area's maritime history through special projects like this.

We've worked with the Percy Vos Charitable Trust on reviving the shed and slipway, which deteriorated badly since closing in 1994. Conversion into a working heritage centre will provide a space to showcase part of Auckland's seafaring story and where people can see classic boatbuilding skills in action.

The first stage of restoration was completed in late 2020; the final stage will connect the slipway to the shed to enable vessels to be hauled out.

The Percy Vos name is synonymous with skill, craftsmanship and innovative boat design. Many of New Zealand's finest vessels were built in the Vos boatyard, the first and last place in the country to build wooden boats.



The Percy Vos Boat Shed, a true maritime treasure

04  
05**Park Hyatt and Ūrunga Plaza open | Wynyard Quarter**

New Zealand's first hotel under the five-star Park Hyatt brand officially opened its doors in September 2020, surrounded by a water's edge promenade for the public.

Aucklanders and visitors alike are discovering and enjoying this once-closed-off space, now open to all. Previously the base for sailing's Team New Zealand but now redesigned as Ūrunga Plaza, the area has enticing harbour and city views. It features four 9m-high totara pou whenua (carved wooden posts), which tell the stories of Tāmaki Makaurau, and a wave of recycled timber stacks inspired by local milling history.

The exterior of the seven-storey, 195-room hotel building on Halsey Street plays on a Māori cloak, with a double skin offering warmth, privacy and beauty. Inside, the designs highlight Māori artwork specially created by New Zealand artisans.

As landowner, Eke Panuku went global in searching for a development partner in 2013, choosing Beijing-based Fu Wah International Group for its long-term view and respect for the site's significance. Fu Wah invested over \$200 million in the project and construction got underway in 2016.

From the start, we anticipated the hotel would be a drawcard for local and international tourists, complement Wynyard Quarter's award-winning architecture and public spaces, and deliver significant economic benefits for the city centre and wider region.





# 05

## Property management highlights He tīpakonga kōrero mō te whakahaere rawa wāhi

# 06

Mai i ngā munga ki te Moana mural by Janine and Charles Williams, Aney Daldy Park.





# 05

## 06 Property management highlights

He tīpakonga kōrero mō te whakahaere rawa wāhi

### As well as urban regeneration, we have a role to provide property services to Auckland Council and manage its \$2.4 billion non-service property portfolio.

The portfolio generated a net surplus of \$41.1 million, against a forecast of \$26.4m. As part of the council's Emergency Budget we reduced our revenue expectations to allow for potential hardship relief for tenants following the impacts of COVID-19. However, the impact on our tenants was less than anticipated. We continue to support our tenants through the ongoing impacts of the pandemic, as different commercial tenants are affected in different ways.

#### Renewing our portfolio

As kaitiaki of Auckland Council's non-service property, we invested \$12 million in renewals across the portfolio. This programme will grow in 2021/2022 to renew more properties and assets around the region, including some heritage buildings.

Two projects this year included replacing the roof on the popular beachside restaurant and heritage building, McHugh's of Cheltenham, and fixing drainage issues at the Lysaght Building in the waterfront's Wynyard Quarter.

#### Property sales

We continued to support the council through its Emergency Budget with property sales. This year our net unconditional sales and pre-paid leases totalled \$108.6 million.

This figure includes:

- sales on behalf of the council
- sales from its corporate property portfolio, including Aotea Central (see page 23)
- sales within our urban regeneration programme.

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News from across the organisation  
Ngā pitopito kōrero puta noa i te whakahaere

07

# 07 News from across the organisation

## Ngā pitopito kōrero puta noa i te whakahaere

### What's in a name? Everything

We've adopted the name gifted to us by mana whenua – Eke Panuku Development Auckland.

This important move shows how highly we value our relationship with mana whenua and the taonga of te reo Māori.

After Development Auckland became a council-controlled organisation in 2015, Eke Panuku was the name gifted to us by Tame Te Rangī, a representative of Te Rūnanga o Ngāti Whātua. But our organisation's board at the time chose the name Panuku Development Auckland (omitting the Eke).

That all changed in April when the Eke Panuku Development Auckland Board unanimously agreed to use the gifted name.

Eke Panuku is derived from the whakataukī (proverb) Eke Panuku, Eke Tangaroa!, which acknowledges the unseen energies of the land and sea. In te ao Māori, Māori mihi to Tangaroa (Atua of the sea) to inspire success, excellence and progress. The role of Eke Panuku is to support mana whenua as the kaitiaki (guardians) of Tāmaki Makaurau.

The verb eke means to board, embark, rise, reach, attain; the noun panuku means a vehicle. Eke Panuku means the movement of a waka or forward momentum, which is why mana whenua believe it's essential the two words remain together.

Eke Panuku will be proudly incorporated across our mahi. We've started using the new name in written communications, while adding it to the logo in a staggered brand update from July 1 2021. We will also change our legal name. This approach will minimise the costs of updating signs and other material.

### Changes at the top

Eke Panuku plays a pivotal part in helping to create a world-class Auckland. It takes good governance from an assured and effective board and respected and influential leadership from its top people.

We welcomed a new pairing at the helm of our waka during the year. Paul Majurey was appointed Board Chair of Eke Panuku, while David Rankin was confirmed as Chief Executive after a year in the acting role that saw him steer us through the pandemic crisis.

Paul's appointment recognised his strong background in governance and law, shown throughout his service as a board member since our organisation's inception in 2015.

Auckland Council's Appointments and Performance Review Committee announced the new chair on 3 December 2020 for a three-year term.

One of Paul's first jobs was to oversee the Eke Panuku board's appointment of a new chief executive. He announced David Rankin's confirmation in the role on 4 February 2021 after a rigorous recruitment process.

The appointment signalled a positive future for Eke Panuku as the team reaches crucial stages in rejuvenating neighbourhoods across the region. For David personally, it represented another peak in his 34-year career in local government.

David was acknowledged for his authentic leadership style, effective relationships across sectors, deep knowledge of urban regeneration and property management, and extensive understanding of the complex governance landscape.

You can read bios on Paul Majurey on page 37 and David Rankin on page 40.





### **New faces on the board**

The Board of Eke Panuku returned to full strength and with a more diverse line-up, following the appointment of four new directors.

Kenina Court, Steve Evans, Susan Huria and Jennifer Kerr are the new faces adding their combination of commercial and public-service experience, acumen and passion for Auckland to the board ranks.

The council's Appointments and Performance Review Committee approved the appointments in early May, and welcomed the strong Māori and Pasifika connections of the three women. To reflect Auckland's people and deliver better community outcomes, it's important to increase diversity among the boards of council-controlled organisations such as Eke Panuku.

You can read bios of the full board, including the four new directors, from page 37.

### **Leadership team confirmed**

David Rankin's move from acting Chief Executive to permanent appointment paved the way for three other senior people on the Executive Leadership Team (ELT) to be confirmed from their acting roles.

They are Gyles Bendall, General Manager Design and Place; Marian Webb, General Manager Assets and Delivery; and Ian Wheeler, Chief Operating Officer.

During the year, the ELT welcomed Alaina Cockerton as Head of People and Culture, as we farewelled her predecessor, Monica Ayers, and Executive Officer/Company Secretary Jenni Carden.

You can read bios of the current team from page 40.

### **Regenerating through COVID-19**

The impacts of the COVID-19 pandemic deepened our resolve at Eke Panuku to shape a city of strong and resilient neighbourhoods. People feel safer and more supported in a crisis when their communities are close.

Although the reality of Auckland Council's financial recovery meant tighter budgets, we reprioritised our work programme to keep pace as much as possible on key urban regeneration projects. With alert levels at three or lower throughout 2020/2021, construction got back underway and many of our operations returned to near-normal. While more challenges are currently being faced in the city following the recent resurgence, Eke Panuku is able to plan and deliver in its neighbourhoods.

### **The Emergency Budget**

Eke Panuku played its part under the council's Emergency Budget for 2020/2021, enacted to deal with the significant drop in income due to the pandemic response.

As with our council whānau, Eke Panuku committed to making savings across our organisation through voluntary pay reductions, not filling vacancies and reducing our workforce.

As we change and adapt to the new business outlook, we want to ensure a balance between the right level of resource for delivery and managing operational costs in line with budget constraints.

We were pleased that we were able to spend and commit \$93.4m in capital delivery on projects we manage on the council's behalf. Our focus this financial year was on completing current projects and critical renewals, and building a pipeline of work for the next financial year.

A major portion of the budget was allocated to committed projects, such as the new car park in Takapuna, buying property in Northcote and completing several waterfront projects including public spaces. The remaining expenditure was allocated across the region, with most going to Manukau, Avondale and Takapuna.

Eke Panuku continued to plan and design other projects to maintain a pipeline of activity. Regulatory work such as plan changes continued for Onehunga Wharf and the waterfront. Critical maintenance went ahead, and we kept up our property services including managing marinas, properties and leases.

# 06 07

We also continued to get properties ready for future development in Northcote, Henderson, Avondale, Panmure and Onehunga as a catalyst for urban renewal across their town centres. This work includes determining what we want to get out of the sites, masterplanning to confirm the design and development, and identifying suitable development partners to achieve community outcomes.

## Working flexibly

Flexibility was crucial to us continuing to keep our 200-plus employees safe and well.

Although most Eke Panuku employees returned to their usual workplaces for most of the year, they were able to revert quickly and smoothly to working from home during alert-level changes (except essential service workers). We continued to work closely with our people to ensure they were fully supported.

The different ways of working we all experienced led to conversations between managers and teams about the flexibility and changes we could benefit from as part of ongoing practice.

## Supporting tenants

Eke Panuku continued to offer our tenants various levels of support during 2020/2021. We manage a large property portfolio on behalf of Auckland Council – about 562 commercial tenants, 280 residential and 1700 marina customers.

During lockdown last year we helped commercial tenants where appropriate with rent relief and provided advice and support for residential tenants where needed. This year we are continuing to support our tenants and marina customers who have been impacted by the resurgence.

## Maintaining momentum

Our building partners were back on-site for Eke Panuku development projects in Takapuna, Henderson, Westhaven Marina and Wynyard Quarter – the latter in time to complete new public waterfront space for the 36th America's Cup.

Maintaining momentum on the construction programme was important not only because these projects are poised to make a positive impact on how Aucklanders enjoy their city, but also for the opportunity it gave hundreds more workers to pick up their tools.

New health and safety plans were put in place so contractors could work safely and maintain appropriate distancing from each other at all times on all sites.

## Facing forward

In the 2021/2022 financial year, Eke Panuku will operate under Auckland Council's \$31.8 billion Recovery Budget. This record budget was adopted as part of the council's 10-year Budget 2021-2031.

We'll keep supporting the council in its COVID-19 recovery efforts for the city and help deliver the infrastructure Aucklanders need. Our emphasis will be on continued support for our staff through ongoing pandemic impacts, and careful prioritisation of our work programme to build strong and resilient neighbourhoods and renew more properties and assets around the region.



## Corporate responsibility and sustainability

Eke Panuku has made a commitment to respond to the climate emergency declared by Auckland Council in 2019 and take prompt, meaningful action to address climate change.

In 2020 we adopted our Climate Change Strategy – Te Rautaki mō te Huringa o te Āhuarangi. Setting out our priority actions to address climate change, the strategy focuses on reducing carbon impacts, speeding up sustainable procurement and continuing to engage with development partners around climate aspirations.

Our strategy supports Auckland Council's Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan, which was developed following the council declaring a Climate Emergency in 2019.

In a significant step, the Eke Panuku board agreed to require all new commercial buildings in our urban regeneration areas to meet 5 Star Green Star ratings.

This system, which rates a building's performance and environmental impact and is administered by the Green Building Council, will now apply to all new commercial buildings over 1000m<sup>2</sup> in our priority locations. The 5 Star Green Star rating is a marker of New Zealand excellence in sustainable buildings.

Green Star certification brings enormous benefits to a neighbourhood. Green buildings reduce carbon emissions, water consumption and waste generation. They also improve health and wellbeing for their occupants, and lower building operational costs.

This new minimum commercial standard adds to the minimum residential standard Eke Panuku already has for new homes through the Green Building Council's Homestar Rating system.

## Māori outcomes

Eke Panuku recognises that iwi and hapū have a historical association with Tāmaki Makaurau. We have a role to help the Crown carry out its obligations under Te Tiriti o Waitangi. Eke Panuku also acknowledges that mana whenua seek to maintain and foster their relationship with the land and sea. Mana whenua histories and legends are formed through many generations.

The partnership between Eke Panuku and mana whenua is a work-in-progress as we strive to shape an Aotearoa that truly expresses the intention of Te Tiriti. What we can be sure of is that we see better outcomes for all when we work together.

Each week, Eke Panuku meets with our mana whenua partners to discuss and receive guidance and input into our projects. We hold regular governance-level hui and six-monthly Rangatira ki te Rangatira hui between mana whenua leaders and our board. Through this relationship, mana whenua help us ensure that our projects are culture-led, place-based, and community-driven.

We strive to integrate te ao Māori into all our work, rather than see it as an add-on. From regenerative practices in environmental projects to acknowledging the spiritual influence on our work through authentic cultural blessings, we have delivered more than 40 significant initiatives this year that support Māori outcomes. This fulfilled the target in our Statement of Intent for 2020/2023.

Other examples of these initiatives include:

- selling properties to mana whenua
- expressing Māori identity in the public realm
- creating naming opportunities
- facilitating cultural induction for our staff
- involving mana whenua in designing strategies.



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This year saw Eke Panuku, in partnership with mana whenua, deliver the first year of our Mana Whenua Outcomes Framework. This framework was developed in partnership with mana whenua and contains the commitments Eke Panuku has made to mana whenua over three years. Effective from July 2020, it identifies staff responsible for delivering governance, culture and identity, economic, wellbeing and te taiao (environmental) outcomes.

This year we particularly made progress partnering with mana whenua on commercial development projects. We focused on presenting tangible commercial opportunities to mana whenua, resulting in a significant uptake in interest and at least one, if not several, commercial development opportunities.

The relationship between Eke Panuku and mana whenua in Tāmaki Makaurau continues to deepen and improve. According to results from our annual survey, mana whenua are satisfied with the quality of engagement with Eke Panuku. Across a range of survey questions about our relationship, such as working together and doing what we say we'll do, mana whenua rated us more positively this year than last year in most areas.



A waka traverses Viaduct Harbour.

## Health, safety and wellbeing

Providing a safe and healthy workplace is critical for Eke Panuku. Our primary objective is to ensure the health, safety and wellbeing of our people, contractors, visitors and the public.

We do this by upskilling our employees to reinforce positive behaviours, offering opportunities to improve their wellbeing, proactively addressing safety concerns and recording and learning from incidents.

Key to the continual improvement of health and safety is aligning our approach with Auckland Council. This alignment includes our vision, health and safety plan, incident reporting system and procurement processes.

We work with a range of providers across risk profiles, including working with landfills operators, quarries, marinas, developers and constructors and managing leases, so we've put in place our own safe management of contracts and agreements framework to recognise how our people will manage each working environment.

In the past 12 months we've continued to work to our annual health and safety work programme to ensure this is front of mind for our people.

As a result of an independent review of our health and safety management systems, we're now progressing with recommendations to improve board reporting, training, critical risk reviews, staff engagement and process consistency. We plan to expand the use of our incident recording system, Noggin.

We align our safety protocols and monitoring to the industry body CHASNZ.

Health and safety is tracked through key performance indicators and total recordable incident frequency rate. The total recordable incident frequency rates are compared with the benchmark industry standards set by the New Zealand Business Leaders Health and Safety Forum, and reported to the Eke Panuku leadership team and board regularly.

In the ongoing pandemic, we continue to focus on staff wellbeing. Increasing leadership capability around empathy and resilience has been a key part of this. We have also offered resilience training to all staff as well as flexible working. We encourage good communication with line managers and teams, and provide access to employee assistance programmes such as 'InStep'. We provide mental wellbeing support and home workstation assistance to support people working from home.

This year's customer satisfaction survey, tracking health and safety support, training and communication, showed a pleasing result of an 80 per cent satisfaction rating by our staff.

# 07

Our people  
Ā mātou tāngata

# 08

Spellbound tamaki during the Wynyard Quarter birthday celebrations.





# 07 08 Our board Tō mātou poari



**Paul Majurey**  
Chair

Paul Majurey has extensive knowledge of Eke Panuku, having been a board member since the organisation's establishment in 2015 and later deputy chair.

With more than 35 years in law practice, Paul is a senior partner at environmental and public law firm Atkins Holm Majurey. He chairs several statutory entities and companies and is a director on many company boards, including in the property sector. He is Chair of the Tūpuna Maunga Authority and Chair of Te Pūia Tāpapa (the Māori Investment Fund).

Paul also has extensive experience chairing large iwi collectives in the Hauraki and Auckland regions.



**John Coop**  
Director

John Coop is the Managing Director of Warren and Mahoney, and considered a pivotal player in developing thought leadership in the wider New Zealand architecture industry.

With close to 20 years' experience working across the built environment, John is a member of the Auckland Civil Defence Built Environment Recovery Task Group and the Auckland branch of the Property Council, a past president of the Auckland Architecture Association and a Fellow of the New Zealand Institute of Architects (NZIA). He has also been a significant contributor to the NZIA Graduate Development Programme.



**Kenina Court**  
Director

Kenina is a Fellow of Chartered Accountants Australia and New Zealand. She has had a 25-year career in the commercial arena working through to CFO level and in public practice where she has built two (and sold one) accounting firms. She has extensive experience in property investment through residential and commercial property and uses this knowledge to help her clients build long-term sustainable wealth.

A New Zealand-born Samoan, Kenina is on the boards of the Oceania Career Academy, which works with Pasifika youth to provide learning pathways into construction industry careers, and the Banking Ombudsman Scheme, the dispute resolution scheme for New Zealand's banking industry.





**Steve Evans**  
Director

Steve has led Fletcher Building's Residential and Development division for the past six years. This includes Fletcher Living, delivering new housing communities such as the award-winning Waiata Shores and Kowhai Ridge. Delivering up to 1000 homes a year on numerous sites across Auckland, including terrace housing and apartment buildings, Steve is a leader in urban renewal.

He also has extensive experience with residential housing and mixed use developments across many regions including Australia, New Zealand, Asia and the UK. He was one of the founding directors of First Base, a residential developer focused exclusively on providing mixed-tenure housing solutions in inner and greater London, including developments that won UK planning and architectural awards.

Steve is also a founding board member of the Urban Development Institute of New Zealand (UDINZ), a member of MBIE's Building Advisory Panel and a steering group member of the Construction Industry Accord.



**Susan Huria**  
Director

Susan (Ngāi Tahu, Ngāi Tuahuriri) is the Chair of Leaderbrand and Gisborne Covered Production. She is a director of Ospri, the Royal College of General Practitioners and Connexis. Susan is also a Trustee of Construction Health and Safety New Zealand and a Chartered Fellow of the Institute of Directors.

She is the Independent Chair of the New Zealand Rugby League zone board appointment panel, a member of the Rhodes Scholarship panel and the National Steering Group for Community Governance.

Susan works as an advisor to a number of entities in the Māori economy on governance, strategy development, board evaluation and performance management.



**David Kennedy**  
Director

David Kennedy has significant experience in the property and entertainment industries.

Previous executive roles include CEO of Ngāi Tahu Property, CEO of the Eden Park Trust, CEO of St Lukes Group/Westfield New Zealand, general manager roles at SKYCITY Entertainment Group and property development roles with Fletcher Construction and Challenge Properties.

He is on the boards of Naylor Love and The Housing Foundation. David's previous governance roles include chairing the Auckland Central Community Response Forum, Counties Manukau Sport and Sportnet New Zealand, and as a board member of Ngāi Tahu Property and Force Corporation.

David was appointed as Deputy Chair of Eke Panuku effective 1 September 2021.

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**Jennifer Kerr**  
Director

Jennifer Kerr has been a full-time, non-executive director for the past four years. She is a board member of New Zealand Rugby, New Zealand Trade and Enterprise and Waipa Networks, as well as Deputy Chair of Callaghan Innovation.

She has previously held senior executive roles in New Zealand, North America and Europe in human resources and health and safety, as well as stakeholder management roles. She is a member of Global Women and holds degrees in Arts and Social Sciences from the University of Waikato.

Jennifer is of Ngāti Mutunga and Ngāti Tama descent.



**Richard Leggat**  
Director

Richard Leggat brings 30 years of experience in manufacturing, sales, marketing and financial management in a range of industries.

For the past eight years, Richard has been a full-time director, with positions on a range of public, private and sporting organisations. He is currently a director of Warren and Mahoney, chair of Kiwis for Kiwi, a director of Hamilton Waikato tourism, a director of Winter Games NZ and a director of Snow Sports NZ.

Richard retired from the Eke Panuku Board on 31 October 2021.

**Changes to the Eke Panuku Board in 2020/2021**

Eke Panuku farewelled Adrienne Young-Cooper and Victoria Carroll. Adrienne continues to support the Auckland Council group as the chair of Auckland Transport.

# 07 08 Our leadership team

Tō mātou tira whakahaere



**David Rankin**  
Chief Executive

A life-long Aucklander, David has spent most of his career working for the people of Tāmaki Makaurau.

After joining the former Auckland City Council in 1989 from local government on the North Shore, David, a law graduate, worked his way up to Chief Executive in 2005. With the 2010 amalgamation, he became Chief Executive of Auckland Council Property Ltd until Panuku Development Auckland was established in 2015. After being chief operating officer and then acting in the top role, David was appointed Chief Executive of Eke Panuku in 2021.

As our CE, David works with significant private and public sector partners to deliver high-quality, well-designed public spaces, homes, and thriving, well-connected town centres. He has worked on urban regeneration throughout his local government career, particularly city centre transformation since the mid-1990s including the Britomart precinct and the waterfront.



**Gyles Bendall**  
General Manager Design and Place

Gyles has a background in landscape architecture with extensive experience in strategic planning, project management, masterplanning, urban development and all facets of public realm design and development.

The Eke Panuku Design and Place directorate is responsible for delivering quality urban design with an integrated place-led approach to regeneration. The team works across the organisation and extensively with the wider council family, mana whenua and local communities.

Gyles believes we have a great opportunity and privilege as a regeneration agency to work closely with communities to create a better quality of life.



**Alaina Cockerton**  
Head of People and Culture

Alaina works closely with leaders at all levels to support the development and implementation of strategic people initiatives. A specific focus for the Eke Panuku People and Culture team is workforce planning, leadership, talent, culture and engagement to drive towards the organisation's strategic objectives.

A seasoned human resources professional, Alaina is a trusted advisor, coach, partner and leader. She has worked in private and public sector organisations and has been with Eke Panuku since 2016. Alaina is passionate about delivering on our people promise and vision, ensuring a collaborative, capable, diverse and thriving workforce.



07  
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**Angelika Cutler**  
General Manager Community and Stakeholder Relations

Angelika has worked in public relations and senior executive roles in the private sector and local government in New Zealand and Singapore. Those roles cover corporate strategy, strategic communications and stakeholder relations, crisis management, internal communications and project management.

At Eke Panuku, Angelika guides how the organisation works with key partners and stakeholders across local and central government and the private sector to maintain positive momentum of urban regeneration programmes. Top of her mind is the biggest challenge: striking a balance between achieving commercial outcomes for Auckland Council while ensuring we realise our vision of creating spaces that Aucklanders love.



**Carl Gosbee**  
Chief Financial Officer

Carl has over 20 years' experience in corporate financial management for property, regeneration and housing companies.

A Fellow of the Association of Chartered Certified Accountants, Carl has held executive financial roles in the UK and New Zealand. He has extensive experience leading high-performance teams within the back office, property investment and customer service arenas.

Carl oversees our Corporate Services directorate, which ensures that Eke Panuku has effective and efficient internal control processes and systems to support the safe delivery of projects and business functions.

He joined the former Waterfront Auckland in early 2012 and was appointed to his current role in September 2015.



**Brenna Waghorn**  
General Manager Strategy and Planning

Brenna leads the setting of our vision and strategic direction, and ensures successful planning for regenerating town centres. Responsible for business planning, statutory planning and consents and corporate responsibility, Brenna and her team collaborate across the organisation to shape up programmes of work.

Having worked in local government for many years, Brenna has a wealth of experience in strategic planning, housing and intensification, sustainability, urban regeneration and stakeholder engagement. In previous roles, she led or provided significant input into the Regional Growth Strategy in 1999, the ongoing development of Wynyard Quarter and spatial planning for South East England during her time in the UK.

In identifying leadership opportunities for Eke Panuku, Brenna focuses on facilitating new and affordable housing choices and responding to the climate crisis.



**Marian Webb**  
General Manager Assets and Delivery

Marian manages Auckland Council's non-service property portfolio, including land, buildings and marinas. She is valued for the way she combines her comprehensive portfolio knowledge with strong commercial acumen and strategic thinking.

She has wide-ranging experience in property management and development in New Zealand and Ireland, including more than 15 years leading local government teams.

For us, Marian identifies new business opportunities and provides strategic commercial property advice. She sets the property portfolio's strategic direction to optimise returns, while building and maintaining it to deliver long-term value. She also facilitates development and investment in our urban regeneration neighbourhoods.



**Ian Wheeler**  
Chief Operating Officer

Ian oversees planning and delivery of regeneration programmes across our priority locations, designed to achieve the goals of the neighbourhoods we work in. An important part of his role is ensuring the right blend of commercial strategy, public good investment and placemaking.

Covering the private, public and not-for-profit sectors, Ian has more than 30 years' experience in the property industry. Before joining us, he held senior property management and development roles at Auckland Council and the former Housing New Zealand Corporation. Before working in New Zealand, he was chief executive of an affordable housing company in Durban, South Africa.

Ian has been involved in various industry bodies including the Construction Clients Group and the New Zealand Green Building Council.



**Allan Young**  
General Manager Development

Allan has private sector experience in the property investment and development industry, specialising in commercial design and build projects, and residential development. His career in these fields spans more than 20 years.

Responsible for directing the successful delivery of development projects, Allan's team works across our organisation and with partners and stakeholders throughout the life cycle of a project.

Joining local government in 2008, Allan managed the former Manukau City Council's property investment and development unit until the amalgamation of Auckland councils in 2010. He then led the development team at Auckland Council Property Limited before Eke Panuku was established.





**Governance**  
Te mana hautū

Kids celebrating Easter with some bubble fun in Northcote.

# 09





## Eke Panuku is tasked with a wide range of specialised property and urban development functions for the benefit of Auckland.

Eke Panuku is tasked with a wide range of specialised property and urban development functions for the benefit of Auckland.

Panuku Development Auckland Ltd is a limited liability company under the Companies Act 1993. Our board comprises directors who are highly experienced in urban development, infrastructure, design and property development.

The board's first duty is to the wellbeing of the company. Directors ensure that all legal requirements are met and the company is protected from harmful situations and circumstances in the interests of current and future stakeholders.

The board plays a number of other important roles. It sets the strategic direction for Eke Panuku, aligned with the direction of the council. To do this, it identifies priorities, monitors progress against strategic outcomes and approves annual business plans and budgets.

It ensures the financial integrity and viability of Eke Panuku. It oversees transactions, processes and systems, reviews results and approves the financial plan and announcements. It approves all major transactions and urban regeneration plans we are responsible for.

The board also identifies and evaluates the principal risks Eke Panuku faces and ensures that we have appropriate risk management systems.

It represents the shareholder, Auckland Council, in everything Eke Panuku does and sets out the powers and duties of our Executive Leadership Team (ELT) through delegations.

### **Audit and Risk Committee**

The Audit and Risk Committee which provides assurance and assistance about risk, control and the compliance framework; health and safety, including strategy, culture and processes; internal and external audit; and external accountability responsibilities. The Audit and Risk Committee was chaired by Richard Leggat until June 2021, with Kenina Court taking over from July 2021.



## Directors' interests

Member	Interest	Entity	Conflicts pre-identified?
<b>Paul MAJUREY</b>	Chair	Panuku Development Auckland Limited	
	Director	Arcus Property Limited	
	Director	Atkins Holm Majurey Limited	
	Chair	Hāpai Housing General Partner Limited	
	Director	Hāpai Commercial General Partner Limited	
	Chair	Hauraki Collective (12 iwi collective)	
	Tangata Whenua Representative	Hauraki Gulf Forum	
	Director	Homai General Partner Limited	
	Chair	Impact Enterprise Partnership GP Limited	
	Director	Koau Property General Partner Limited	
	Chair	Marutūāhu Collective (5 iwi collective)	Possible
	Chair	Marutūāhu Rōpū General Partner Limited	
	Director	MO5 Properties Limited	
	Director	MRLP Group Limited	
	Chair	Ngāti Maru Limited	Possible
	Director	Pare Hauraki Asset Holdings Limited	
	Chair	Puhinui Park GP Limited	
	Co-Chair	Sea Change Tai Timu Tai Pari Ministerial Advisory Committee	
	Chair	Te Pūia Tāpapa GP Limited	
	Director	Tikapa Moana Enterprises Limited	
Chair	Tūpuna Taonga o Tāmaki Makaurau Trust Limited (Tūpuna Maunga Authority)		
Chair	Whenuapai Housing GP Limited		
Director	Westhaven Marina Limited		
<b>John COOP</b>	Director	Panuku Development Auckland Limited	
	Managing Director and Principal	Warren and Mahoney	Possible





Member	Interest	Entity	Conflicts pre-identified?
<b>David KENNEDY</b>	Director	Panuku Development Auckland Limited	
	Director	Cathedral Property Limited	
	Director	Grantley Holdings Limited	
	Director	Naylor Love	
	Trustee	New Zealand Housing Foundation	Possible
	Chair	Beachlands South GP Ltd	
	Chair	Advisory Board, Stonewood Group	
	Member	Business Reference Group Te Arotake Future for Local Government	
	Member	Advisory board, Mayo Calder Ltd	
<b>Richard LEGGAT</b>	Director	Panuku Development Auckland Limited	
	Executive Chair	Kiwis for kiwi	
	Director	Hamilton Waikato Tourism	
	Director	Mortleg Ltd	
	Director	Snowsports NZ	
	Director	Trophy Metropolitan Ltd	
	Director	Warren and Mahoney	Possible
	Director	Winter Games New Zealand	
	Panel Member	NZ Markets Disciplinary Tribunal	
	Member	Union Cycliste Internationale Ethics Commission	
	Director	Westhaven Marina Limited	
<b>Jennifer KERR</b>	Director	Panuku Development Auckland Limited	
	Board member	New Zealand Rugby	
	Board member	NZTE	
	Board member	Callaghan Innovation	
	Board member	Waipa Networks Ltd	
	Settlor, Trustee, Beneficiary	J.R. Kerr Trust	
	Masters Student	University of Waikato	
	Trustee	J.R. Kerr Portfolio of Shares and Bonds managed by Forsyth Barr	
	Trustee	J.R. Kerr Portfolio of Shares and Bonds managed by Craigs Investment Ltd	
	Member	Port Nicholson Trust	
Committee member	Audit and Risk – Police		



Member	Interest	Entity	Conflicts pre-identified?
Kenina COURT	Director	Panuku Development Auckland Limited	
	Director	KW Westgate Limited	
	Director	Stak Trustees Limited	
	Director	PGFT Trustees Limited	
	Director	French Trustees Limited	
	Director	Eight Peaks Holdings Limited	
	Director	Blue Penguin Trustees Limited	
	Director	Lovelock Trustees Limited	
	Director	Pasifika Enterprises Limited	
	Director	Platinum Securities Limited	
	Director	Stornoway Developments Limited	
	Director	Huma Holdings Limited	
	Director	It's Happened Trustees Limited	
	Director	Rice Family Trustees Limited	
	Director	Pathfinder Trustees Limited	
	Director	Pathsol Limited	
	Director	PSL Freedom Limited	
	Director	TOH Limited	
	Director	Twinlion Trustees Limited	
	Director	Up Skill Teams Limited	
	Director	NTA Holdings Limited	
	Director	Holly Corp Trustees Limited	
	Director	Market Kitchen Limited	
	Director	Nathan Whanau Trustees Limited	
	Director	Fale Developments Limited	
	Director	CP Resettlement Trustees Limited	
	Director	Banking Ombudsman Scheme Limited	
	Director	M&G Trustees Limited	
	Director	New Gipsy Limited	
	Director	Levinge Trustees Limited	
	Director	Pathfinder Management Partner Limited	
	Director	BDE Bonus Limited	
	Director	Silvereye Investments Limited	
Director	Lujato Trustees Limited		



Member	Interest	Entity	Conflicts pre-identified?
<b>Kenina COURT continued</b>	Director	Fortitudine Trustees Limited	
	Director	Oceania Career Academy Limited	
<b>Steven EVANS</b>	Director	Panuku Development Auckland Limited	
	Chief Executive	Fletcher Building LTD	Yes
	Member	MBIE Building Advisory Panel	Yes
	Member	Steering Group Construction Industry Accord	
	Board Member	Urban Development Institute of New Zealand	Yes
<b>Susan HURIA</b>	Director	Panuku Development Auckland Limited	
	Trustee	Construction Health & Safety NZ (CHASNZ)	
	Director	Connexis	
	Chair	Gisborne Covered Production	
	Chair	Leaderbrand Holdings and associated entities	
	Director	OsPRI and associated entities	
	Director/ Shareholder	Rawa Hohepa	
	Director	Royal College of General Practitioners	
	Business Reference Group member	Te Arotake Future for Local Government	





## Director meeting attendance register – 2020 / 2021

	2020						2021					TOTAL
	28 Jul	21 Aug	23 Sep	21 Oct	18 Nov	16 Dec	18 Feb	24 Mar	28 Apr	26 May	23 Jun	
P. Majurey	X	✓	✓	✓	X	✓	✓	X	✓	✓	✓	8
J. Coop	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11
D. Kennedy	✓	✓	✓	✓	✓	✓	✓	✓	✓	X	✓	10
R. Leggat	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	11
A. Young-Cooper	✓	✓	✓	✓	✓							5
V. Carroll	✓	✓	L	L								2
J. Kerr											✓	1
K. Court											X	0
S. Huria											✓	1
S. Evans											✓	1

✓ attended X absent L leave of absence





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# Independent Auditor's Report

Te Pūrongo a te Kaitātari Kaute Motuhake

10

Family enjoying the sun in Manukau





## To the readers of Panuku Development Auckland Limited's financial statements and performance information for the year ended 30 June 2021

The Auditor-General is the auditor of Panuku Development Auckland Limited (the company). The Auditor-General has appointed me, Karen MacKenzie, using the staff and resources of Audit New Zealand, 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 66 to 88 that comprise the statement of financial position as at 30 June 2021, the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the performance information of the company on pages 56 to 62.

In our opinion:

- the financial statements of the company on pages 66 to 88:
  - present fairly, in all material respects:
    - its financial position as at 30 June 2021; and
    - its financial performance and cash flows for the year then ended; and
  - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards; and
- the performance information of the company on pages 56 to 62 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 2021.

Our audit was completed on 22 December 2021. 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 our opinion

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

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

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



### **Responsibilities of the 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 readers, taken on the basis of these financial statements and the performance information.

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to the company's statement of intent.

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 5 to 50, 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.

Karen MacKenzie

Audit New Zealand  
On behalf of the Auditor-General  
Auckland, New Zealand



# Statement of service performance

He tauākī mō te whakatutuki i ngā ratonga

# 11



# 11 Statement of service performance

## He tauākī mō te whakatutuki i ngā ratonga

### Activities and key performance achievement

Significant performance measure achieved include:





- a property portfolio budget net surplus of \$41.1m against target of \$26.4m, despite COVID-19 impact on commercial tenants this year. This forms part of the council group revenue for 2020/21.
- a three-year general asset sales target, \$107m was completed against the target of \$72m. The general asset sale target forms part of the council group 10-year LTP budget.
- 82% of the capital project milestones were achieved against a target of 80%. Significant capital projects and milestones completed this year include the America’s Cup and super-yacht infrastructure, the Takapuna Toka Puia car park, Westhaven Promenade Stage 2, Westhaven Marine Village, the heritage Percy Vos Shed, land reclamation stage of the pile berth redevelopment, and the Manukau Barrowcliffe bridge and Puhinui Wiri Playground.
- three survey targets, satisfaction with Marina facilities and services, satisfaction with public space experience and satisfaction with key place programmes and activities.

The three performance targets not achieved were:

- Transform and Unlock asset sales completed was \$21.1m against a target of \$39m. This was due to the impact of one significant property sale where a potential development partner withdrew at late stage of negotiations.
- the city centre waterfront visitation survey result was 69% against a target of 73% and progress was made against last year. Waterfront visitation was mainly affected by the impacts of COVID-19 and construction projects at the waterfront during the year.
- the percentage of mana whenua groups satisfied with quality of engagement was 23% against a target of 33%. This was impacted by the number of respondents that selected the neutral category, 46% compared to 25% last year. The survey population is small, and the percentages are sensitive to changes in the responses.

### Criteria for performance measures

We have used the following criteria to rate each performance measure:

Performance Assessment Criteria					
	Achieved	Where the performance result for the year is either equal to or above the target, then the performance measure target was met (or achieved).		Not achieved but progress made	Where the performance result for the year is below the target (with a margin of more than 2%) but the result is better than the previous year.
	Substantially achieved	Where the performance result for the year is below the target but has not been achieved by a slim margin (of around 2%).		Not achieved	Where the performance result for the year is below the target (with a margin higher than 2%) and the result is lower than the result achieved in the previous year.



**Results for SOI 2020-2023: Non-financial performance measures**

Service Level Statement	Measure	Actual 2019/20	Target 2020/21	Actual 2020/21		Commentary	Foot note
				Status	Result		
<b>Catalyse urban development and demonstrate business leadership</b>							
Develop and activate town centres.	1	Achieve total board approved budgeted Transform and Unlock net sales for the financial year through unconditional agreements.	New performance measure.	Meet \$39m Transform and Unlock annual unconditional sales approved by the Board.		<b>Not Achieved</b>	Actual sales \$21.1m The target was affected by one significant sale that did not proceed due to the party withdrawing from negotiations at a late stage.
	2	Capital project milestones approved by the board achieved.	New performance measure.	Achieve 80 per cent or more of project milestones for significant capital projects (as set out in SOI).		<b>Achieved</b>	Actual 82% of the capital project milestones has been achieved this year. (14 out of 17 project milestones completed).
Corporate Responsibility.	3	Climate change mitigation and adaptation considered across Eke Panuku projects.  The use of Green House Gas (GHG) measurement tools will help Eke Panuku measure and reduce the impact of its developments.	New performance measure.	Pilot the use of a tool to measure the GHG impact of new mixed use and residential development.		<b>N/A</b>	A project was selected to pilot the tool and staff have undertaken training in use of the tool.  The pilot project is the Avondale multi-use facility, led by Auckland Council Community Facilities. The project was subject to delays due to the COVID-19 emergency budget process. The tool that measures the GHG impact of new mixed use and residential development will be used in the new year when project design is further progressed.
	4	Climate change mitigation and adaptation considered across Eke Panuku projects.  This will ensure development and investment by Eke Panuku and partners is increasingly low carbon and resilient.	New performance measure.	All masterplans completed and approved by the board in the year contains a section that considers future climate impacts, risks, vulnerabilities and responses.		<b>Achieved</b>	Two Masterplans were approved as part of the Programme Business Case approvals and contained sections or link to work that considered future climate impacts, risks, vulnerabilities and responses.  Eke Panuku has continued to analyse the climate change impacts, risks, vulnerabilities and responses across our neighbourhoods. Internal memos have been prepared for: Old Papatoetoe, Pukekohe, Manukau and Panmure. Specialist technical input has been provided for the Wynyard Quarter and Onehunga Wharf and is being prepared for Northcote. This analysis is incorporated in future planning as set out in documents including Programme Business Cases and Masterplans.





Service Level Statement	Measure	Actual 2019/20	Target 2020/21	Actual 2020/21		Commentary	Foot note	
				Status	Result			
<b>Catalyse urban development and demonstrate business leadership</b>								
Deliver initiatives to make the priority locations dynamic, well-connected, culturally rich, safe and sustainable, for the enjoyment of Aucklanders and visitors.	5	Percentage of attendees surveyed satisfied with key Transform and Unlock place programmes and activities.	82% (At City Waterfront).	Maintain or improve.		<b>Achieved</b>	Actual 94%	2
	6	The percentage of visitors surveyed satisfied with their experience of the public spaces on the city centre waterfront (LTP).	92% (At City Waterfront)	80%		<b>Achieved</b>	Actual 86% Several major events were not held this year due to COVID-19. This has impacted on visitors to the city centre waterfront and their experience of public spaces.	2
	7	Percentage of Aucklanders surveyed who have visited the city centre waterfront in the past year (LTP).	65% (At City Waterfront)	73%		<b>Not achieved but progress made</b>	Actual 69% The target was not met by a 4% margin, but the result is better than last year. There were less visitors to the waterfront due to COVID-19 lockdowns and the impact of physical works around the area during the year. The America's Cup event had a one-off effect in attracting visitors during the period of the event.	3
Provide a safe marina environment and world class facilities.	8	The percentage of marina customers surveyed who are satisfied with marina facilities and services (LTP).	89%	88%		<b>Achieved</b>	Actual 89% Results are better than target and similar to last year. This can be attributed to the America's Cup event held this year near the marina which had a positive influence.	4
Deliver initiatives to make the priority locations dynamic, well-connected, culturally rich, safe and sustainable, for the enjoyment of Aucklanders and visitors.	9	The number of significant Māori initiatives implemented per annum (LTP).	64 Māori initiatives have been implemented this year.	40		<b>Achieved</b>	Actual 45 The target was reduced from 54 to 40 due to COVID-19 impact on activities and budgets.	5



**Results for SOI 2020-2023: Non-financial performance measures**

Service Level Statement	Measure	Actual 2019/20	Target 2020/21	Actual 2020/21		Commentary	Foot note
				Status	Result		
<b>Catalyse urban development and demonstrate business leadership</b>							
	<b>10</b> % mana whenua groups satisfied with quality of engagement.	33% of mana whenua survey respondents were satisfied with the quality of engagement.	Improve		<b>Not Achieved</b>	Actual 23% Of the small sample of mana whenua respondents to the survey question this year (n=13), 23% were satisfied with the quality of engagement (n=3) and 46% were neutral (n=6). Notwithstanding this result, Eke Panuku invests significantly in enhancing our relationship with Mana Whenua. Our focus is on the quality of engagement.	6
<b>Strategically create value from assets</b>							
Identify and propose opportunities across Auckland Council Group owned properties.	<b>11</b> Written evidence that opportunities have been identified and assessed, to be progressed or not (Housing and urban redevelopment combined).	128 opportunities have been identified and assessed this year.	At least 100 opportunities identified and assessed.		<b>Achieved</b>	133 opportunities identified and assessed.	
Properties managed for Auckland Council and Auckland Transport achieve optimum net returns and are maintained to be fit for purpose.	<b>12</b> The net surplus on the property portfolio achieves the annual budget agreed with the council.	Net surplus on the property portfolio for the 12 months ended 30 June 2020 is \$8.2 million ahead of budget (actual surplus of \$38.9 million against budget of \$30.7 million).	Net result achieves budget for 2020/21.		<b>Achieved</b>	Net surplus is \$14.7m ahead of target (actual surplus of \$41.1 million against target of \$26.4 million).	
	<b>13</b> The monthly average occupancy rate for tenable properties.	The occupancy rate for tenable properties for the year is 96.9%.	· Commercial 85% · Residential 95%		<b>Achieved</b>	Actual · Commercial 93.9% · Residential 98.8%.	
	<b>14</b> The return on investment on like-for-like properties managed for Auckland Transport and Auckland Council (LTP).	Actual ROI calculated on this year's property valuation on a like for like basis is 2.37% against the 1.75% target.	Greater than or equal to 1.75%		<b>Achieved</b>	Actual 2.34%	7
	<b>15</b> The return on equity on commercial assets and services (LTP).	8.78%	8.25%		<b>Achieved</b>	Actual 9.3%	8



Service Level Statement	Measure	Actual 2019/20	Target 2020/21	Actual 2020/21		Commentary	Foot note	
				Status	Result			
<b>Strategically create value from assets</b>								
Dispose agreed surplus properties.	<b>16</b>	List of properties recommended for disposal submitted to the council  The disposal target for the next financial period will be agreed with the council in the current financial period.	Progressing 2-year target.  \$20 million of recommended properties have been presented to Council for approval to dispose against a target of \$45m for 2 years. One year of the target remaining and \$25 million balance.	A list of recommended properties with a total cumulative gross value of \$45 million for two years (2019/20 and 2020/21), will be submitted to the council seeking approval for disposal by the end of June 2021.		<b>Achieved</b>	Actual recommended properties with an estimated value of between \$108.8 million and \$109.3 million were submitted to the council seeking approval for disposal. This excludes a further 5 properties that have previously been recommended to the council for disposal prior to 2019/20 with an estimate value of \$7.74 million.	9
	<b>17</b>	Achieve total forecast net sales for the financial year through unconditional agreements.  Annual actual asset sales may fluctuate between years (LTP).	Progressing 3-year target.  Completed actual net sales of \$9.9 million for the financial year. \$54.34 million completed to date of the 3-year target. One year of the target remaining and \$17.66 million balance.	Achieve the \$24m of asset sales approved by the Board in addition to the past agreed LTP target and achieve the balance of the three-year LTP asset sales target set at \$72m.		<b>Achieved</b>	Actual net sales of \$52.7 million for the financial year. \$107 million achieved to date of the 3-year target.	
	<b>18</b>	Total value of general asset sales, on average are within independent valuation threshold.	New performance measure.	The total value of properties disposed during year on average is above 90% agreed independent valuations.		<b>Achieved</b>	Actual 93%  20 General Property Disposal sales completed in total.	
Acquire properties.	<b>19</b>	Acquisitions are delivered within the timeline agreed with Auckland Council.	91% of the acquisitions were delivered within the timeline agreed with Auckland Council. 30 acquisitions for Auckland Council were completed this year.	80% satisfaction against agreed service performance measure.		<b>Achieved</b>	Actual 100%  Four acquisitions have been completed to date on behalf of Auckland Council and has met agreed timeline. There was a total of 14 acquisitions planned this year. Due to the impact of COVID-19 on the Council budget, nine of the acquisitions were put on hold and one had the date extended.	





### Notes relating to actual performance:

1. The climate section considers future climate impacts, risks, vulnerabilities and responses. Despite the masterplans that were planned to be devolved and approved by the Board with climate chapter being deferred due to the impact of the LTP process, significant climate change planning was completed during the year. Projected climate impacts and the risks, vulnerabilities and responses for Eke Panuku were assessed for Eke Panuku neighbourhoods. Memos were formulated with advice for project planning. The memos contained technical advice incorporated into the Programme Business Case and Masterplan.
2. This survey was conducted on visitors to the city waterfront (an area including the Westhaven Promenade, Silo Park, Jellicoe St/North Wharf, Daldy Street Linear Park, Karanga Plaza, Te Wero, Waitemata Plaza and Queens Wharf); over three events during the year by TouchPoll NZ. Due to the impact of COVID-19 there was a reduced number of major events held compared with the 2019/2020 period. Survey methodology is via email invitation from intercepted visitors at the events. The number of people surveyed was 228 with 123 responses. The low level of responses was due to the Waterfront under construction and the impact of COVID-19 on the lower number of events and participants. The average margin of error for the three surveyed events is  $\pm 13\%$  with a 90% confidence level based on total visitor numbers of approximately 3900 on the days surveyed at the various events.
3. This survey was facilitated by Auckland Council as part of the annual Auckland Residents Survey 2021. The survey was conducted by Colmar Brunton NZ using a mix of online, phone and interviews. The population used to select respondents was Auckland residents aged 15 and over. Demographic quotas were set by age, gender, ethnicity and local board area. The question covers the city waterfront in downtown Auckland. This area includes the Queens Wharf, Silo Park, the Viaduct and Wynyard Quarter. The sample size was 4109 with a response rate of 21% and a margin of error of  $\pm 1.5\%$ .
4. This survey was conducted by Kantar on Westhaven Marina customers via online and telephone interviews. The number of people surveyed was 1431 leaseholders/owners and renters with 476 responses. The margin of error is  $\pm 3.7\%$  at 95% confidence level. The result is calculated on a scale of 1 to 7, where all results above the mid-point of 4 is considered 'satisfied'.
5. Significant Māori initiatives are those that promote and celebrate Māori culture together with the wider audience, through Māori events, artwork, development, policy, media, and other initiatives that benefit the Māori community. Māori does not have to be the sole focus of the event, but the event should at least make a contribution to Māori outcomes - i.e. it contains a clear Māori element, e.g. in art, music, history. Development and organisational initiatives will be counted only once, when launched/adopted, opened and proven to have started implementation or use.
6. Buzz Channel Limited facilitated this annual satisfaction survey. Thirteen of the 19 mana whenua participated in the survey. Eke Panuku asked mana whenua the question: How satisfied are you with the quality of engagement? Eke Panuku received three scores between (1-2), six scores (3), three scores (4-5), and one 'don't know' score.

Eke Panuku measures the improvement in the quality of relationship with mana whenua through the annual survey. Eke Panuku invests in enhancing this relationship with Mana Whenua. Based on the latest survey, the result has improved from 26% last financial year to 33%, based on the average of responses to the 12 questions covered in the survey. One of the questions relates to quality of engagement, which is a performance measure in the SOI. The wider survey questions provide a balance view of our relationship with Mana Whenua. The questions are:

1. Demonstrating an understanding of the aspirations of Mana Whenua
2. Working collaboratively
3. Listening effectively
4. Communication
5. Contributing to the Auckland Council Māori Outcomes Framework
6. Doing what we say we'll do

7. Responding promptly to requests
8. Delivering great outcomes for Tāmaki Makaurau
9. Trust and confidence
10. Support and advice received
11. Relationship improvement
12. Engagement quality

This one question on quality of engagement is a narrow performance measure that has been replaced by a wider performance measure on quality of support to Mana Whenua in our new SOI.

During the year, the Eke Panuku board met with mana whenua rangatira two times, the executive team met with mana whenua governors three times, and we meet weekly on programmes and projects. Mana whenua contributed to 67 different projects, we appointed four artists, and presented six limited contestable commercial development opportunities. We also engaged extensively on Te Ara Tukutuku (the masterplan for Wynyard Point), and the regeneration work in Puhinui (Te Whakaoratanga i te Puhinui) and Northcote (Te Ara Awataha).

7. (Like for Like) Return on Investment (ROI) is calculated as 'EBITDA divided by valuation'. Like for like basis relates to the comparison of tenanted properties held in the portfolio as at 30 June of the reporting period, compared to the same properties tenanted at 30 June two years prior.  
Valuation data is sourced from Council valuation for each property. The Council re-values properties every three years for rating purposes. Properties excluded from the measure calculation include those that are no longer in the portfolio, are vacant at one or both points in time, or un-tenantable properties or properties undergoing maintenance or capital works, properties comprising bare land, or properties where there is no separate valuation attributable to them or with a disproportional valuation compared to return, such as a house on a large reserve where value is disproportionate to the rent received.
8. Return on Equity (ROE) is calculated as '(Ending valuation less beginning valuation less capital expenditure plus EBITDA) divided by (beginning valuation plus 0.5(capital expenditure less EBITDA))'. This is the Property Council of NZ ROE formula. Shareholder equity includes all Waterfront location Investment Property and any Waterfront location Public Realm property generating a commercial income. EBITDA is Earnings Before Interest, Tax, Depreciation and Amortisation. Data is collected from internal sources using information from SAP and valuation reports. The purpose is to achieve an optimal return on shareholder equity on commercial assets, ensuring assets are managed efficiently, return a long-term value to Auckland and increase non-rates revenue for Auckland Council.
9. The estimated value of recommended properties is based on the current Auckland Council rating valuation. The estimated value will be apportioned if required where only part of a property is recommended for disposal.



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## Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2021

	Note	2021 \$000	2020 \$000
<b>Revenue</b>			
Revenue	3	<b>31,888</b>	36,705
<b>Total revenue</b>		<b>31,888</b>	36,705
<b>Expenditure</b>			
Personnel	4	<b>25,723</b>	29,159
Depreciation	8	<b>253</b>	294
Other operating expenses	5	<b>5,768</b>	7,022
<b>Total expenditure</b>		<b>31,744</b>	36,475
Surplus / (deficit) before tax		<b>144</b>	230
Income tax expense / (benefit)	6	<b>94</b>	(149)
<b>Surplus / (deficit) after tax</b>		<b>50</b>	379
<b>Other comprehensive revenue and expense</b>			
Gains / (losses) on revaluation of property, plant and equipment		<b>3,767</b>	(2,620)
Tax on revaluation (gains) / losses	8	<b>(1,055)</b>	734
<b>Total other comprehensive revenue and expense</b>		<b>2,712</b>	(1,886)
<b>Total comprehensive revenue and expense</b>		<b>2,762</b>	(1,507)
<b>Surplus / (deficit) after tax is attributable to:</b>			
Auckland Council		<b>(50)</b>	(379)
		<b>(50)</b>	(379)
<b>Total comprehensive revenue and expense is attributable to:</b>			
Auckland Council		<b>2,762</b>	(1,507)
		<b>2,762</b>	(1,507)

The notes to the financial statements form part of, and should be read in conjunction with, these financial statements.

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## Statement of Changes in Equity

For the year ended 30 June 2021

	2021	2020
	\$000	\$000
Note		
Equity at the beginning of the year	<b>8,836</b>	10,343
<b>Total comprehensive revenue and expense</b>		
Surplus / (deficit) for the year	<b>50</b>	379
Other comprehensive revenue and expense	<b>2,712</b>	(1,886)
<b>Total comprehensive revenue and expense</b>	<b>2,762</b>	(1,507)
<b>Equity at the end of the year</b>	<b>11,598</b>	<b>8,836</b>

The notes to the financial statements form part of, and should be read in conjunction with, these financial statements.



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## Statement of Financial Position

As at 30 June 2021

	Note	2021 \$000	2020 \$000
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		1,252	2,802
Debtors and other receivables	7	5,653	7,399
<b>Total current assets</b>		<b>6,905</b>	10,201
<b>Non-current assets</b>			
Property, plant and equipment	8	10,900	7,386
<b>Total non-current assets</b>		<b>10,900</b>	7,386
<b>Total assets</b>		<b>17,805</b>	17,587
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Creditors and other payables	9	1,373	3,877
Employee entitlements	10	2,284	3,028
Provisions	11	38	483
<b>Total current liabilities</b>		<b>3,695</b>	7,388
<b>Non-current liabilities</b>			
Deferred tax liabilities	12	2,512	1,363
<b>Total non-current liabilities</b>		<b>2,512</b>	1,363
<b>Total liabilities</b>		<b>6,207</b>	8,751
<b>Net assets</b>		<b>11,598</b>	8,836
<b>EQUITY</b>			
Contributed equity	13	1,800	1,800
Accumulated funds	14	1,684	1,634
Asset revaluation reserve	15	8,114	5,402
<b>Total equity</b>		<b>11,598</b>	8,836

For and on behalf of the Board:



**Paul Majurey (Chair)**  
21 December 2021



**Kenina Court (Audit and Risk Committee Chair)**  
21 December 2021

The notes to the financial statements form part of, and should be read in conjunction with, these financial statements.

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## Statement of Cash Flows

For the year ended 30 June 2021

	Note	2021 \$000	2020 \$000
<b>Cash flows from operating activities</b>			
Receipts from customers		<b>12,603</b>	24,115
Operating expenditure funding from Auckland Council		<b>16,299</b>	20,981
Capital expenditure funding from Auckland Council		-	3,206
Payments to suppliers and employees		<b>(33,101)</b>	(44,177)
Goods and services tax received from / (paid to) IRD		<b>251</b>	(475)
Net cash from operating activities	19	<b>(3,948)</b>	3,650
<b>Cash flows from financing activities</b>			
Advances (to) / from Auckland Council		<b>2,398</b>	(1,814)
Net cash from financing activities		<b>2,398</b>	(1,814)
Net (decrease) / increase in cash and cash equivalents		<b>(1,550)</b>	1,836
Cash and cash equivalents at the beginning of the year		<b>2,802</b>	966
Cash and cash equivalents at the end of the year		<b>1,252</b>	2,802

The notes to the financial statements form part of, and should be read in conjunction with, these financial statements.

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## Notes to the Financial Statements

Te tauākī pūtea

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## 1 Statement of accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied unless otherwise stated.

### a) Basis of preparation

#### i) Reporting entity

Panuku Development Auckland Limited (Eke Panuku) is a council controlled organisation (CCO) of Auckland Council and is domiciled in New Zealand. The principal address of Eke Panuku is Ground Floor, 82 Wyndham Street, Auckland 1010.

Eke Panuku contributes to the implementation of the Auckland Plan and encourages economic development by facilitating urban redevelopment that optimises and integrates good public transport outcomes, efficient and sustainable infrastructure and quality public services and amenities. Eke Panuku manages council's non-service property portfolio and provides strategic advice on council's other property portfolios. It recycles or redevelops sub-optimal or underutilised council assets and aims to achieve an overall balance of commercial and strategic outcomes.

As Eke Panuku does not have the primary objective of making a financial return, Eke Panuku is designated as a public benefit entity and applies New Zealand Tier 1 Public Benefit Entity accounting standards (PBE Accounting Standards).

The financial statements are for the year ended 30 June 2021. The financial statements were authorised for issue by the Board of Directors on the date they were signed.

#### ii) Statement of compliance

The financial statements have been prepared in accordance with the requirements of section 69 of the Local Government Act 2002 and the Companies Act 1993, which includes the requirement to comply with New Zealand generally accepted accounting practice ("NZ GAAP").

These financial statements have been prepared in accordance with NZ GAAP. They comply with PBE Accounting Standards.

#### iii) Measurement base

The financial statements have been prepared on an historical cost basis, modified by the revaluation of marinas.

#### iv) Going concern

The financial statements have been prepared on a going concern basis, with the company reliant on the shareholder (Auckland Council) continuing to support its operations as set out in the company's Statement of Intent (SOI) and Auckland Council's Long term and Annual Plans.

#### v) Functional and presentation currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000) unless otherwise stated. The functional currency is New Zealand dollars.

#### vi) Budget figures

The budget figures have been prepared in accordance with NZ GAAP and are included in the company's Statement of Intent for 2020-2023 and are consistent with the accounting policies adopted for the preparation of the financial statements.

#### vii) Accounting standards early adopted

Eke Panuku has not adopted any accounting standards in advance of their effective date.

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Notes to the Financial Statements  
For the year ended 30 June 2021

### viii) *Accounting standards issued but not yet effective*

PBE IPSAS 41 Financial Instruments issued in March 2019. This standard supersedes PBE IFRS 9 Financial Instruments, which was issued as an interim standard. It is effective for reporting periods beginning on or after 1 January 2022. Although the company has not assessed the effect of the new standard, it does not expect any significant changes as the requirements are similar to PBE IFRS 9.

PBE FRS 48 Service Performance Reporting replaces the service performance reporting requirements of PBE IPSAS 1 and is effective for reporting periods beginning on or after 1 January 2022. The company believes the application of PBE FRS 48 will not have any significant impact on its statement of performance as the company has well established service performance reporting processes.

Amendments to PBE IPSAS 2 Cash Flow Statements require additional disclosures that enable users of financial statements to evaluate cash and non-cash changes in liabilities arising from financial activities. It is effective for reporting periods on or after 1 January 2021.

### b) **Foreign currency translation**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities are recognised in the Statement of Comprehensive Revenue and Expense.

### c) **Property, plant and equipment**

Property, plant and equipment consists of marinas.

#### i) *Initial recognition*

Property, plant, and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses, if any.

#### ii) *Subsequent measurement*

Marinas are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every 3 years. Each year, Eke Panuku considers whether the carrying value reflects fair value. If there is a material difference, then the asset classes are revalued off-cycle.

Revaluations of property, plant and equipment are accounted for on a class of asset basis.

Net revaluation results are credited or debited to other comprehensive income and are accumulated to an asset revaluation reserve in equity for that class of assets. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive income but is recognised in the surplus or deficit in the Statement of Comprehensive Revenue and Expense. If a revaluation increase reverses a decrease previously recognised in the surplus or deficit in the Statement of Comprehensive Revenue and Expense, the increase is recognised first in the surplus or deficit in the Statement of Comprehensive Revenue and Expense to reverse previous decreases. Any residual increase is then recognised in other comprehensive income.

#### iii) *Additions*

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to Eke Panuku and the cost of the item can be measured reliably.

Property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

iv) *Disposals*

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit in the Statement of Comprehensive Revenue and Expense. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

v) *Depreciation*

Depreciation on all property, plant and equipment is provided on a straight line basis at rates that will write off the cost of the assets to their estimated residual values over their useful lives. The residual value and remaining useful life of an asset is reviewed, and adjusted if applicable, at each financial period end. The useful lives of major classes of assets have been estimated as follows.

<b>Asset class</b>	<b>Estimated useful life</b>
Marina	35 years

d) **Impairment of non financial assets**

Intangible assets that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for indicators of impairment at each balance date. When there is an indicator of impairment, the asset's recoverable amount is estimated. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the service potential of the asset is not primarily dependent on the asset's ability to generate net cash inflows and where Eke Panuku would, if deprived of the asset, replace its remaining service potential. The value in use for cash generating assets is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit in the Statement of Comprehensive Revenue and Expense.

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit in the Statement of Comprehensive Revenue and Expense, a reversal of the impairment loss is also recognised in the surplus or deficit in the Statement of Comprehensive Revenue and Expense.

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit in the Statement of Comprehensive Revenue and Expense. For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in the surplus or deficit in the Statement of Comprehensive Revenue and Expense.

e) **Financial assets**

Financial assets are initially measured at fair value plus transaction costs.

Purchases and sales of financial assets are recognised at trade date, this being the date on which Eke Panuku commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and Eke Panuku has transferred substantially all the risks and rewards of ownership.

The financial assets of Eke Panuku are classified as financial assets at amortised cost. After initial recognition, these are carried at amortised cost less provision for impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit in the Statement of Comprehensive Revenue and Expense.



**f) Impairment of financial assets**

The provision for impairment of receivables is determined based on the expected loss credit model. In assessing credit losses for receivables, Eke Panuku applies the simplified approach and records lifetime expected credit losses on receivables. Eke Panuku uses the provision matrix based on historical credit loss experience upon initial recognition of the receivable, based on reasonable and available information on the debtor. Expected loss is established by taking into account factors affecting the ability of the debtors to settle their debt.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the surplus or deficit in the Statement of Comprehensive Revenue and Expense.

**g) Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held on call with financial institutions, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value, and bank overdrafts.

**h) Debtors and other receivables**

Debtors are amounts due from customers. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non current assets.

Debtors and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

When a receivable for which the provision for impairment has been recognised becomes uncollectable in a subsequent period, it is written off against the provision for impairment of receivables. Subsequent recoveries of amounts previously written off are credited to 'other income' in the surplus or deficit in the Statement of Comprehensive Revenue and Expense.

**i) Creditors and other payables**

Creditors and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. They are classified as current liabilities if payment is due within one year or less. If not, they are presented as non current liabilities.

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost, using the effective interest method.

**j) Current and deferred income tax**

Income tax expense comprises both current tax and deferred tax, and is calculated using tax rates (and tax laws) that have been enacted or substantively enacted by balance date. Income tax expense is charged or credited to the surplus or deficit in the Statement of Comprehensive Revenue and Expense, except when it relates to items charged or credited directly to equity or other comprehensive income.

Current tax is the amount of income tax payable based on the taxable surplus for the current period, plus any adjustments to income tax payable in respect of prior periods.

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

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which Eke Panuku expect to recover or settle the carrying amount of its assets and liabilities.

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

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

**k) Goods and Services Tax (GST)**

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

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Statement of Financial Position.

**l) Personnel costs and Employee entitlements**

*i) Short term employee entitlements*

Employee benefits that Eke Panuku expects to be settled wholly before 12 months after the end of the reporting period in which the employees render the related service are measured based on accrued entitlements 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, and sick leave.

*ii) Short term employee entitlements*

Employee benefits that are not expected to be settled wholly before 12 months after the end of the reporting period in which the employees render the related service, such as long service leave, have been calculated on an actuarial basis. These calculations are based on:

- likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood the employees will reach the point of entitlement, and contractual entitlement information; and
- the present value of estimated future cash flows.

*iii) Presentation of employee entitlements*

Sick leave, annual leave, and vested long service leave are classified as current liabilities. Non-vested long service leave expected to be settled within 12 months of balance date are classified as a current liability. All other employee entitlements are classified as a non-current liability.

**m) Revenue recognition**

Revenue is measured at the fair value of consideration received or receivable. The specific accounting policies for significant revenue items are explained below:

*i) Other income*

Income from provision of services is recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

*ii) Service income from Auckland Council Group*

Income from the rendering of services to Auckland Council group entities is recognised when the service is provided. The income from services provided is calculated based on direct costs and staff time incurred or allocated to specific projects. These services include development projects, management of business interests and management of marina operations as well as council group property acquisitions and disposals.

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Notes to the Financial Statements  
For the year ended 30 June 2021

### iii) Funding from Auckland Council

Funding is recognised as revenue upon entitlement based on the eligibility of expenditure in accordance with the Statement of Intent between Eke Panuku and Auckland Council.

### n) Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the surplus or deficit in the Statement of Comprehensive Revenue and Expense on a straight line basis over the period of the lease.

## 2 Critical accounting estimates and judgements

In preparing the financial statements Eke Panuku 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 of 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 amount of assets and liabilities within the next financial year have been included below.

### Useful lives of property, plant and equipment

If useful lives do not reflect the actual consumption of the benefits of the assets, then Eke Panuku could be over or under estimating the annual depreciation charge recognised as an expense in the Statement of Comprehensive Revenue and Expense. Asset inspection, deterioration, and condition modelling are also carried out regularly as part of asset management activities, which provides further assurance over useful life estimates.

### Valuation of property, plant and equipment

The assets of Eke Panuku comprise marina berths in the downtown Auckland area commonly referred to as the Viaduct. The assets consist of physical structures and waterspace consents. The assets are valued using a discounted cash flow model based on forecast future cash flows and a market derived discount rate. If market conditions change, then it is possible that the future cash flows may vary, in timing or amount, from those included in the valuation. In addition, COVID-19 may have an impact on these future cash flows as it could affect the price and demand for marina berthage in Auckland. Please refer to note 8 for further details about the main assumptions applied in the 30 June 2021 valuation.

	<b>2021</b>	2020
	<b>\$000</b>	\$000
<b>3 Revenue</b>		
<b>Revenue from exchange transactions</b>		
Other income	<b>1,769</b>	1,071
Service income from Auckland Council Group	<b>14,386</b>	14,163
<b>Revenue from non-exchange transactions</b>		
Funding from Auckland Council	<b>15,733</b>	21,471
<b>Total revenue</b>	<b>31,888</b>	36,705

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Notes to the Financial Statements  
For the year ended 30 June 2021

	2021	2020
	\$000	\$000
<b>4 Personnel costs</b>		
Salaries and wages (including temporary staff)	<b>24,784</b>	26,864
Increase / (decrease) in employee entitlements	<b>(164)</b>	428
Defined contribution plan employer contributions *	<b>643</b>	677
Other	<b>460</b>	1,190
<b>Total personnel costs</b>	<b>25,723</b>	29,159

\* Employer contributions to defined contribution plans includes contributions to KiwiSaver.

At 30 June 2021 there were 199.95 full time equivalent (FTE) employees (30 June 2020: 213.90)

One of the measures implemented by Eke Panuku to recover from the financial impact of the COVID-19 pandemic was to reduce personnel costs. In April 2020, members of the Executive Lead Team (ELT) volunteered to take a 10% salary reduction for six months (1 May 2020 to 31 October 2020), with the Chief Executive Officer taking a 20% reduction for the same period. In May 2020, employees earning over \$100,000 per annum were requested to take a voluntary salary reduction for six months (13 June to 13 December 2020) on a graduated scale:

- Salaries from \$100,000 - \$175,000 – a 5% pay reduction
- Salaries from \$175,001 - \$275,000 – a 7.5% pay reduction
- Salaries above \$275,000 – a 10% pay reduction

Employees were allowed to select any percentage salary reduction if they could not afford the percentage applicable to their income category or wanted to volunteer more. 73% of requested employees volunteered for a salary reduction. The voluntary deductions totalled \$304k in the 2021 financial year.

During Alert Level 3, all active recruitment was put on hold and staff were redeployed to cover vacancies. Contractors and temporary staff were reviewed on a case-by-case basis leading to around 50% of contingent workers finishing up by 30 June 2020, with 21% finishing by 31 December 2020 and the balance retained to fill essential roles. Annual leave balances were also actively managed to reduce the leave liability.

In addition the impacts of COVID-19 on the Auckland Council group finances required an emergency budget review, which Eke Panuku responded to with a restructure that resulted in a significant reduction in personnel costs in the 2021 year.

## 5 Other expenses

Fees paid to Audit NZ for audit of the financial statements and statement of service performance	<b>127</b>	124
Directors' fees and expenses	<b>345</b>	464
Impairment of receivables	-	5
Lease payments under operating leases	<b>1,625</b>	1,542
Professional services	<b>1,865</b>	2,810
Repairs and maintenance	<b>181</b>	198
Utilities and occupancy	<b>314</b>	301
Other operating expenses	<b>1,311</b>	1,578
<b>Total other expenses</b>	<b>5,768</b>	7,022



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Notes to the Financial Statements  
For the year ended 30 June 2021

	2021	2020
	\$000	\$000
<b>6 Income tax</b>		
Current tax	-	-
Deferred tax	94	(149)
<b>Income tax expense / (benefit)</b>	<b>94</b>	<b>(149)</b>

Relationship between income tax and accounting surplus / (deficit):

Surplus / (deficit) before tax	144	230
Prima facie income tax at 28%	40	64
Taxation effect of permanent differences	7	13
Loss offset ( <i>refer note below</i> )	47	(226)
<b>Income tax expense / (benefit)</b>	<b>94</b>	<b>(149)</b>

Eke Panuku is part of a tax group with its shareholder Auckland Council and other subsidiaries of Auckland Council. Tax losses from other entities are shared within the group resulting in tax loss offsets for Eke Panuku. Subvention payments are generally not required under group arrangements.

## 7 Debtors and other receivables

Related party receivables	5,544	7,395
Prepayments	-	2
Sundry receivables	23	2
Goods and services tax	86	-
<b>Total debtors and other receivables</b>	<b>5,653</b>	<b>7,399</b>
Receivables from exchange transactions	1,309	91
Receivables from non exchange transactions	4,344	7,308
<b>Total debtors and other receivables</b>	<b>5,653</b>	<b>7,399</b>

### a) Impairment of assets

At each period end, all overdue receivables are assessed for impairment and appropriate provisions applied. No doubtful debts provision has been recognised at 30 June 2021 (2020: nil).

### b) Fair value and credit risk

Due to the short-term nature of these receivables, their carrying value is assumed to approximate their fair value. Eke Panuku has no exposure to credit risk in respect of debtors and other receivables at balance date. Eke Panuku does not hold any collateral as security. Refer to note 23 for more information on the risk management policy of Eke Panuku.

### c) Foreign exchange and interest rate risk

Eke Panuku has no exposure to foreign exchange and interest rate risk in relation to debtors and other receivables at balance date.

## 8 Property, plant and equipment

1 July 2020		Current year movements				30 June 2021			
Cost / revaluation	Accumulated depreciation	Carrying amount	Additions	Disposals	Depreciation	Revaluations	Cost / revaluation	Accumulated depreciation	Carrying amount
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
7,386	-	7,386	-	-	(253)	3,767	10,900	-	10,900
<b>7,386</b>	<b>-</b>	<b>7,386</b>	<b>-</b>	<b>-</b>	<b>(253)</b>	<b>3,767</b>	<b>10,900</b>	<b>-</b>	<b>10,900</b>
Marina									
<b>Total</b>									
1 July 2019		Prior year movements				30 June 2020			
Cost / revaluation	Accumulated depreciation	Carrying amount	Additions	Disposals	Depreciation	Revaluations	Cost / revaluation	Accumulated depreciation	Carrying amount
\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
10,300	-	10,300	-	-	(294)	(2,620)	7,386	-	7,386
<b>10,300</b>	<b>-</b>	<b>10,300</b>	<b>-</b>	<b>-</b>	<b>(294)</b>	<b>(2,620)</b>	<b>7,386</b>	<b>-</b>	<b>7,386</b>
Marina									
<b>Total</b>									

There are no assets held in property, plant and equipment under finance leases.

There are no restrictions over the title of the property, plant and equipment nor are any assets pledged as security for liabilities.

The marina asset class was valued by Seagar and Partners at 30 June 2019. A value in use calculation was undertaken by Eke Panuku at 30 June 2020 when the impact of COVID-19 on the marina was anticipated to cause a 30% drop in cash flows and, a revaluation decrease of \$2.6m was recognised. This substantial drop in cash flows has not eventuated and the current cash flow model shows stronger revenue assumptions than what were applied at 30 June 2020. Seagar and Partners has valued the asset class at 30 June 2021, which has resulted in a revaluation increase of \$3.8m. The main assumptions used for the 30 June 2021 valuation are discount rate of 9%, revenue growth rate of 3%, expenditure growth rate of 2.5%, and utilisation rates of between 42% and 89% (depending on berth size). The Viaduct Marina is owned by both Auckland Council and Eke Panuku, with the valuation apportioned based on the revenue generating capability of the berths owned by each entity.

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Notes to the Financial Statements  
For the year ended 30 June 2021

	2021	2020
	\$000	\$000
<b>9 Creditors and other payables</b>		
Creditors	659	516
Accrued expenses	686	533
Related party payables	28	2,188
Goods and services tax	-	640
<b>Total creditors and other payables</b>	<b>1,373</b>	<b>3,877</b>
Payables from exchange transactions	1,373	1,695
Payables from non exchange transactions	-	2,182
<b>Total creditors and other payables</b>	<b>1,373</b>	<b>3,877</b>

Creditors and other payables are normally settled on 30 day terms, therefore the carrying value of trade and other payables approximates their fair value. Eke Panuku has minimal exposure to foreign exchange risk and no interest rate risk in respect of creditors and other payables at balance date.

## 10 Employee entitlements

Accrued salaries and wages	563	1,192
Annual leave	1,643	1,758
Sick leave	78	78
<b>Total employee entitlements</b>	<b>2,284</b>	<b>3,028</b>

## 11 Provisions

Opening balance	483	-
Additions to provision	105	483
Charged to provision	(550)	-
<b>Total provisions</b>	<b>38</b>	<b>483</b>

As a result of COVID-19, Eke Panuku was required by the shareholder, Auckland Council, to make significant savings to its 2020/2021 budget. The provisions at 30 June 2020 primarily relate to termination benefits arising as a result of restructure begun prior to 30 June 2020, and completed during the year ended 30 June 2021.

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Notes to the Financial Statements  
For the year ended 30 June 2021

	2021	2020	
	\$000	\$000	
<b>12 Deferred tax liabilities</b>			
<b>Deferred tax assets</b>			
To be recovered after more than 12 months	-	-	
To be recovered within 12 months	493	656	
<b>Deferred tax assets</b>	<b>493</b>	<b>656</b>	
<b>Deferred tax liabilities</b>			
To be recovered after more than 12 months	(3,005)	(2,019)	
To be recovered within 12 months	-	-	
<b>Deferred tax liabilities</b>	<b>(3,005)</b>	<b>(2,019)</b>	
<b>Net deferred tax assets / (liabilities)</b>	<b>(2,512)</b>	<b>(1,363)</b>	
	<b>Property, plant and equipment</b>	<b>Other</b>	<b>Total</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Balance at 1 June 2019	(2,796)	550	<b>(2,246)</b>
Charged to surplus/(deficit)	81	68	<b>149</b>
Charged to other comprehensive income	734	-	<b>734</b>
<b>Balance at 30 June 2020</b>	<b>(1,981)</b>	<b>618</b>	<b>(1,363)</b>
Balance at 1 June 2020	(1,981)	618	<b>(1,363)</b>
Charged to surplus/(deficit)	31	(125)	<b>(94)</b>
Charged to other comprehensive income	(1,055)	-	<b>(1,055)</b>
<b>Balance at 30 June 2021</b>	<b>(3,005)</b>	<b>493</b>	<b>(2,512)</b>
		<b>2021</b>	2020
		<b>\$000</b>	\$000
<b>13 Contributed equity</b>			
<i>(a) Share capital</i>			
Balance at 1 July		<b>1,800</b>	1,800
<b>Balance at 30 June</b>		<b>1,800</b>	1,800
<i>(b) Movements in ordinary shares:</i>		<b>Shares</b>	Shares
Opening balance of ordinary shares issued		<b>30</b>	30
<b>Closing balance of ordinary shares issued</b>		<b>30</b>	30



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Notes to the Financial Statements  
For the year ended 30 June 2021

	<b>2021</b>	2020
	<b>\$000</b>	\$000
<b>14 Accumulated funds</b>		
Balance at 1 July	<b>1,634</b>	1,255
Surplus/(deficit) for the year	<b>50</b>	379
<b>Balance at 30 June</b>	<b>1,684</b>	1,634

## 15 Asset revaluation reserve

Balance at 1 July	<b>5,402</b>	7,288
Revaluation gains/(losses)	<b>3,767</b>	(2,620)
Deferred tax on revaluation	<b>(1,055)</b>	734
<b>Balance at 30 June</b>	<b>8,114</b>	5,402

The asset revaluation reserves records the revaluation of property, plant and equipment on an asset class basis. Any revaluation decrease will first be written off against the balance in asset revaluation reserve. Any decrease over and above the amount recorded will be transferred to the other gains / (losses) section of the surplus / (deficit) within the Statement of Comprehensive Revenue and Expense.

## 16 Capital commitments and operating leases

### a) Capital commitments

Eke Panuku has no capital expenditure commitments at 30 June 2021 (2020: nil)

### b) Operating leases as lessee

Eke Panuku leases one property in the normal course of its business. The future aggregate minimum lease payments payable under non cancellable operating leases are as follows:

Less than one year	<b>1,287</b>	1,207
Between one and five years	<b>2,217</b>	3,329
More than five years	-	-
<b>Total non-cancellable operating leases as lessee</b>	<b>3,504</b>	4,536

Leases can be renewed at the discretion of Eke Panuku, with rents set by reference to current market rates for items of equivalent age and condition. There are no restrictions placed on Eke Panuku by any of the leasing arrangements.

## 17 Contingencies

Eke Panuku has no contingent liabilities or contingent assets at 30 June 2021 (2020: nil).

## 18 Events occurring after balance date

Auckland was put into COVID-19 Alert Level 4 on 17 August 2021 which locked down all but essential services. The financial impact on Eke Panuku is not expected to be significant. The post 30 June 2021 change in alert levels had no effect on the financial statements for the year ended 30 June 2021.

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Notes to the Financial Statements  
For the year ended 30 June 2021

	2021	2020
	\$000	\$000
<b>19 Reconciliation of net surplus / (deficit) after tax to net cash flow from operating activities</b>		
Surplus / (deficit) after tax	50	379
Add / (less) non-cash items:		
Depreciation and amortisation expense	253	294
Movement in deferred tax through surplus / (deficit)	94	(149)
Add / (less) movements in working capital items:		
Debtors and other receivables (excluding related party)	(105)	284
Financing activities included in debtors and other receivables	-	-
Creditors and other payables (excluding related party)	(344)	(2,275)
Financing activities included in creditors and other payables	-	-
Related party receivables and payables	(309)	2,803
Financing activities included in related party receivables and payables	(2,398)	1,813
Provisions	(445)	483
Employee entitlements	(744)	18
<b>Net cash inflow / (outflow) from operating activities</b>	<b>(3,948)</b>	<b>3,650</b>

## 20 Related party transactions

Auckland Council is the parent of the entity as outlined in note 1. Auckland Council has other CCOs that Eke Panuku has transacted with during the period including Auckland Transport, Auckland Unlimited Limited and Regional Facilities Auckland

Related parties include subsidiaries, associates, joint ventures, key management personnel, the Directors of the Board and their close family members and entities controlled by them. Key management personnel are the Chief Executive and the executive leadership team. Close family members include spouses or domestic partners, children and dependants.

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 condition no more or less favourable than those that it is reasonable to expect Eke Panuku would have adopted in dealing with the party at arm's length in the same circumstances.

Eke Panuku uses Auckland Council services including (but not limited to) payroll, legal, information technology, accounts payable processing and treasury. Generally no charge is levied for these services. Eke Panuku does not recognise these services in-kind as revenue or expenditure.

## 21 Breach of statutory reporting timeframes

As a result of ongoing COVID-19 related disruptions and an unprecedented shortage of auditors in New Zealand, the annual report for the year ended 30 June 2021 was not completed within 5 months of balance date, as required by section 67 of the Local Government Act 2002 (as amended by the Annual Reporting and Audit Time Frames Extensions Legislation Act 2021 which extended the reporting timeframes in the Local Government Act 2002 by two months) and section 208 of the Companies Act 1993.

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Notes to the Financial Statements  
For the year ended 30 June 2021

2021  
\$000

2020  
\$000

## 22 Remuneration

Key management personnel includes the Board of Directors and the Executive Leadership Team (ELT). The ELT consists of the Chief Executive and direct reports to the Chief Executive.

### Key management personnel remuneration

Executive Leadership Team (9 FTE 30 June 2021 : 10 FTE 30 June 2020)	2,783	3,491
Board of Directors (1.73 FTE 30 June 2021 : 1.5 FTE 30 June 2020) *	336	426
<b>Total key management personnel remuneration</b>	<b>3,119</b>	<b>3,917</b>

\* The Board of Directors FTE is based on the assumption that each of the Directors work an average of one week in each month preparing for, and attending, Board and sub committee meetings.

#### a) Executive Leadership Team Remuneration

Salary and other short-term employee benefits	2,783	3,491
<b>Total Executive Leadership Team remuneration</b>	<b>2,783</b>	<b>3,491</b>

#### b) Board of Directors Remuneration

##### Current directors

Paul Majurey (Chair)	93	64
John Coop - appointed 1 November 2019	52	35
Kenina Court - appointed 1 June 2021	5	-
Steven Evans - appointed 1 June 2021	5	-
Susan Huria - appointed 1 June 2021	5	-
David Kennedy	60	61
Jennifer Kerr - appointed 1 June 2021	5	-
Richard Leggat - retired 31 October 2021	60	61

##### Directors now retired

Adrienne Young-Cooper (Chair) - retired 2 December 2020	43	101
Victoria Carroll - resigned 13 November 2020	8	35
Susan Macken (Deputy Chair) - retired 31 October 2019	-	23
Martin Udale - resigned 30 November 2019	-	9
Mike Pohio - resigned 31 January 2020	-	37
<b>Total Board of Directors remuneration</b>	<b>336</b>	<b>426</b>

## 22 Remuneration (continued)

### c) Employee remuneration

The table below shows the number of employees, or former employees, who received remuneration (including KiwiSaver employer contributions) of \$100,000 or more during the year. This table recognises remuneration when it is paid to the employee. These amounts are not annualised - if the employee has been employed for fewer than 12 months the amount shown is their actual pay during the period they are employed by Eke Panuku.

In February 2020 the board of Eke Panuku, on recommendation from the Executive Leadership Team (ELT) of Eke Panuku, decided to discontinue performance recognition payments to the ELT and staff. Prior to this, performance recognition payments had been paid at the board's discretion to employees rated 'exceptional' in their end-of-year performance review, and to executives for achievement of key objectives. The discontinuation of the scheme was in recognition that this type of payment was no longer aligned to standard practice in the public sector.

The 2020 column below includes performance recognition payments made in 2019/2020 awarded for performance in the prior 2018/2019 financial year, before the scheme was disestablished. The 2021 column includes no performance recognition payments as the scheme was discontinued prior to the start of that year.

	Number of Employees	
	2021	2020
\$100,000-\$109,999	14	19
\$110,000-\$119,999	11	8
\$120,000-\$129,999	12	12
\$130,000-\$139,999	13	8
\$140,000-\$149,999	11	9
\$150,000-\$159,999	3	7
\$160,000-\$169,999	5	4
\$170,000-\$179,999	4	3
\$180,000-\$189,999	3	5
\$190,000-\$199,999	3	4
\$200,000-\$209,999	5	5
\$210,000-\$219,999	2	1
\$220,000-\$229,999	-	4
\$230,000-\$239,999	-	1
\$240,000-\$249,999	1	1
\$250,000-\$259,999	2	2
\$270,000-\$279,999	-	1
\$310,000-\$319,999	-	1
\$340,000-\$349,999	2	-
\$350,000-\$359,999	-	1
\$360,000-\$369,999	1	-
\$370,000-\$379,999	-	1
\$410,000-\$419,999	-	1
\$480,000-\$489,999	1	-
\$510,000-\$519,999	-	1
\$530,000-\$539,999	-	1
<b>Total employees who received \$100,000 or more</b>	<b>93</b>	<b>100</b>



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Notes to the Financial Statements  
For the year ended 30 June 2021

## 23 Financial risk management

The activities of Eke Panuku expose it to a variety of financial risks: market risk, liquidity risk and credit risk. The company's risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the entity. Treasury for Eke Panuku is carried out under a shared service agreement by Auckland Council. The treasury management policy incorporates a liability management policy and an investment policy. These policies do not allow any transactions that are speculative in nature to be entered into.

	Carrying amount and fair value	
	2021	2020
	\$000	\$000
<b>Financial assets</b>		
Cash and cash equivalents	1,252	2,802
<i>Loans and receivables</i>		
Debtors and other receivables (exc GST receivable and prepayments)	5,567	7,397
<b>Total financial assets</b>	<b>6,819</b>	10,199
<b>Financial liabilities</b>		
<i>Financial liabilities at amortised cost</i>		
Creditors and other payables (excluding GST payable)	1,373	3,237
<b>Total financial liabilities</b>	<b>1,373</b>	3,237
<b>Net financial assets / (liabilities)</b>	<b>5,446</b>	6,962

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Notes to the Financial Statements  
For the year ended 30 June 2021

## 23 Financial risk management (continued)

The table below analyses the financial statements and liabilities into relevant maturity groupings based on the period remaining at balance date until the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

	On demand \$000	Less than 6 months \$000	6 - 12 months \$000	Between 1 and 2 years \$000	Between 2 and 5 years \$000	Over 5 years \$000	Total contractual cash inflow / (outflow) \$000	Carrying amount (assets) / liabilities \$000
<b>30 June 2021</b>								
<b>Financial assets</b>								
Cash and cash equivalents	1,252	-	-	-	-	-	1,252	1,252
Debtors and other receivables	5,567	-	-	-	-	-	5,567	5,567
<b>Total financial assets</b>	<b>6,819</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,819</b>	<b>6,819</b>
<b>Financial liabilities</b>								
Creditors and other payables	396	977	-	-	-	-	1,373	1,373
<b>Total financial liabilities</b>	<b>396</b>	<b>977</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,373</b>	<b>1,373</b>
<b>30 June 2020</b>								
<b>Financial assets</b>								
Cash and cash equivalents	2,802	-	-	-	-	-	2,802	2,802
Debtors and other receivables	7,309	88	-	-	-	-	7,397	7,397
<b>Total financial assets</b>	<b>10,111</b>	<b>88</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,199</b>	<b>10,199</b>
<b>Financial liabilities</b>								
Creditors and other payables	2,213	1,024	-	-	-	-	3,237	3,237
<b>Total financial liabilities</b>	<b>2,213</b>	<b>1,024</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,237</b>	<b>3,237</b>

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Notes to the Financial Statements  
For the year ended 30 June 2021

## 24 Capital management

The capital of Eke Panuku is its equity which comprise accumulated funds. Equity is represented by net assets. Eke Panuku manages its revenues, expenses, assets, liabilities and general financial dealings prudently to meet its long term objective and in a way that promotes the current and future interests of the community. Equity is largely managed as a by-product of managing revenues, expenses, assets, liabilities and general financial dealings.

## 25 Explanation of major variances to budget

As a Council-controlled Organisation, Eke Panuku agrees its budget each year with the shareholder Auckland Council and publishes the budget in the Statement of Intent. The following table shows a high level comparison of actual financial performance to budget.

### Statement of Comprehensive Revenue and Expense

	Actual 2021 \$000	Budget 2021 \$000	Favourable / (unfavourable) Variance \$000	Note
<b>Revenue</b>				
Revenue	31,888	36,444	(4,556)	1
<b>Total revenue</b>	<b>31,888</b>	<b>36,444</b>	<b>(4,556)</b>	
<b>Expenditure</b>				
Personnel	25,723	28,144	2,421	2
Depreciation and amortisation	253	99	(154)	
Other operating expenses	5,768	8,201	2,433	3
<b>Total expenditure</b>	<b>31,744</b>	<b>36,444</b>	<b>4,700</b>	
Surplus / (deficit) before tax	144	-	144	
Income tax expense / (benefit)	94	-	(94)	
Surplus / (deficit) after tax	50	-	50	
<b>Other comprehensive revenue and expense</b>				
Gains / (losses) on revaluation of property, plant and equipment	3,767	-	3,767	4
Tax on revaluation (gains) / losses	(1,055)	-	(1,055)	4
<b>Total other comprehensive revenue and expense</b>	<b>2,712</b>	<b>-</b>	<b>2,712</b>	
<b>Total comprehensive revenue and expense</b>	<b>2,762</b>	<b>-</b>	<b>2,762</b>	

1. Service income from the Auckland Council Group is calculated based on direct costs and staff time incurred or allocated to specific projects. This income was lower than budgeted as personnel costs were lower than budgeted as described in note 2 below.
2. The budget had a significant allowance for staff growth built in. Eke Panuku was impacted by COVID-19 and the Auckland Council emergency budget which resulted in a restructure that reduced personnel costs.
3. For the first quarter of the year Eke Panuku was still reacting to the Emergency Budget and being prudent with corporate spending. More focus was given to work in the priority locations, the expenses for which are incurred in Auckland Council.
4. Eke Panuku does not budget for revaluations of property, plant and equipment.





**ANNUAL REPORT**  
**TE PŪRONGO Ā-TAU**

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For the year ended 30 June 2021

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