

Integrated Annual Report

2022/23



I orea te tuatara ka patu ki waho

A problem is solved by continuing to find solutions.

Whakatauki



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Welcome to our integrated report

As a not-for-profit membership organisation, measurement of Property Council's success is less about dollars and cents and more about impact and outcomes.

Our purpose

Together, shaping cities where communities thrive
Whakarite taone e ora ai ngā hapori

About Property Council

Property Council is the leading advocate for Aotearoa New Zealand's largest industry – property.

Property Council New Zealand is the one organisation that collectively champions property, bringing together members from all corners of the property ecosystem to advocate for reduced red tape that enables development.

Property is New Zealand's largest industry, making up 15% of economic activity. As a sector, we employ over 200,000 New Zealanders and contribute over \$41.2 billion to GDP.

A not-for-profit organisation, the Property Council connects over 10,000 property professionals, championing the interests of 550 member companies.

Our membership is broad and includes some of the largest commercial and residential property owners and developers in New Zealand. The property industry comes together at our local, national and online events, which offer professional development, exceptional networking and access to industry-leading research.

Our members shape the cities and spaces where New Zealanders live, work, play and shop.

A note from our Chair



Scott Pritchard
National Chair

When I cast my mind back to March 2022, I realise how easy it is to forget the upheaval of the time. Sitting here in April 2023, you forget that only 11 months ago we were amid Phase 3 of the Omicron COVID-19 response and were still subject to gathering restrictions, vaccine passes, and contact tracing requirements issued by the New Zealand Government. Despite my recollection of a return to normality, we were in fact only just embracing the freedoms we once took for granted.

For the Property Council, it was the restrictions on gatherings that proved the biggest pain-point, with New Zealand's move to Orange of the COVID Protection Framework (CPF) on 13 April finally allowing events to be planned as normal with at least some certainty (albeit with masks firmly in place). The first in-person

event of the 2023 financial year took place in Wellington in mid-May, with others quickly following suit across the country.

Following on from the change to Property Council's governance structure in 2021, and our first election in September 2021, this year brought a more settled and structured governance approach.

It was heartening to see over 65 members nominated for regional and national committees, and I wish to especially thank those dedicated committee members who chose to make way for new faces.

Erika McDonald (Engeo), Linda Trainer (Kiwi Property), Daniel Whittaker (Russell Property Group), Rhys Harvey (Fosters), Thomas Gibbons (Thomas Gibbons Law Ltd), Scott Bicknall (Veros Property

Services), Peter McCaw (Hawkins), Kris McCauley (Naylor Love), Matthew White (PMG), Poul Israelson (Harrison Grierson), Suchita Jain (RCP), Bradley Arthur (ABC Management), Nick Hawkins (Holmes Group), Jonathan Armstrong (Dexus), and Paul Gardner (Scentre Group).

I also wish to make special mention of Brian Squair from Chow: Hill, who served as Waikato Branch President, then Central Regional Chair for over five years. Brian has been a pragmatic and vocal supporter of Property Council in the Waikato and Bay of Plenty regions, adding huge value to our advocacy campaigns and representing our members with steadfast determination.



Scott Pritchard

National Chair

As time goes on, we hope that members will continue to see the value in volunteering on these committees, strengthening our position as the voice of property, and improving the diversity and reach of these groups. On that note, I offer a hearty congratulations to our current committee members:

National Board

Scott Pritchard, Precinct Properties
Mark Thomson, Auckland Airport
Patrick Dougherty, Kāinga Ora – Homes and Communities
Clive Mackenzie, Kiwi Property
Anna Crosbie, Russell McVeagh
Angela Bull, Tramco Group
James Riddoch, Greenwood Roche

Retail Committee

Michael Sweetman, Precinct Properties
Ken Moore, Retail Solutions
Vaughan Ludlam, Oyster Group
Shelley Jenkin, Kiwi Property
Katherine Ellington, Woolworths NZ
Jarrod Reilly, Colliers International
Fiona Cameron, Dexus
Jenna Adamson, Wynn Williams
Jan Walker, Shore City Shopping Centre
Justin Kean, Scentre Group

Diversity and Inclusion Committee

Amanda Spratt, MinterEllisonRuddWatts
Joanna den Hollander, Ngāi Tahu Property
Edith Boettcher, The Woolstore Management Ltd
Ashley Bray, Colliers
Kristen Neri, Taylors
Jonathan Manns, JLL
Lauren Joyce, Precinct Properties
Mandy Waldin, Goodman Property
Kerryn Strong, Oyster Property Group
Lizzi Whaley, Spaceworks
Dan Longmire, TwentyTwo (part-year)
Steffi McKeown, TwentyTwo (part-year)
Kendra Wilson, Greenwood Roche
Karen Papp, Schindler Lifts

Auckland Regional Committee

Andrew Hay, Stride Property
Anna Hill, Jasmax
Carly Hinde, Stellar Projects (part-year)
Chris Mackenzie, Holmes Group
Daniel Shao, Woolworths NZ
Francie Lawson, Beca
Helen O'Sullivan, Crockers Property
Martin Cooper, Cooper & Associates
Craig Coote, Dexus
Graeme Birkhead, Graeme Birkhead Consulting
Gavin Read, JLL
Jaine Lovell-Gadd, Kainga Ora – Homes and Communities
David Schwartzfeger, Kiwi Property
Nicky Harrison, PwC
Patrick Fontein, Studio D4
Davida Dunphy, Wynn Williams
Divya Purushotham, Warren & Mahoney

Central Regional Committee

Bevan Houlbrooke, CKL NZ Ltd
Brian Squair, Chow: Hill Architects (part-year)
Colette McCartney, GHD Ltd
Craig McVicar, Hawkins (part-year)
Emily Cleland, HD Geo
Gary Herbert, Pukeroa Property Management Ltd
Graeme Ward, RDT Pacific
Jane Hill, Chow: Hill Architects (part-year)
Joan Forret, Harkness Henry
Joel Murphy, Holland Beckett Lawyers
Lloyd Stephenson, Fosters
Morgan Jones, Veros Property
Peter McCawe, Hawkins/Downer (part-year)
Scott Adams, Carrus
Simon Litten, Naylor Love
Steve Cutfield, Classic Group
Todd Jones, Greenstone Group

Wellington Regional Committee

Aaron Taylor, BNZ
Anna Allen, KiwiRail
David Jones, Stellar Projects
Denis Wood, Munro Bengie
Gerard Earl, Colliers
Grant Heighway, Catalyst
Matthew Plummer, Beca
Melissa McGhie, Rolle Consultancy & Management Ltd
Mike Cole, Colee & Co Ltd (part-year)
Paul Robinson, The Woolstore Management Ltd
Polly Larkman, Colliers
Richard Carr, Williams Corporation (part-year)
Shamus O'Halloran, Argosy Property Management
Simone Wootton, Darroch Property Advisors & Valuers
Sumukh Paranjpe, Stride Property Ltd.

South Island Regional Committee

Alan Prescott, Harmans Lawyers
Alistair Pearson, Lincoln University
Antony Gough, The Terrace
Bruce Rendall, Christchurch City Council
Dean Macaulay, University of Otago
Graeme McDonald, JLL
Ian French, Hawkins
James Riddoch, Greenwood Roche
Lizzy Pearson, Ōtakaro Limited (part-year)
Louise Tucker, AECOM
Roger Davidson, Carter Group
Sharon Knowles, Anderson Lloyd
Simon Taylor, Cosgroves
Steven van der Pol, Van der Pol Consulting
Tom Chatterton, Rider Levett Bucknall
Vanessa Carswell, Jasmax



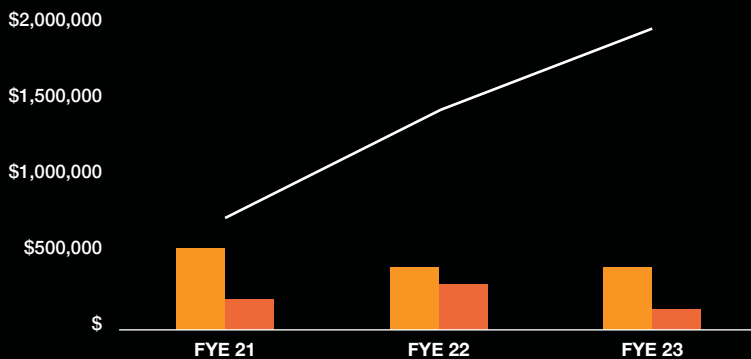
Scott Pritchard
National Chair

In previous years I have commented on the creation of the Financial Resilience Fund, where several of our Industry Leader Owner/Developers elected to increase their contribution to Property Council from \$34,000 to \$100,000 per annum via a one-off special levy aimed to bolster reserves to a target of \$2 million over five years.

This year I am pleased to report that, thanks to both this ongoing support and the work of the Property Council team who have ensured a healthy surplus can be invested into the reserves, we will now meet this target two years early.

Financial Resilience Reserve

- Special Levy Payments from Members
- PCNZ Surplus Contribution*
(\$135,000 proposed to be contributed from FY23 surpluses)
- Cumulative Position



Once again, I commend the leadership of Leonie Freeman and the dedication of the Property Council team in achieving this milestone, particularly during such an uncertain time for all.

Such success in the face of – dare I say it – unprecedented disruption only comes through clarity and commitment. A similar commitment has been shown to Property Council’s role as an industry leader, with national achievements including:

- Following several years of campaigning, the Minister of Housing and Urban Development, Hon Megan Woods, confirmed that Build to Rent would be established as an asset class, paving the way for greater investment in this exciting new housing model.
- In FY2022, Property Council was invited to sit on the Fire and Emergency New Zealand (FENZ) Ministerial Reference Group to pre-engage with the levy review ahead of expected 2022 legislation. This year, FENZ amended the exposure draft legislation to alleviate the concerns raised by the Property Council, a change that will ease the burden on commercial property owners.
- LIM changes requiring local authorities to provide owners with natural hazard details will proceed with Property Council’s support.
- Property Council was consulted as a key stakeholder in climate change discussions with representation on the Ministry for Business, Innovation and Employment’s Building for Climate Change Legislative Discussion Group. Similarly, we were a key stakeholder sitting on leadership and advisory groups with the Ministry for the Environment in reforming the current Resource Management Act.

Property Council is fortunate to have both a national and regional presence thanks to our local volunteers and staff in Auckland, Central, Wellington and the South Island regions. Our regional achievements for FY2023 include:

- Property Council formed an ongoing partnership with Auckland Light Rail Group to inform development/delivery of the project.
- Tauranga City Council adopted Property Council's preferred Option A for the Civic Precinct.
- Dedicated Property Council Arena support campaign saw Christchurch City Council voted to secure the Te Kaha Multiuse Arena.
- Annual Plans and District Plans submitted for major cities (Auckland, Hamilton, Tauranga, Christchurch and Wellington).
- Wellington City Council amended their initial proposal for their Sludge Minimisation Plan from a 60% residential: 40% commercial split to a 75% residential: 25% commercial split following early engagement with the Property Council team and its members.

While the bulk of this work has been undertaken by the Property Council advocacy team, led by Katherine Wilson, credit is also due to our member taskforces and committees.

These taskforces provide invaluable industry expertise and real-world experience that inform our advocacy positions and give substance to our theory. I encourage anyone with an interest in ensuring the property industry has a seat at the policy-making table to put their hand up and give their time to these groups.

Current Member Taskforces include:

- Fire Levies Taskforce
- Building System Reform Taskforce
- Resource Management Reform Taskforce
- Build to Rent Taskforce
- Environment and Sustainability Taskforce
- Residential Building Supplies Taskforce
- Value Capture Taskforce

Should you wish to get involved in these active and engaged taskforces or wish to put your hand up to help shape our advocacy position on a different topic, please contact Property Council's Head of Advocacy, Katherine Wilson.

Following the success of our 2019-2022 Strategy, it was a pleasure to work with the Board and the Property Council team to craft the 2022-25 Strategy, which was launched at The Property Conference in Christchurch in September 2022.

Developed through extensive collaboration with members and Property Council committees, the Strategy sets the agenda for the coming three years, with the aim of building on what is now a solid foundation to truly take the organisation to the next level.

You can read more on the Property Council website.

Thank you for your part in this evolution as we pave the way for the next generation of city shapers, we value your input and support and wish you all the best for the year ahead.



Scott Pritchard
National Chair



E ngaki ana a
mua, e tōtō mai
ana a muri.

First clear the weeds, then plant.

A note from our Chief Executive



Leonie Freeman

Chief Executive
Property Council New Zealand

In many ways it feels like 2020 and 2021 were a fleeting moment in history, with New Zealand (as with much of the world) either locked down or restricted as we rode the COVID wave(s). We entered the new financial year with trepidation, having learned our lesson over the past few years not to get too far ahead of ourselves.

As of 1 April 2022, New Zealand remained in Red of the Covid Protection Framework (CPF) and COVID case numbers had reached a daily average of 14,000; indoor gatherings were capped at 200 people, the requirement for contact tracing had eased and vaccine passes and mandates were about to be made redundant. By mid-April we would move to Orange of the CPF, allowing us to start planning events for the second half of the year.

Fortunately, we'd spent the last couple of years putting the Property Council house truly in order, so that when restrictions eased, we could hit the ground running with lightning speed, hosting 51 in-person events in just 11 months, plus nine webinars.

This swift return to business-as-usual has resulted in a strong financial surplus of \$870,656 for FY2023. As a not-for-profit organisation, every dollar of this surplus is reinvested in the business, with a majority being kept in reserves to meet our Financial Resilience Fund target of \$2m.

On that note, I would like to take this opportunity to thank those Industry Leaders who chose to nearly triple their investment in Property Council to build

this fund; **Precinct Properties New Zealand, Goodman Property, Argosy Property, Property for Industry, Dexu, Stride Property/Investore and Kiwi Property.**

Thanks to their support, we have achieved \$2m in reserves as of 31 March 2023, smashing our five-year target with two years to spare. With this fund now secure, Property Council can finally invest in other areas of the business, with plans to expand our services and offerings already underway – watch this space!

With several years of rapid transformation under our belts, FY2023 was a consolidation year for the Property Council team. We've spent the year using the new tools we had implemented to offer greater value to members and refine what we already do to engage further with members. I wish to make special mention of the Property Council team for their willingness to test, trial and get out of their comfort zones during this period.

I also extend a warm welcome to several new recruits, including Sponsorship and Membership Manager Kayne Franich, Digital Communications Advisor Naomi Read and Events Administrator Louise Cooksey. All three have been fantastic additions to the team, adding to our strong culture and uplifting everything we do.

It has been heartening as a leader to watch our team grow and thrive, none more so than our events team, who have weathered several years of major disruption with grace and calm under pressure.

It was an extremely challenging time and credit must go to Events Manager Catie Harris, Events Coordinators Emma Porritt and Louise Cooksey and our team of Regional Managers; Tasch Dodson, Sandra Brown, Sarah Rundstrom and Aleisha Hogarth for their patience and perseverance.

The advocacy team has also been busier than ever, racking up a record 58 submissions in the 12 months to 31 March 2023.

An essential part of the Property Council offering, advocacy is all about building relationships with decision-makers and officials to promote the 'property lens' on prospective plans, policies and ideas.

Unlike many associations, whose purpose is centred on training or education, our core purpose is to impact and support the built environment of Aotearoa New Zealand through inspirational industry leadership and influential advocacy.

Far from being a 'scan and submit' process, each submission is backed by thorough research, solid consultation with members via our member taskforces, committees and/or board and overseen by our advocacy team to ensure consistency and accuracy across the country. Once completed, these submissions are supported by an active campaign, sometimes publicly via

media or social media and sometimes more strategically via meetings with key stakeholders and policy makers. Nothing is done as a 'quick win' or to look good on paper. Every issue we fight, statement we make, and submission we craft is considered and curated.

It is this approach that sees us prevent policies that have no place in the real world from ever happening. The key performance indicator for a successful advocacy approach is that no one realises a campaign was ever undertaken – I like to call us "trusted advisors" to Government.

One celebration not performed behind-the-scenes this year was the awarding of the Property Council Members' Laureate Award to David Rankin of Eke Panuku Development Auckland. I had the opportunity to sit down with David via webinar a few weeks after his win to discuss his journey and contribution, and it was as enlightening as it was inspirational.

The true pioneers – people like David – are courageous, entrepreneurial city shapers who embrace community with an unshakable belief in the greater good. In my experience, these are the people who lift others up, encourage diversity and truly give back to the sector. I hope you count yourself among them.

We wrap up the 2023 financial year with great momentum. Despite the forecast economic downturn, we have faith that any recession will be brief and that our organisation and our membership have planned for tighter times. While we never truly know what waits around the corner, the cyclical nature of property means those who have been around for a few years should be well prepared for whatever lies ahead.

As always, the Property Council team is here to support you as we continue to champion New Zealand's largest industry.



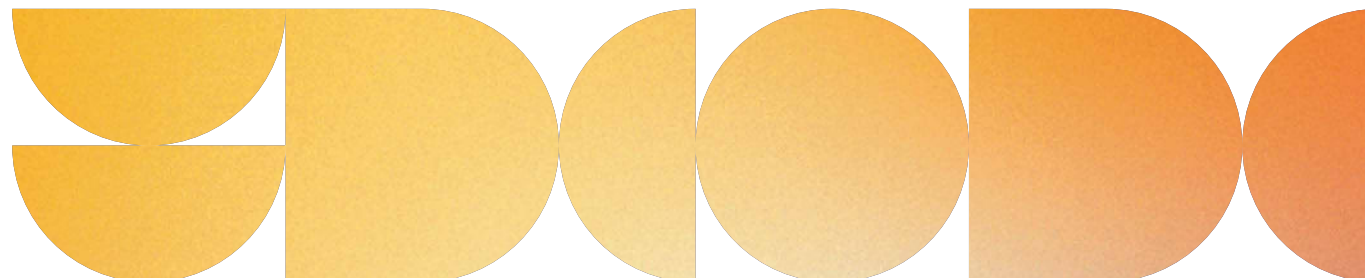
Leonie Freeman
Chief Executive

**Ehara! Ko koe
te ringa e huti
pungā!**

**Yes, yours is the arm best suited to pull up the anchor!
(You have it in you!)**

FY23

at a glance

**550**

Member companies

87%

Member retention rate

67

New member companies

357

Key stakeholder meetings

58Submissions to central and
local government**1**

New strategy

11,058

Event attendees

59

Events

35%Female attendance
at events**46%**female speakers
at events**\$3.1m**

In event revenue

\$5.6mIn operating revenue
\$797k ahead of budget**\$1.87m**In financial resilience
reserves**\$455k**

Operating surplus

Our strategy

**Whaia te iti kahurangi; ki te
tuohu koe, me he maunga teitei.**

**Strive for excellence; you should only bow to the most
lofty mountain.**

Following on from our inaugural Strategy and kick start to our transformational change project in 2019, Property Council launched our renewed Strategic Plan 2022-2025 in September 2022.

Plan on a Page: Strategy 2022-2025

Purpose	Together, shaping cities where communities thrive <i>Whakarite taone e ora ai ngā hāpori</i>				
	Kaitiakitanga We are guardians of the land and built environment, protecting, respecting and growing Aotearoa for future generations.		Manaakitanga We respect and care for one another's wellbeing, nurturing relationships and engaging to find solutions.	Whakatinanatia We deliver quality, sustainable cities, spaces and regions for all to live, work, and play.	Hāpori We foster and embrace community, ensuring Aotearoa is a place where everyone belongs.
Values	Kaitiakitanga We are guardians of the land and built environment, protecting, respecting and growing Aotearoa for future generations.		Manaakitanga We respect and care for one another's wellbeing, nurturing relationships and engaging to find solutions.	Whakatinanatia We deliver quality, sustainable cities, spaces and regions for all to live, work, and play.	Hāpori We foster and embrace community, ensuring Aotearoa is a place where everyone belongs.
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Goals	Inspirational Industry Leadership We are the recognised and trusted industry leader that champions property in our community.	Influential Advocacy We influence government and decision makers to support outcomes that have a positive impact on the property industry and our communities.	Communications With Impact We showcase the property industry's contribution to the community and the New Zealand economy.	Exceptional Member Value We engage, educate and foster mutually beneficial relationships for our members and the wider industry.	A Dynamic & Secure Organisation We ensure the organisation is future-proofed and has the resilience, capability, and capacity to deliver quality services to our members
	Inspirational Industry Leadership We are the recognised and trusted industry leader that champions property in our community.	Influential Advocacy We influence government and decision makers to support outcomes that have a positive impact on the property industry and our communities.	Communications With Impact We showcase the property industry's contribution to the community and the New Zealand economy.	Exceptional Member Value We engage, educate and foster mutually beneficial relationships for our members and the wider industry.	A Dynamic & Secure Organisation We ensure the organisation is future-proofed and has the resilience, capability, and capacity to deliver quality services to our members
2022-2025 Priorities	1. Lead initiatives that support thriving communities, precincts and cities. 2. Enhance key trusted stakeholder relationships. 3. Champion diversity and inclusion.	4. Increase the impact and influence of our advocacy programme. 5. Overhaul our research and publication programme to better meet member and industry needs.	6. Actively move the dial of public perception to highlight the property industry's role as city shapers. 7. Increase the impact and reach of our member communication.	8. Maintain and grow our membership. 9. Expand, leverage and elevate our events and services, to enhance our member's expertise and experience.	10. A financially sound, future-focused, high-performing organisation.
	1. Lead initiatives that support thriving communities, precincts and cities. 2. Enhance key trusted stakeholder relationships. 3. Champion diversity and inclusion.	4. Increase the impact and influence of our advocacy programme. 5. Overhaul our research and publication programme to better meet member and industry needs.	6. Actively move the dial of public perception to highlight the property industry's role as city shapers. 7. Increase the impact and reach of our member communication.	8. Maintain and grow our membership. 9. Expand, leverage and elevate our events and services, to enhance our member's expertise and experience.	10. A financially sound, future-focused, high-performing organisation.

Our impact: A model

At the heart of our impact report is our impact model. The Property Council impact model diagram on the next page shows the impact goals we are working towards, and how our activities achieve those goals.

The four parts of this report connect to the four outcome areas described in the middle of the diagram.



What is an impact model?

An impact model – also known as a theory of change – sits alongside an organisation's business model and seeks to communicate what activity, delivered in what way, will deliver what positive outcome or impact.

Developing an impact model is essential for understanding the positive outcomes an organisation hopes to create.

An impact model compliments and builds on other organisational strategies but informs the work you do every day – filling what's known as 'the missing middle'.

Example impact model



Purpose: Together, shaping cities where communities thrive

1. What we do	2. How change happens	3. Our impact
Property Council delivers a range of member services.	Property Council acts as a collective voice, championing the property industry to influence policy makers while leading the property sector toward a stronger future for all New Zealanders.	Property Council uses its influence to create a regulatory environment that enables development, supporting the industry to shape cities and spaces where communities thrive.
<p>Property Council delivers these services</p> <ul style="list-style-type: none"> • Inspirational industry leadership • Influential advocacy • Communications with impact • Exceptional member value • A dynamic and secure organisation <p>Working with these stakeholders</p> <p>Our members, aligned membership bodies and associations, local government, central government, government officials, industry partners, corporates/businesses, international partners.</p> <p>In this way</p> <p>Solution-focused advocacy, enduring partnerships, bold action, whole-system approach, evidence-led, outcome-focused, innovative, equitable, sustainable, partnership, excellence, best practice based.</p>	<p>Outcome area one Inspirational industry leadership We are an industry leader that champions property.</p> <p>Outcome area two Influential advocacy We influence government and decision makers to support decisions that foster a thriving property industry.</p> <p>Outcome area three Communications with impact We showcase the property industry's contribution to the community and the New Zealand economy.</p> <p>Outcome area four Exceptional member value We inform, educate and foster mutually beneficial relationships for our members and the wider industry.</p> <p>Outcome area five A dynamic and secure organisation We steer the ship, ensuring the organisation has the capability and capacity to deliver quality services to our members.</p>	<p>Inspirational industry leadership</p> <ul style="list-style-type: none"> • Member Survey feedback that cements our position as an industry leader. • Inclusive events where women feel welcome. • An active and engaged spokesperson in our Chief Executive. <p>Influential advocacy</p> <ul style="list-style-type: none"> • Submissions to local and central government. • Increased stakeholder meetings. • Strong member support that gives us a licence to operate. <p>Communications with impact</p> <ul style="list-style-type: none"> • Solid engagement with our member communications. • Strong media presence. • Increased social media profile and audience. <p>Exceptional member value</p> <ul style="list-style-type: none"> • A strong, agile national events programme. • Local in-person events that deliver value to the regions. • Member Survey feedback that highly rates Property Council's member services. • Strong member retention. <p>A dynamic and secure organisation</p> <ul style="list-style-type: none"> • \$2m Financial Resilience Fund. • One new 2022-25 Strategy. • A positive staff culture where talent is nurtured and retained.



Our outcome areas

What we are working towards

Outcome one

Inspirational industry leadership

We are an industry leader that champions property.

Our outcomes for reporting

- Member Survey feedback that cements our position as an industry leader.
- Inclusive events where women feel welcome.
- An active and engaged spokesperson in our Chief Executive.

Outcome two

Influential advocacy

We influence Government and decision-makers to support decisions that foster a thriving property industry.

Our outcomes for reporting

- Submissions to local and central government.
- Increased stakeholder meetings.
- Strong member support that gives us a licence to operate.

Outcome three

Communications with impact

We showcase the property industry's contribution to the community and the New Zealand economy.

Our outcomes for reporting

- Solid engagement with our member communications.
- Strong media presence.
- Increased social media profile and audience.

Outcome four

Exceptional member value

We inform, educate and foster mutually beneficial relationships for our members and the wider industry.

Our outcomes for reporting

- A strong, agile national events programme.
- Local in-person events that deliver value to the regions.
- Member Survey feedback that highly rates Property Council's member services.
- Strong member retention.

Outcome five

A dynamic and secure organisation

We steer the ship, ensuring the organisation has the capability and capacity to deliver quality services to our members.

Our outcomes for reporting

- \$2m Financial Resilience Fund.
- One new 2022-25 Strategy.
- A positive staff culture where talent is nurtured and retained.

How this report links to our impact model

This report steps through the parts of our impact model, in order.

Part 1:

Highlights activity from the first column of the impact model diagram – the things we do.

Part 2:

Looks at the five outcome areas described in the centre of the diagram. These areas describe what we are working towards. Underneath each outcome area, we are reporting on three indicators to tell the story of how we are tracking.

Part 3:

Shows a summary of the impact we are enabling.

The year in review

2022

April



Property Council submitted on Hamilton City Council's Draft Development Contribution Policy Update 2022.

We made a submission on Christchurch City Council's Draft Annual Plan 2022/2023, opposing the proposed adoption of a vacant sites rating differential and the introduction of financial contributions as a possible revenue source.

Property Council submitted on Wellington City Council's Draft Economic Wellbeing Strategy, recommending Council align the Strategy with all other Council plans. We also submitted on proposed changes to Greater Wellington Regional Council's Revenue and Financing Policy.



We made a submission on Tauranga City Council's draft Long Term Plan Amendment and Annual Plan 2022. We also submitted on Tauranga City Council's draft Development Contribution Policy 2022.

Property Council made a submission on Queenstown Lakes District Council's Draft Annual Plan 2022/2023 recommending further industry consultation around several projects.

May



Property Council submitted to Auckland Council on the Government's New Housing Rules: What it means for Auckland, providing several recommendations.

We made a submission on Wellington City Council's Draft Annual Plan 2022/2023 and Amendments to the Long-Term Plan 2021-31. Property Council submitted on Christchurch City Council's Draft Plan Change.

The year in review

2022

June



Property Council submitted on Te hau mārohi ki anamata – New Zealand’s first Emissions Reduction Plan, making several recommendations and calling for the Government to take a leadership role, working more closely with the sector to achieve its goals.

We made a submission on the Building Code Consultation – H1 Implementation, supporting a six-month extension to the transition period for adopting new insulation requirements for housing.

The South Island region hosted over 320 attendees to the Annual Market Summit.

July



We delivered the inaugural Offset | Reset event, which explored ESG (Environmental, Social and Governance) in property, to a sell-out audience of over 200 people.

We made a submission to Christchurch City Council on the Te Kaha Multi-use Arena Budget, strongly supporting continued investment in the arena.

Property Council submitted on the exposure draft of proposed changes to the National Policy Statement for Freshwater Management (NPS-FM) and National Environmental Standards for Freshwater (NES-F).

August



Property Council submitted on Let’s Get Wellington Moving: Golden Mile proposed design, raising concerns that the proposed design did not properly take into consideration the impact on businesses along the Golden Mile.

Auckland members came together on mass at the Auckland Market Outlook Breakfast, with over 420 attendees.

We submitted to Hamilton City Council regarding Plan Change 9. The Property Council New Zealand Rider Levett Bucknall Property Industry Awards welcomed 1,535 guests for a night of celebration and achievement.

The year in review

2022

September



The Property Conference was delivered for the first time in-person since 2019, with a record 401 attendees joining us in Ōtautahi Christchurch.

Property Council submitted on MBIE's Review of the Building Consent System: Issues discussion document and policy position statement.

We submitted on Wellington City's Proposed District Plan, the Commerce Commission's Residential Building Supplies Market Study, Waka Kotahi's Shaping Streets consultation, the Department of Internal Affairs' Fire and Emergency Levy Exemptions, Hamilton City Council's Plan Change 12, and Auckland Council's Plan Changes 78 - Intensification and 79 - Transport.



October



Property Council submitted on Fire and Emergency New Zealand's (Levy) Amendment Bill, highlighting our reservations for keeping the insurance-based funding model.

The year in review

2022

November



RECON22 welcomed over 350 delegates to Tāmaki Makaurau Auckland for one day of bespoke retail property education and networking.

Property Council made a submission to Christchurch City Council on its Te Kaha surrounding streets consultation, urging Council to reconsider some of the proposed road changes.

We submitted on the Taxation (Annual Rates for 2022-23, Platform Economy, and Remedial Matters) Bill (No 2), strongly supporting the creation of a Build to Rent asset class and welcoming the restoration of interest deductibility.



Auckland, Central, Wellington and the South Island showcased the best of the local industry at the regional Property People Awards, with over 1,400 people coming together across Aotearoa New Zealand.

Property Council submitted to Auckland Council on Development Contributions Policy Update – Drury, strongly opposing the proposed increases to development contributions with collection period funding 30 years.

We submitted in support of Hamilton City Council's draft Urban Growth Strategy, but called for additional information on the funding, financing and implementation of proposed outcomes.

December



The advocacy team hosted our largest online audience of the year at the Decoding the Future RMA System webinar with over 340 members in the (Zoom) room!

The year in review

2023

February



Property Council submitted in support of the Local Government Official Information and Meetings Amendment Bill.

We made a submission on the Spatial Planning Bill, commending the Government and officials for their behind-the-scenes work to produce the Bill, but raising concerns about the overall lack of detail in the legislation.

Property Council submitted in support of the Natural and Built Environment Bill but opposed the legislative intent to only have central government, local government and iwi representatives on regional planning committees recommending that private sector involvement will be critical in unlocking future community needs.

We made a submission in support of the Future for Local Government draft report, raising concerns that the scope and focus of the Review's draft report has not placed sufficient emphasis on some of the core, practical challenges facing local government.

March



Property Council's national events team delivered a show-stopping Residential Development Summit, with over 320 delegates coming together in Tāmaki Makaurau Auckland.

Property Council submitted to Auckland Council on its Annual Budget 2023/2024, highlighting our concern about the proposed pause to the Long-Term Differential Strategy.



Part 1: What we do

Part 1: What we do

Our services deliver value to members.

Property Council's advocacy team worked with over 200 member and stakeholder organisations over the course of the 2022/23 financial year.

We delivered a wide range of services, all geared towards enabling our members to shape cities where communities thrive. We focused on outcomes led by evidence. We work in intentional, value-driven ways to ensure our activities lead to the greatest impact.

Industry leadership

We represent the industry, nurturing our relationships with politicians, officials and key stakeholders and promoting important, industry-wide initiatives such as diversity and inclusion and talent development as well as fronting campaigns in the media and via industry and public speaking engagements.

National events

Our national events team delivers six conferences and awards programmes a year, including the Residential Development Summit, Property Conference, Retail Conference, Green Property Summit (biennial), Offset|Reset (biennial) and the Property Industry Awards.

Communications

Property Council provides regular touchpoint communications with members, including fortnightly Property Voice newsletters, weekly event invitations, regular news stories published on our website and a steady schedule of social media content via our LinkedIn and Facebook channels. We also present a strong public face to the property industry, with Chief Executive Leonie Freeman regularly seen and heard across mainstream media.

Advocacy

Property Council's advocacy team has worked with over 200 different member and stakeholder organisations over the course of the 2022/23 financial year. This includes work with like-minded organisations, members, and central and local government, acting as a conduit for solid, solution-focused ideas that enable development.

Webinars

FY23 saw us deliver nine free online webinars to members featuring Ministers and politicians, industry leaders and regular member updates.

Regional events

We provided 44 topical, timely, regionally focused events in the Auckland, Central, Wellington and the South Island regions, delivered by a local Regional Manager who knows and understands our members.

Research

With an imminent overhaul of Property Council's research strategy in progress, priority was given to completing the Guide for the Measurement of Rentable Areas, which will be launched in April 2023. Work to review our Commercial, Industrial and Retail Leases has also continued and will launch in FY2024.

All of our work has four values at its core:

Together, shaping cities where communities thrive



Kaitiakitanga

We are guardians of the land and built environment, protecting, respecting and growing Aotearoa for future generations.



Manaakitanga

We respect and care for one another's wellbeing, nurturing relationships and engaging to find solutions.



Whakatinanatia

We deliver quality, sustainable cities, spaces and regions for all to live, work, and play.



Hapori

We foster and embrace community, ensuring Aotearoa is a place where everyone belongs.

Part 2:

Outcomes and Indicators



Part 2: Outcomes and indicators

Outcome one: Inspirational industry leadership

Outcome

What we're working towards

We are an industry leader that champions property.

Indicators

How we're tracking

We've led through

- Member Survey feedback that cements our position as an industry leader.
- Inclusive events where women feel welcome.
- An active and engaged spokesperson in our Chief Executive.



Property Council New Zealand

Examples of inspirational industry leadership

Leadership, as defined by our members

In March 2023, Property Council undertook a Member Survey to help measure sentiment and perceived value of our services and leadership.

This survey was sent to all members (approximately 11,000 recipients) via email and asked them to rate specific statements out of ten. One such question was: Property Council is an industry leader that champions the property sector. The average rating for this question was 8.42/10, giving us a strong indication of the perception within the membership of Property Council's role as an industry leader.



An industry where we all belong

Property Council's Diversity and Inclusion Committee have been working diligently over several years to launch benchmarking research and initiatives that help redefine the perception of the property industry. This year, initiatives included a webinar on Māori-led design, work on an upcoming Champions for Change programme and the continuation of our 40:40:20 Pledge, which sees all Property Council events strive for a mix of event speakers.

In 2022/23, 35% of Property Council's overall event audience identified as female, while 46% of event speakers identified as female. While there is still some way to go to achieve our target, we are incredibly proud of the work done by our events team to ensure women are better represented than they have been in the past.



Spreading the word

As Chief Executive, Leonie Freeman is also chief spokesperson for Property Council New Zealand, representing us in media and across both industry and broader business events around the world.

In 2022/23, Leonie spoke at a record 51 events throughout the year – that's pretty much one every week – sharing the vision of 'together, shaping cities where communities thrive' and helping break the outdated stereotypes many hold when it comes to our industry and our industry leaders. Our advocacy team or member representative also briefly spoke at each Property Council New Zealand led national and regional event to spread the word of the team's recent advocacy efforts and help better inform our members.



Part 2: Outcomes and indicators

Outcome two: Influential advocacy

Outcome

What we're working towards

We influence government and decision-makers to support decisions that foster a thriving property industry.

Indicators

How we're tracking

We've provided influential advocacy through:

- Increased stakeholder meetings that position us inside the tent.
- Submissions to local and central government.
- Strong member support that gives us a licence to operate.

Examples of influential advocacy

Positioning Property Council inside the tent

Property Council has shifted our advocacy style, with a new focus of working constructively with central and local government 'inside the tent', where we have become known for our practical and clear advocacy advice.

We have acknowledged when central and local governments have done a good job and have pointed out areas for improvement. We encourage early engagement to resolve issues before they become public, and we remain unwavering towards our purpose, goals, and outcomes we want to see for all New Zealanders. Namely – cities where communities thrive.

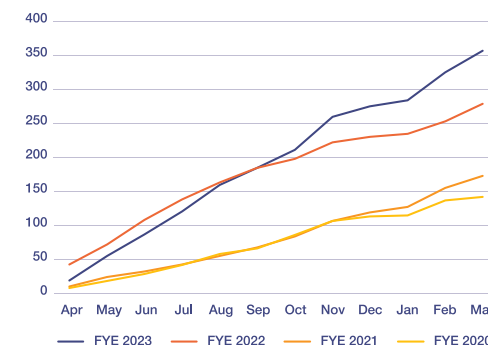
A significant proportion of our stakeholder meetings have been at the request of central and local government, particularly when they are considering a policy or legislative change. This means we are involved in the decision-making process early on, can provide practical input from our members on what the 'problem' is and suggest proposed 'solutions' before it becomes public.

Early engagement with government has seen us get 'behind-the-scenes' wins in several workstreams including the Building for Climate Change programme,

FENZ legislation, Build to Rent legislation, LIM hazardous report changes and Wellington City Council Sludge Minimisation Plan.

Our practical feedback has consequently seen us become the go-to organisation for both central and local government to connect with when considering a policy or legislative change. The downside of this is we are being invited to comment on almost everything related to property and must be extremely disciplined on where we focus our efforts. The upside is, we have clear focus from our members through our member surveys and continued support into FY24 and beyond.

Stakeholder engagement 2020-2023



Submissions to local and central government

Our advocacy team delivered a record 58 submissions in FY23, with 38 of these submitted to local government (e.g. Annual and District Plans) and 20 submitted to central government (e.g. submissions on the Natural and Built Environment Bill and Spatial Planning Bill.).

Key submission and campaign topics included:

- Annual and Long-Term Plans for Auckland Council, Christchurch City Council, Tauranga City Council, Wellington City Council, Greater Wellington City Council, Hamilton City Council, Dunedin City Council, Queenstown Lakes District Council.
- Resource system reform, including submissions on the Natural and Built Environment Bill and Spatial Planning Bill.
- Fire and Emergency New Zealand (Levy) Amendment Bill.
- Various plan changes in Auckland, Hamilton, Tauranga, Wellington, and Christchurch.
- Commerce Commission's Residential Building Supplies Market Study.
- MBIE's Review of the Building Consent System.
- Let's Get Wellington Moving.
- The National Policy Statement for Freshwater Management and National Policy Statement for Freshwater.
- New Zealand's first Emissions Reduction Plan.

Strong member support that gives us a license to operate

Advocacy is a marathon, not a sprint, which can sometimes make tangible outcomes very difficult to measure week on week or even year on year. Relationships take many years to build, and we work hard to consistently prove that we understand the issues, have a deep knowledge of the New Zealand property ecosystem, and can offer solutions to policy makers that help us all achieve our goals.

We are very pleased that Property Council has achieved the following tangible advocacy outcomes in FY23:

- Build to Rent established as an asset class.
- FENZ exposure draft legislation amended to alleviate Property Council concerns.
- Property Council representation on MBIE Building for Climate Change Legislative Discussion Group on future Building Act/Code legislation.
- LIM changes requiring local authorities to provide owners with natural hazard details to proceed.
- In 2021, the Government announced a comprehensive review of the resource management system, a review we have been calling for as part of our work with Business New Zealand, the Auckland Employers' and Manufacturers Association, the Environmental Defence Society, and Infrastructure NZ under the banner of Resource Reform New Zealand. This year, Property Council remained a key advisor to the Ministry for the Environment on Resource Reform and has spent considerable time working through the proposed legislation and consultation documents.



Part 2: Outcomes and indicators

Outcome three: Communications with impact

Outcome

What we're working towards

We showcase the property industry's contribution to the community and the New Zealand economy.

Indicators

How we're tracking

We've delivered communications with impact through:

- Solid engagement with our member communications.
- Strong media presence.
- Increased social media profile and audience.

Examples of communications with impact

Member engagement

In FY2022, Property Council implemented a new CRM and a member engagement platform called Higher Logic. In FY2023, the Higher Logic platform was further upgraded with the addition of a dedicated member social network called Hono, and an updated email marketing platform called Informz.

For Property Council, these upgrades have two key uses:

1. Email marketing campaigns – with much of our marketing and promotion of events and services delivered via email, it is imperative that we have email marketing software that integrates with both our website and our CRM. Rather than 'sending blind' as we have in the past, we can now track trends, collect data and use this information to tailor a personalised experience for every member.
2. Online community – while we had been exploring ways of bringing our members together online previously, the pandemic proved more than ever that it is vital to have a place for members to collaborate and engage that meets them where they are at. This is especially true once we considered our Diversity & Inclusion initiatives and broad geographical spread. Higher Logic's online community platform will give our members a space to connect, create and innovate.

To date, the email marketing segment of the software has been successful, with open rates remaining consistent throughout the year.



Average Email Open Rate FY2022 vs FY2023



Growth in social media coupled with consistency across mainstream media

Trust in and use of mainstream media has been reducing in recent years as a new generation of audiences turn to social media and streaming services for their content and entertainment. With this shift comes a shift in focus for organisations such as Property Council.

While we maintain a consistent approach to mainstream channels, such as specific media pitches and releases on newsworthy issues and regular engagement on talkback stations such as Newstalk ZB's Weekend Collective and Radio NZ's The Panel, we are focusing more of our resource to social media, with a particular emphasis on LinkedIn.

In 2022/23, we sent 16 media releases/pitches to select media outlets on subjects such as the Budget, Property Industry Awards, Build to Rent, resource system reform, the Property People Awards and key national events and conferences. This resulted in 37 media interviews and a total of 280 media hits across the year.

In addition, we posted 374 times to Property Council's LinkedIn channel, reaching 738,682 people and producing an average engagement rate of 7.5%. We also increased our LinkedIn audience by 1,951 followers, all without any cost outside of staff time.



Part 2: Outcomes and indicators

Outcome four: Exceptional member value

Outcome

What we're working towards

We inform, educate and foster mutually beneficial relationships for our members and the wider industry.

Indicators

How we're tracking

We've delivered exceptional member value through

- A strong, agile national events programme.
- Local in-person events that deliver value to the regions.
- Member Survey feedback that highly rates Property Council's member services.
- Strong member retention.



Examples of exceptional member value

National events form a financial backbone

After two years of considerable event restrictions due to the COVID-19 pandemic, Property Council's events, particularly our national conferences and awards, bounced back massively, resulting in some of the most profitable event surpluses on record.

In total, the event surplus for FY2023 was \$373k higher than budget, with the largest contributors being The Property Conference, the Property Industry Awards and the Regional Property People Awards. The appetite for in-person events after such a hiatus was insatiable, and we were fortunate to be poised and ready to deliver events to members as soon as restrictions eased.



Local events deliver value to the regions

While Property Council's national conferences and events might dominate the headlines, it is the regional events that provide steady, consistent value to members across Aotearoa.

In FY2023, Property Council delivered 53 regional events: 12 in Auckland, 14 in the Central region (across both the Bay of Plenty and Waikato), seven in Wellington, 11 in the South Island (with events in both Christchurch and Dunedin), and nine nationwide webinars. This network of topical, relevant events hosted 8,222 attendees and is a key vehicle for delivering value to all members, no matter where they reside.



Highly rated member services and events

As mentioned previously, towards the end of FY2023, Property Council undertook a Member Survey to measure the perceived value of our services, events, and content.

To follow are the average ratings given by members in the FY2023 Member Survey:

- Property Council delivers services and benefits to members effectively and efficiently. – 7.72/10
- Property Council events provide networking and relationship building opportunities for members and stakeholders. – 8.40/10
- Property Council events provide stellar content, relevant education, and an exceptional member experience. – 7.57/10

This feedback is highly prized by the Property Council team, who work tirelessly to deliver services and events that are relevant, engaging and of value to members.

Part 2: Outcomes and indicators

Outcome five: A dynamic and secure organisation

Outcome

What we're working towards

We steer the ship, ensuring the organisation has the capability and capacity to deliver quality services to our members.

Indicators

How we're tracking

We've ensured a dynamic and secure organisation through

- \$2m Financial Resilience Fund.
- One new 2022-25 Strategy.
- A positive staff culture where talent is nurtured and retained.

Examples of a dynamic organisation

The financial stability to plan for the future

Back in 2020, with little reserves and the disruption of COVID-19 upending our revenue streams, Property Council faced an uncertain future.

While every effort was made to cut costs, strategise and streamline operations, we knew we had to build reserves quickly or face continued disruption and restructure.

In mid-2020, the management team approached National Council with a request for a Corporate Leader Special Levy, aimed at raising \$500,000 to build Property Council's cash reserves and create a sustainable financial position for the organisation. The intention was to build a Financial Resilience Fund of \$2 million over the next five years through a voluntary Special Levy for Corporate Leaders in FY21, an increase in membership fees in the next financial year and Property Council achieving operational surpluses each year which would be invested into the fund.

The National Council approved this request on the basis that those who contribute acknowledge that although their investment is greater, they remain committed to the collective voice of property and warrant no additional influence over Property Council's operations or strategy.

We are immensely proud to report that between an excellent member retention rate, strong national event surpluses, austerity measures, and the support of those members who contributed to the Fund, we have achieved \$1.87m in reserves as of 31 March 2023, with the balance of the \$2m to be contributed from the current year operating surplus, reaching our target two years earlier than planned.

We sincerely thank those members who voluntarily chose to contribute to this fund:





2022-25 Strategy

Four years ago, Property Council New Zealand began a journey of transformational change. The first marker on this pathway was the development of Property Council's first ever strategic plan, launched in August 2019.

Since this time, the organisation has undergone a rapid evolution in the face of global disruption unlike anything seen before. Despite the impact of the ongoing pandemic, 18 of the 19 original priorities identified in the 2019 strategy were completed (the 19th having been necessarily delayed due to competing priorities). We approached 2022 a more organised, professional, and financially stable organisation than ever, giving us a strong foundation to build on this momentum as we elevate Property Council for the next chapter.

This strategy is the result of significant work by Property Council's Board and Leadership Team, with vital input from its Committees, Advisory Group, and staff.

Property Council has transformed into a purpose-orientated industry leader, and our objective now is to increase our impact and influence and take the organisation to another level.

We have retained our five clear goals: strong industry leadership, influential advocacy, communications with impact, exceptional member value and a dynamic and secure organisation. To achieve these goals, we defined 10 priorities across five areas of the organisation.

Read the 2022-25 Strategy at propertynz.co.nz

Creating a culture where talent is nurtured and retained

Following significant organisational change in FY2022, this year became one of consolidation and care as we turned our attention to fostering a team culture of kindness, empathy and fun.

In essence, Property Council wants to be an awesome place to work, a place where everyone belongs and where we are empowered to be the very best version of ourselves. To kick-start this journey, we ran a series of internal workshops over several weeks in late 2022 introducing different ideas and concepts to the team. This learning was brought together at an in-person workshop where we developed a set of behavioural aspirations for us all to aspire to.

Property Council's behavioural aspirations are:

1. We celebrate mahi tahi – our differences are our strengths
2. We strive to do our best work and be our best selves
3. We choose courage over comfort
4. We practice kindness and empathy
5. We are accountable for the culture of our team
6. We allow space for fun; we are here because we want to be here

Collectively, we agreed that these behaviours are essential to a healthy, high-performing team. While we will never be perfect, we committed to holding ourselves and each other to account for these behavioural aspirations. These aspirations are formalised in a Property Council Culture Handbook, which is shared with potential employees and forms the basis for ongoing work and measurement of how we are tracking against these aspirations.



Our people

National Board

The National Board is tasked with providing strategic direction of the organisation in close consultation with members.

We wish to thank Angela Bull of Tramco, Scott Pritchard of Precinct Properties and Clive Mackenzie of Kiwi Property, who were reappointed to their position on the National Board for a two-year term commencing November 2022.



Scott Pritchard
Precinct Properties
National Chair



Mark Thomson
Auckland Airport



Clive Mackenzie
Kiwi Property



Angela Bull
Tramco



Patrick Dougherty
Kāinga Ora – Homes
and Communities



Anna Crosbie
Russell McVeagh



James Riddoch
Greenwood Roche
*South Island
Regional Chair*

Our Team



Leonie Freeman
Chief Executive



Sara-Jane Evans
Head of Membership and
Commercial Services



Maryanne Sheehy
Head of Finance



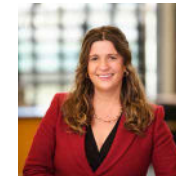
Kelly Taylor
Head of Communications



Rona Miller
Head of Operations



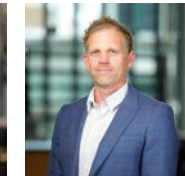
Katherine Wilson
Head of Advocacy



Denise Lee
Advocacy Consultant



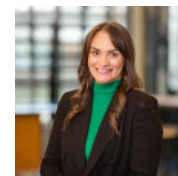
Roger Grove
Financial and Systems
Consultant



Kayne Franich
Sponsorship &
Membership Manager



Sally Schmall
Training Academy
Manager



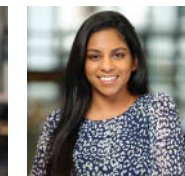
Catie Harris
Events Manager



Emma Porritt
Events Coordinator



Logan Rainey
Advocacy Advisor



**Sandamali
Ambepitiya**
Senior Advocacy Advisor



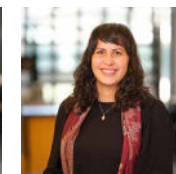
Naomi Read
Digital Communications
Advisor



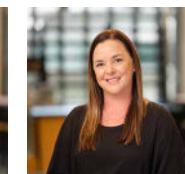
Tasch Dodson
Auckland Regional
Manager



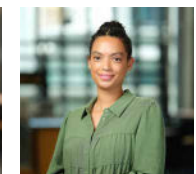
Aleisha Hogarth
South Island Regional
Manager



Sandra Brown
Wellington Regional
Manager



Sarah Rundstrom
Central Regional
Manager



Louise Cooksey
Events Administrator

Our Industry Leaders

Argosy
Property Limited

Auckland
Airport

aurecon

BARFOOT
THOMPSON &
LCB01410-REAGAN.COM

BAYLEYS

Beca

bnz

CBRE

Colliers

大成 DENTONS KENSINGTON SWAN

dexus

Eke Panuku
Development
Auckland

Goodman⁺

HG HARRISON
GRIERSON

H
HAWKINS

Holmes

Jasmax

JLL[®]

Kāinga Ora
Homes and Communities

Kiwi
Property

Naylor
Love

NGĀTI WHĀTUA ŌRĀKEI
WHAI RAWA LIMITED

precinct
PROPERTIES NEW ZEALAND

Pfizer

RLB Rider
Levett
Bucknall

Russell
McAugh

SCENTRE GROUP

STRIDE

TEMPLETON

Vital
HEALTHCARE
PROPERTY TRUST

WARREN AND MAHONEY[®]

Wilson Parking



Part 3:

Impact summary

Together, shaping cities where communities thrive

Property Council is the one organisation that collectively champions Aotearoa New Zealand's largest industry - property.

We bring together members from all corners of the property eco system to advocate for reduced red tape that enables development.

Our members shape the cities and spaces where New Zealanders live, work, play and shop.

10,000+

Property professionals
connected

15%

Property accounts for 15%
of NZ's GDP

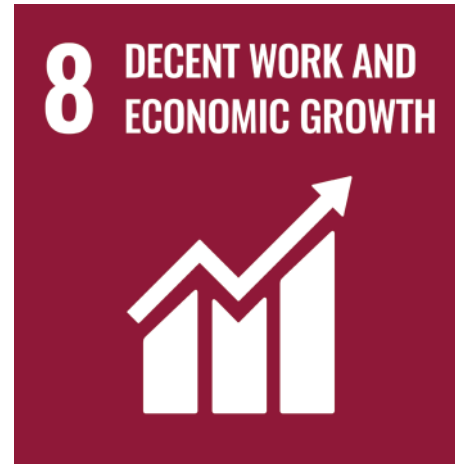
550

Member companies

200,000

People employed in property

Our impact aligns most strongly to seven UN Sustainable Development Goals





Our finances

Our Finances

The cost of impact and influence

In the last financial year, the cost of providing advocacy, event and research services to our membership was \$2.932 million.

Total operating revenue was up from last year to \$5.471 million (from \$3.742m in FY22), mainly due to event revenue exceeding expectations. Some events had been postponed from last year due to Covid. Not only were they able to be held this financial year but they were also well attended.

Key expenses in the period included:

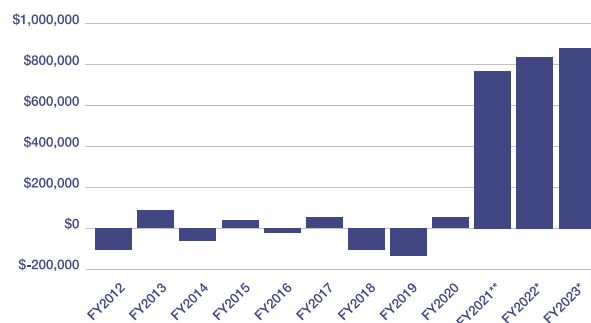
- \$818k paid in operational expenses.
- \$2.18m to run our events.
- \$202k paid to keep a roof over our heads in Auckland, Wellington, and Christchurch.
- Employee costs continue to be the biggest outlay for the organisation.

Movements from the previous year include:

- Higher event revenue and cost of sales (due to the pause in live events caused by lockdowns and restrictions in FY22).
- Slightly increased membership subscription revenue.
- More spent on advocacy and policy (up from \$8k in FY22 to \$17k in FY23).
- Increased employee costs.
- Through careful management of costs, the organisation was able to achieve a total surplus of \$871k. This surplus is comprised of an Operational Surplus of \$455k and Financial Resilience Reserve Special Levies of \$412k.

Surplus/deficit over time

FY2012 - FY2023



* Includes Financial Resilience Reserve Special Levy of \$412,000

**Includes Financial Resilience Reserve Special Levy of \$541,051 and Wage Subsidy of \$112,474

Where does the funding come from?

Property Council New Zealand's total operational revenue was \$5.471 million, an increase of \$1.7 million on the previous year. Our two key funding streams are membership subscriptions and event revenue.

Of note in the period was:

- An increase in membership revenue of \$29k.
- An increase in event revenue of \$1.7 million.
- An increase in other revenue of \$76k.

At the end of FY23, Property Council's net assets have increased by \$871k, being the surplus for the year.

Total equity, including Accumulated Revenue and Expense as well as the Financial Resilience Reserve, now sits at \$3.3 million.

Changes in the balance sheet for FY23 include:

- A decrease of event revenue in advance of \$165k. This was partially offset by a decrease in prepayments of \$19k.
- An increase in receivables of \$56k.
- An increase in cash and term deposits of \$817k. This is primarily due to the operating surplus and increase in Financial Resilience Reserve funds.

As an organisation, we continue to work extremely hard to control overheads and costs where possible. While also ensuring we are investing where necessary to deliver a high level of value to our members.

Thanks to our Industry Leaders and strong member support we have met the target to build our reserves by the aimed \$2 million, two years early. We thank our members and our governance team for their support during this time.

Summarised consolidated financial statements

Consolidated Statement of Comprehensive Revenue and Expense

For the year ended 31 March 2023

	Note	2023 \$	2022 \$
Revenue			
Revenue from exchange transactions	3	5,470,701	3,741,868
Cost of sales	4	(2,203,001)	(774,231)
Gross profit		3,267,700	2,967,638
Revenue from non-exchange transactions	3	412,000	412,000
Interest income		91,440	20,930
Other income		31,615	26,396
		3,802,755	3,427,055
Less: expenses			
Operational expenses		(818,220)	(655,936)
Depreciation and amortisation expense	4	(48,565)	(63,109)
Employee benefits expense	4	(1,862,980)	(1,691,094)
Occupancy expense		(202,334)	(177,538)
		(2,932,099)	(2,587,678)
Surplus for the year		870,656	839,286
Total comprehensive revenue and expense for the year		870,656	839,286

Consolidated Statement of Changes in Net Assets/Equity

For the year ended 31 March 2023

	Note	Accumulated revenue and expense \$	Financial resilience reserve \$	Total equity \$
Balance as at 1 April 2021		1,028,711	541,051	1,569,762
Surplus for the year		839,286	-	839,286
Total comprehensive revenue and expense for the year		839,286	-	839,286
		1,867,997	541,051	2,409,048
Transfer to financial resilience reserve	15	(612,000)	612,000	-
Balance as at 31 March 2022		1,255,997	1,153,051	2,409,048
Balance as at 1 April 2022		1,255,997	1,153,051	2,409,048
Surplus for the year		870,656	-	870,656
Total comprehensive revenue and expense for the year		870,656	-	870,656
		2,126,653	1,153,051	3,279,704
Transfer to financial resilience reserve	15	(712,000)	712,000	-
Balance as at 31 March 2023		1,414,653	1,865,051	3,279,704

Consolidated Statement of Financial Position

For the year ended 31 March 2023

	Note	2023 \$	2022 \$
Current assets			
Cash and cash equivalents	6	348,704	1,003,020
Receivables from exchange transactions	7	113,209	56,872
Inventories	8	11,151	10,766
Other financial assets	9	3,131,409	1,660,035
Other assets	10	410,350	429,177
Total current assets		4,014,823	3,159,870
Non-current assets			
Property, plant and equipment	11	137,814	121,732
Intangible assets	12	22,996	46,408
Total non-current assets		160,810	168,140
Total assets		4,175,633	3,328,010
Current liabilities			
Payables from exchange transactions	13	289,638	139,374
Employee benefit liabilities		153,689	165,517
Revenue in advance	14	452,602	614,071
Total current liabilities		895,929	918,962
Total liabilities		895,929	918,962
Net assets		3,279,704	2,409,048
Equity			
Accumulated revenue and expense		1,414,653	1,255,997
Special levy reserve	15	1,865,051	1,153,051
Total equity		3,279,704	2,409,048

Approved on behalf of the Board, dated 2 August 2023

Leonie Freeman
Chief Executive

Scott Pritchard
National Chair

Consolidated Statement of Cash Flows

For the year ended 31 March 2023

	Note	2023 \$	2022 \$
Cash flow from operating activities			
Proceeds from members		2,087,384	2,950,244
Proceeds from events		3,053,781	1,064,855
Proceeds from other revenue		548,884	569,634
Interest received		88,714	21,050
Payments to suppliers		(3,041,015)	(1,866,571)
Payments to employees		(1,874,808)	(1,688,241)
Net cash provided by operating activities		862,940	1,050,971
Cash flow from investing activities			
Payments for property, plant and equipment		(45,882)	(20,385)
Payments for intangible assets		-	(19,752)
Payments for short term deposits		(1,471,374)	(483,691)
Net cash used in investing activities		(1,517,256)	(523,828)
Reconciliation of cash and cash equivalents			
Cash and cash equivalents at beginning of the financial year		1,003,020	475,876
Net increase / (decrease) in cash and cash equivalents held		(654,316)	527,143
Cash and cash equivalents at end of financial year	6	348,704	1,003,020

These statements are extracts from our full set of statutory Financial Statements for the year, which contain other details such as accounting policies and detailed notes to the financial statements. Our full Financial Statements have been audited and contain an unmodified audit opinion from our independent auditors, BDO.

Our full audited financial statements are available for viewing on our website at www.propertynz.co.nz/annual-reports.

Alternatively, should you wish to have a copy of the full Financial Statements sent to you, please contact us at enquiries@propertynz.co.nz.



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