

TomatoesNZ 

**2019**

# **ANNUAL REPORT & AGM PAPERS**

YEAR ENDED 31 MARCH 2019





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# INTRODUCTION

Tomatoes New Zealand addresses industry-wide issues for members, and facilitates the industry strategy. The 123 members are all commercial growers of fresh tomatoes in New Zealand. Members fund TomatoesNZ via a levy on fresh tomato sales, under the Commodity Levies Act.

In 2019 the TomatoesNZ Board is made up as follows:

**Barry O'Neil**

Independent Chairman, Tauranga

**Malcolm Pook**

Vice Chair, Grower Representative, Vegetables.co.nz  
Board Representative, Pomoana Gardens Ltd, Waimuku

**Anthony Tringham**

Grower Representative, Vegetable Research &  
Innovative Board Representative, Curious Croppers,  
Clevedon

**Albert Shih**

Grower Representative, Vege Fresh Growers Ltd,  
Christchurch

**Simon Watson**

Grower Representative, Underglass Bombay Ltd, Drury

**Edward Lee**

Grower Representative, Lee Wang Hothouse Ltd,  
Pukekohe

**Callum Grant**

Grower Representative, Kakanui Tomatoes Ltd,  
Oamaru

**Lex Dillon**

Co-opted Member, NZ Hothouse Ltd, Drury

**Michael Breitmeyer**

Co-opted Member, MG Marketing,  
Christchurch

**Ben Smith**

Co-opted Member, T&G Global, Auckland

**Stefan Vogrincic**

Co-opted Member, Grower2Grower, Karaka

**Leanne Roberts**

Observer, Director of VNZI Covered Crops  
Advisory Group, Thymebank, Blenheim

Tomatoes New Zealand's part-time staff are Helen Barnes (General Manager) and Karen Orr (Business Manager), based in the Horticulture New Zealand office in Wellington.

# CHAIRMAN AND GENERAL MANAGERS REPORT

## TomatoesNZ Highlights and Activities 2018-19

This year saw a slight drop in levy income compared to the previous year to \$435,008 representing **an industry farm gate value of \$124.3m**, down from a \$131m farm gate value the previous year. Fewer exports to Australia in autumn 2018; low light and high temperatures; more Australian imports and a late start to the 2018-19 export season all contributed to the drop in farm gate value.

The farm gate value includes exports of \$10.33 (free on board) and 2,882 tonnes to the year ended 31 March 2019.

TomatoesNZ's strategy pillars are:

- Market led export
- Share best practise & information transfer
- Enhance sustainability
- Manage risks

TomatoesNZ undertook a range of activities in 2018 - 19 to advance these pillars.

### Key highlights for the 2018/19 financial year included:

- Member approval of a new commodity levy order for fresh tomatoes that will provide funding for TomatoesNZ Inc. for the next six years;
- A focus on biosecurity, including signing a fresh tomato operational agreement for biosecurity readiness with MPI;
- Continued engagement in work to help address the industry's key production concerns through new and ongoing research projects, extension activities and advocacy;
- A new Market Development Grant for exporters;
- Welcoming new Independent Chairman Barry O'Neil to the board.

## Biosecurity

### Fresh Tomato Operational Agreement

TomatoesNZ signed a Sector Readiness Operational Agreement (OA) with Biosecurity New Zealand (Ministry for Primary Industries) in December. The agreement formalises the fresh tomato industry's commitment to preparedness for incursions of pests and diseases that would have a major effect on the commercial fresh tomato industry if they were to enter New Zealand. Under the agreement, readiness activities including monitoring risks, response planning, surveillance, and research and development will be cost shared between Biosecurity New Zealand and TomatoesNZ.

The agreement initially focuses on two sector risk organisms, the tomato leafminer *Tuta absoluta* and the tomato strain of Pepino mosaic virus (PepMV), which were identified at a workshop attended by the TomatoesNZ board and MPI representatives as the two priority pests to include in the fresh tomato OA. There is provision to add others in the future.



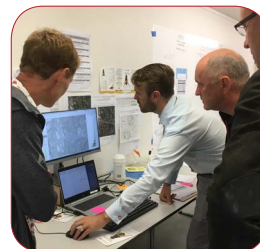
## Biosecurity readiness for the industry

In February this year, Biosecurity NZ and TomatoesNZ ran a biosecurity simulation exercise which members of the TomatoesNZ board participated in, along with representatives from other covered crop growers, a plant nursery and United Fresh. The scenario presented for the exercise was an identification of *Tuta absoluta* in a greenhouse and involved working through an initial response plan. This proved very useful in terms of learning what goes into a response plan and understanding “CIMS” coordinated incident management system. Other actions agreed at the workshop included a literature review on *Tuta absoluta*, and gathering information from the industry on capabilities we have available if a response was needed.



## Fruit fly in Auckland

The CIMS coordinated incident management system was seen in action in February 2019, when a single male Queensland fruit fly was identified on the North Shore of Auckland. This was closely followed by the discovery of a different species of fruit fly, a male *facialis*, or Tongan fruit fly, in Ōtara, south Auckland. Further finds resulted in Biosecurity NZ instigating “Level 1” fruit fly responses in Northcote and Devonport (Queensland fruit fly) and Otara (*facialis* fruit fly). As a signatory to the Fruit Fly Operational Agreement under Government Industry Agreements for biosecurity (GIA), TomatoesNZ has been closely involved in the response governance, and will be expected to pay a share of the response costs.



## BMSB

As a signatory to the Brown Marmorated Stink Bug (BMSB) Operational Agreement, TomatoesNZ is a member of the BMSB Council, which successfully applied to the Environmental Protection Authority (EPA) for approval to release the BMSB parasitoid Samurai Wasp *Trissolcus japonicus* in 2018. TomatoesNZ supported the application with previous Chairman, Alasdair MacLeod, and Grower, Ben Smith, presenting in support of the application at the EPA hearing.



## Biosecurity levy

Our application for a biosecurity levy was first submitted in February 2018, following support at the 2017 AGM. The timeline for approval has taken longer than expected, however we hope that the levy will be in place by the end of 2019.





# Research, Development & Extension

## Workshops on biocontrol research

Two well attended workshops were held during March 2019 in Clevedon and Lincoln to update growers and industry representatives on work being done on biocontrol research, focusing on covered crops. The workshops presented recent work on the new TPP (tomato-potato psyllid) biocontrol agent *Tamarixia triozae*, with growers talking about their challenges in managing TPP and greenhouse pests, and discussing further work needed to support non-agrichemical pest management in the greenhouse.

Presentations included Professor Steve Wratten (Bio-Protection Research Centre, Lincoln University) on pests and control methods, including soft options, chemicals and biocontrol's. Dr Shola Olaniyan (Bio-Protection Research Centre, Lincoln University) presented research on TPP including trials on Merlice tomato plants using "natural enemies" *Engytatus*, *Limonicus*, *Cleobora* and *Tamarixia*, in combination with buckwheat. Steve and Shola have produced a brochure titled "*Biological control of the tomato-potato psyllid in New Zealand glasshouses*".

Dr Sally Anderson (Vegetable Research and Innovation Board) and Dr Melanie Davidson (Plant & Food Research) updated on progress in the three-year Sustainable Farming funded *Tamarixia* release and monitoring project. First year releases involved sites in Canterbury, Hawkes Bay and Clevedon, and *Tamarixia* overwintered successfully in two Hawkes Bay sites and in Canterbury. Year 2 releases are mainly with organic growers to help boost survival rates in non-insecticide environments. The third year extends the releases and growers that are interested in releasing *Tamarixia* on their site are welcomed to make contact with Sally. Guides on both release and then surveying for *Tamarixia* have been developed and the project is due for completion in 2020.

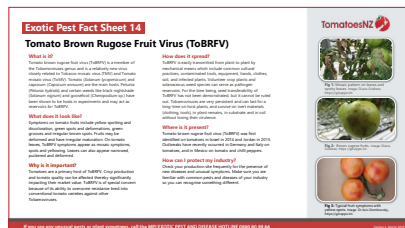


## Industry research update

An industry research update was held in Pukekohe mid May 2018 with twenty-six growers and associates attending. Topics included an update on VR&I projects including cross-vegetable industry research that TomatoesNZ is co-funding; TomatoesNZ ongoing pest control research; and a presentation by grower and board member, Anthony Tringham, on some alternative pest control ideas, along with results of energy and waste surveys conducted by TomatoesNZ.

## Grower information

A TomatoesNZ “New Zealand residue compliance information for fresh greenhouse tomatoes 2018-19” booklet was posted to members in November, replacing the previous two-sided “residue compliance information” poster.



We have continued to add to the “Exotic Pests Fact Sheets”, designed to raise awareness of the high-risk tomato pests that we do not yet have in New Zealand. There are now fourteen available to download at <https://www.tomatoesnz.co.nz/industry/biosecurity/exotic-pests-fact-sheets/>

Managing spray drift information has also been updated, including advice for applicators such as good spray application management guidelines, notification of use, decisions that will influence the potential for drift, and steps to take if you suspect a spray drift incident. These documents are available to download from [www.tomatoesnz.co.nz](http://www.tomatoesnz.co.nz) members section.

## Vegetable Research and Innovation Board (VR&I)

VR&I continue to coordinate a vegetable industry agrichemical strategy, which keeps up to date information on agrichemical usage and future needs. A review of the use of sanitisers in vegetable packing and their uses, efficacy and identify any potential issues was completed. The next step would be to develop guidelines for sanitiser use.

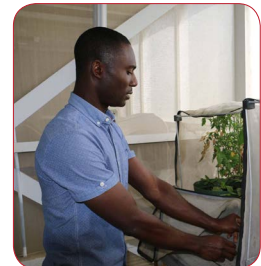
They also provide ongoing monitoring for biosecurity risks to the vegetable industry, providing an independent voice to industry on those risks. A generic vegetable Integrated Pest Management (IPM) guideline is under development.

The Vegetable Research and Innovation Board launched an online searchable research catalogue on their website ([www.vri.org.nz](http://www.vri.org.nz)) in 2018.

## TPP research at Lincoln

Dr Charles “Merf” Merfield conducted research looking at the attractiveness of UV light to TPP, undertaken by The Future Farming Centre at Lincoln and funded by TomatoesNZ. His experiment had 99.9% of psyllids caught on an illuminated trap. Unfortunately, moths were attracted too!

TomatoesNZ continued to support a Lincoln post-doctoral fellow, Shola Olyaniyan to work using the new TPP biocontrol agent *Tamarixia*, and other potential biocontrols, in glasshouses.



Italian Emiliano Veronesi arrived from Italy in March 2019 to commence his PhD to further this work over the next three years funded by TomatoesNZ, and we look forward to our continued collaboration with Emiliano and Lincoln University.

## New fungicide for indoor tomatoes

In August we presented our submission in support of Bayer’s application for reassessment of the fungicide Luna Privilege to allow on-label use for botrytis in greenhouses. After a two-year process initiated by TomatoesNZ and Vegetables NZ and supported by Bayer, we were delighted that the botrytis preventative Luna Privilege (fluopyram) was registered for use in greenhouse fruiting vegetables (except cucurbits) by the EPA in November.

This year we have also been involved in coordinated vegetable industry submissions to the EPA when they called for information on Neonicotinoids and Synthetic Pyrethroid use and alternatives.



## Carbon dioxide capture systems for greenhouses

In March Helen and Karen visited Hot Lime Labs for a tour of their pilot facility in Lower Hutt. This project is developing systems to boost the yields of large-scale hydroponic greenhouses with CO<sup>2</sup> through a system that uses renewable sources to create low-cost CO<sup>2</sup> for greenhouses.



## Tomatoes supported Country of Origin labelling bill

The Government passed the Consumers' Right to Know (Country of Origin of Food) Bill into law in November, a move supported by TomatoesNZ. A study of 1000 people in 2015, commissioned by Tomatoes New Zealand, found 85 percent wanted clear labelling to help them identify between New Zealand tomatoes and irradiated Australian tomato imports.

## Energy Use and Emissions Trading Scheme

Growers have become more energy efficient with results from a survey to update on greenhouse energy use earlier in 2018 reporting that the weighted average carbon footprint for "standard" tomatoes decreased by 21% between 2004 and 2018, reflecting much higher yields and only a small increase in energy use.

In September we submitted on the government's "improvements to the New Zealand emissions trading scheme" consultation and a TomatoesNZ working group has been formed to manage further input and research in this area highly topical area.

## Fresh Tomatoes Commodity Levies Order 2019

A new commodity levy order came into effect 1 April 2019, following grower support at a referendum held in July 2018. Under the new levy order, the initial fresh tomato levy rate remains the same at 0.35%, and includes the capacity for growers to vote at an AGM to raise the rate up to a maximum of 0.50%.

## 2018 Conference

The Horticulture Conference "Our Food Story" was held 23-25 July in Christchurch and was well attended by growers. A record number of TomatoesNZ members enjoying a range of speakers on topics including a panel discussion on overcoming constraints on growing in the post-pesticide age and stories from growers on innovative marketing and sustainability initiatives.



## Imported tomatoes

Low domestic supply in early August along with low prices in Australia saw a spike in volume of Australian irradiated tomatoes imported.

The three months to the end of August saw almost 516 tonnes of Australian imported tomatoes arrive, which is 2.5 times the volume for all of 2017. These must all be identified as “irradiated” at point of sale, and TomatoesNZ reminded those involved of this requirement issuing a press release in August and talking with retailers and wholesalers. Further work on this will be undertaken in 2019, with a media campaign planned.



## Export

This year TomatoesNZ introduced a new export market development grant, to encourage further development of tomato exports

during times of significant oversupply in the New Zealand domestic market. The grants are for marketing activities such as travelling to develop overseas markets and exploring supply chain opportunities.

During the second university semester of 2018, TomatoesNZ hosted a student intern from Southeast Asia Centre of Asia-Pacific Excellence. Aditya Kusuma conducted research on opportunities for fresh tomato export in SE Asia, focusing on Thailand, Malaysia and Singapore.



## Meeting with overseas delegates

During February we met with representatives from AusVeg, the Australian Vegetable Industry body, who were visiting NZ to learn more about our vegetable industry and our industry's representative structure.

In March we discussed opportunities to further expand exports to Singapore with the Singapore High Commission, at their request.

## Tomato rootstock seed imports

Tomato rootstock seed imports came to a halt in spring when MPI was notified that a hybrid rootstock seed parent species was not on their allowed imports list. TomatoesNZ agreed with MPI's assessment that the hybrid did not pose a risk to NZ's biosecurity, as the hybrid rootstock had been used in NZ for many years or even decades, and its exclusion from the PBI list was likely an oversight.

Before imports could resume, the EPA needed to decide whether the species was present in NZ prior to the 1998 HASNO Act. We worked with the EPA and the seed company to show that it had been present for a long time. Mid December the EPA issued its decision that the species was not “new to New Zealand”. MPI Plant Imports Group prioritised adding the hybrid to the PBI and getting the paperwork in place for imports to resume as soon as possible, giving the all-clear for imports to resume in late December.

## Tomato Brown Rugose Fruit Virus (ToBRFV)

Tomato Brown Rugose Fruit Virus (ToBRFV) is considered an “emerging risk” as it spreads rapidly overseas. We have published a new “Exotic pest fact sheet” for this virus, available for download under the biosecurity section of the [tomatoesnz.co.nz](http://tomatoesnz.co.nz) website.

## Promotion



### Vegetables.co.nz progress teaching cooking at intermediate schools

TomatoesNZ continued to support NZ vegetable industry promotion through the Vegetables.co.nz platform. One of Vegetables.co.nz's key achievements this year was a partnership with the Heart Foundation to successfully launch a new Food Curriculum Project resources aimed at teaching year 7 and 8 students how to cook a healthy meal. They teamed up with over 50 teachers from throughout New Zealand to develop a range of tools and will continue to work closely with teachers on the ongoing use of the resources.

## Sponsorship

TomatoesNZ is proud to support the Young Vegetable Grower of the Year competition, which in 2018 saw two competitors awarded joint winners for the first time. We also support the Women in Horticulture initiative, which aims to increase female representation across the industry and encourage diversity, and in 2018 supported the Pukekohe Vegetable Growers Association centenary celebrations.

## Tomatoes Board

The TomatoesNZ board is well balanced with experience, growing and technical knowledge well represented. Board members work collegially to achieve results for the benefit of the industry as a whole. The board held face-to-face meetings in May, August and October 2018, and in February 2019.

In July South Island growers, Callum Grant and Albert Shih, were welcomed to the TomatoesNZ board adding their fresh perspective to board discussions. In December the TomatoesNZ Board was pleased to appoint Greg Prendergast, Head Grower at T&G Global, as a co-opted board member replacing Anthony Stone.

We farewellled long standing T&G's board member Ben Smith, in August as he moved away from covered crop growing.



## Visits

In August, several members of the TomatoesNZ board travelled to New Zealand Gourmet's Mokai glasshouses for Philips presentation on "how to grow with light" by plant specialist Piet Hein van Baar from the Netherlands. His presentation on the use of LED lighting for tomato growing was very informative, as was Senior Grower, Hans van Veen, who talked about his experiences growing under light at Gourmet Mokai.







Barry O'Neil, has enjoyed meeting many growers in South Auckland, Pukekohe, Reporoa, and Christchurch since settling into his Chairman's role with TomatoesNZ. Barry has also met with key wholesalers and distributors MG Marketing, T&G Global, and Freshmax.

As part of their August meeting, the board held a successful joint meeting with the Horticulture New Zealand board in Napier, and met with Dr Jim Walker, who provided a tour of Plant & Food Research's Havelock North research centre and an overview of the apple industry's investment in long-term sustainability. In discussing pest control innovations, Jim advised to "use the most selective and softest product against your worse pest".

## Financial Performance

Commodity levies incomes to end March 2019 was \$435,008, representing an industry farmgate value of \$124.3m.

Total operating expenditure of \$482,106, resulting in a reduction in reserves of \$39,529 (see HortNZ accounts pg 34).

This consisted of \$103,647 on R&D, \$58,031 on Meetings and Travel (includes conference), \$247,160 on office and communications (includes staff), \$72,815 on promotion (includes sponsorship) and \$3000 on audit.



## The year ahead..... view from the Chairman

The year ahead is shaping up to be another very busy year for TomatoesNZ. We have the government trying to finalise its policy agenda before the next election, with some extremely important issues for our industry, including the climate change act with its associated targets to reach carbon neutral 2050. We are already part of the ETS and we need to make sure we are not disadvantaged compared to the rest of the agriculture sector that will be entering by 2025. Such things as 60% offsets currently for our sector, compared to 95% free allocation signalled by the government for the rest of agriculture when it joins is not acceptable to us, and we need to have our allocation reset with the rest of the primary sector so we have a level playing field.

Staying competitive internationally so we can not only export to markets who don't have the same approach to taxing for climate change, but also mitigate the amount of tomatoes being imported from Australia is another critical part of the climate change bill that we will put every effort into to ensure we are not disadvantaged, and our industry can continue to grow.

And while we have made some excellent progress in our biosecurity preparedness during this last year, next year we will be focusing on driving even better preparedness for pests such as *Tuta absoluta*, and in addition the government is going to be finalising its policy changes to the biosecurity act, having signalled it wants to undertake a complete review.

I'm very excited with the research and science we will have underway, including our PhD student searching for biological controls against psyllid and white fly, two of our most challenging pests.

I would like to take this opportunity thank the TNZ Board for its commitment and support over the last 12 months, it's a great team to be part of.

And last, but not least, Helen our GM has done another superb job this year, adding incredible value to the industry with her knowledge, networks and energy – as well as being a wonderful person to work with.

A handwritten signature in blue ink, appearing to read 'Barry O'Neil'.

Barry O'Neil, Chairman.

A handwritten signature in blue ink, appearing to read 'Helen Barnes'.

Helen Barnes, General Manager



Combined TomatoesNZ (Fresh product group of Horticulture  
New Zealand) & Tomatoes New Zealand Incorporated

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# ANNUAL GENERAL MEETING

## AGENDA

4:00pm, Wednesday 31<sup>st</sup> July 2019  
Mystery Creek, Hamilton

1. **WELCOME**  
Apologies, proxies and procedural motions
  2. **CONFIRMATION OF 2018 MINUTES** **17 - 21**
  3. **CHAIRMAN'S ADDRESS**
  4. **FINANCIAL STATEMENTS 2018-19** **22 - 34**
  5. **BUDGET 2019-2020** **35 - 36**
  6. **LEVY & SUBSCRIPTION RATES**
  7. **APPOINT AUDITOR**
  8. **CONFIRM DIRECTOR ELECTIONS**
  9. **GENERAL BUSINESS**
  10. **LIFETIME MEMBERSHIP AWARDS**
  11. **CLOSE**
-



# Combined AGM Remits

2019 TomatoesNZ Inc. and TomatoesNZ Product Group

The following remits, proposed by the TomatoesNZ Board, will be considered at the Tomatoes New Zealand (Product Group of Horticulture NZ) and Tomatoes New Zealand Incorporated combined AGM, being held Wednesday 31st July 2019 at Mystery Creek, Hamilton.



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## Remit 1

That the minutes of the TomatoesNZ combined AGM, Monday 23<sup>rd</sup> July 2018 at Wigram Airforce Museum, Christchurch be taken as a true and correct record of that meeting.

**Proposed by the TomatoesNZ Board**

### **Explanatory Note**

The minutes are included with the 2019 Annual report & AGM papers, posted to all members and available at [www.tomatoesnz.co.nz](http://www.tomatoesnz.co.nz)

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## Remit 2

That the Chair's report for the year ended 31 March 2019, as published in the 2019 Annual report & AGM papers, be taken as read and approved.

**Proposed by the TomatoesNZ Board**

### **Explanatory Note**

The Chair's report is included with the 2019 Annual report & AGM papers, posted to all members and available at [www.tomatoesnz.co.nz](http://www.tomatoesnz.co.nz)

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## Remit 3

That the audited Tomatoes New Zealand Incorporated financial statements for the year ended 31 March 2019 be approved.

**Proposed by the TomatoesNZ Board**

### **Explanatory Note**

The audited Tomatoes New Zealand Incorporated financial statements are included with the 2019 Annual report & AGM papers, posted to all members and available for download at [www.tomatoesnz.co.nz](http://www.tomatoesnz.co.nz)

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## Remit 4

That the audited TomatoesNZ (product group of HortNZ) financial statements for the year ended 31 March 2019 be approved.

**Proposed by the TomatoesNZ Board**

### **Explanatory Note**

The TomatoesNZ component of the HortNZ financial statements are included with the 2019 Annual report & AGM papers, posted to all members and available for download at [www.tomatoesnz.co.nz](http://www.tomatoesnz.co.nz); The audited statement will be posted on the website when available, and tabled at the AGM.

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## Remit 5

Endorse the TomatoesNZ Incorporated budget for the year ended 31 March 2020.

**Proposed by the TomatoesNZ Board**

### **Explanatory Note**

The proposed budget is included with the 2019 Annual report & AGM papers, posted to all members and available for download at [www.tomatoesnz.co.nz](http://www.tomatoesnz.co.nz)

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## Remit 6

That the Fresh Tomato commodity levy rate for the coming levy year remain at 0.35% at the first point of sale for domestic sales and, for exports the price received by the grower after deduction of all offshore costs for exports.

**Proposed by the TomatoesNZ Board**

### **Explanatory Note**

This represents no change to the current levy rate. The levy will be collected under the Commodity Levies Act 1990 - Commodity Levies (Fresh Tomatoes) Order 2019, rather than under the Commodity Levy (Vegetables and Fruit) Order 2013.

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## Remit 7

Confirm that there is currently no subscription membership rate.

**Proposed by the TomatoesNZ Board**

### **Explanatory Note**

The rules of TomatoesNZ Inc. provide for a subscription membership rate to be set. Currently there is no subscription membership option.

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## Remit 8

That BDO Spicers be appointed auditors for the financial year ended 31 March 2020.

**Proposed by the TomatoesNZ Board**

### **Explanatory Note**

BDO Spicer have carried out the audit for Horticulture NZ and its contracted organisations (including TomatoesNZ Inc.) in 2017, 2018 and 2019, and TomatoesNZ Inc. and Horticulture NZ intend to continue that arrangement.

# DRAFT MINUTES

## of the 2018 Combined Tomatoes New Zealand AND Tomatoes New Zealand Incorporated ANNUAL GENERAL MEETINGS

**MONDAY 23<sup>RD</sup> JULY 2018 AT 5PM**  
**AIRFORCE MUSEUM WIGRAM, CHRISTCHURCH**

TomatoesNZ Chairman, Alasdair MacLeod, presided over approx. 25 attendees including representatives of 14 voting members.

### **WELCOME**

The Chairman welcomed members and opened the meeting with housekeeping.  
The Chairman acknowledged and thanked all sponsors, noting their support is vital.

### **GENERAL BUSINESS**

No items of general business were raised.

### **APOLOGIES**

Apologies were received from Ben Smith, Malou Castaneda, Lex Dillon and Life Member - Tony Ivceovich.

### **OBITUARIES**

There were no obituaries received.

### **PROXIES**

Proxies were received from Tony Ivceovich and Soo-Hwan Cha of Sunny Garden to the chair. All proxies were directed. It was noted that Simon Watson held the vote for both Underglass Bombay and Underglass Karaka.

### **PROCEDURAL MOTIONS**

1. All growers have speaking rights.
2. Guests speak with the permission of the Chairman which has to be sought in advance.
3. That 3 minutes and 2 minutes be allowed for movers and seconders respectively and 2 minutes for other speakers.

### **MINUTES OF 2017 AGM**

The minutes of the 2017 AGM had been circulated, pages 5 – 9 of the meeting papers.

#### **REMIT 1**

**It was resolved** that the Minutes of the 2017 Annual General Meeting of Tomatoes New Zealand, held Wednesday 12th July, at ASB Baypark Stadium, Tauranga, are a true and correct record of that meeting.

**TNZ Board / Anthony Tringham**

### **MATTERS ARISING**

There were no matters arising.



## CHAIRMAN'S ADDRESS

A formal report was included on pages 10 – 16 of the meeting papers.  
The Chairman provided a brief summary on another busy year.

Key points:

- Demands of biosecurity are increasing, placing a growing load on Tomatoes NZ, including GIA commitments.
- TomatoesNZ supported a release application to the EPA for two BCA's: Tamarixia for Tomato Potato Psyllid; and more recently for Samurai Wasp in the event of a Brown Marmorated Stink Bug incursion.
- Investment has been made in time, effort, and money in Research & Development, including through the Vegetable Research & Innovation Board (VR&I). This includes participating in a Primary Growth Partnership (PGP) fund application along with a considerable number of other horticulture sectors, which is taking some time.
- Promotion has been done in the domestic market through vegetables.co.nz for the wider vegetable market, and at Asia Fruit Logistica to expand export capabilities.
- Protecting and expanding market access for tomato exports is critical as export has an exponential effect on the NZ market, providing a release valve for the domestic market over summer.
- Importance of Tomatoes NZ as a voice for growers with government was noted as a benefit of having a collective voice along with collectively funding R&D activities which wouldn't happen with individual businesses.
- Commodity levy referendum – growers were encouraged to vote, and to encourage others to vote.
- Maintaining a functional industry board is critically important. Whilst now an incorporated society, need to stay firmly attached to Horticulture New Zealand as the sector wide voice providing credibility with government and maintaining influence.
- The chair thanked the board, noting changes during his time in the role from a technically focussed group to a livelier, engaged, challenging, strategically focused group who are passionate about the sector.

The Chair concluded by thanking Helen Barnes for all she's done to support him and Tomatoes NZ, acknowledging her many attributes: hardworking, passionate, intelligent, informed, engaged, good natured, and her ability to manage multiple roles.

### REMIT 2

**It was resolved** that the Chair's report for the year ended 31 March 2018, as published in the TomatoesNZ AGM and conference papers, be taken as read and adopted

**TNZ Board / Simon Watson**

## **TOMATOES NEW ZEALAND INCORPORATED FINANCIAL STATEMENTS 2017/2018**

TomatoesNZ General Manager, Helen Barnes, presented the financial results for TomatoesNZ Incorporated (circulated in the meeting papers on pages 18-28):

- TomatoesNZ operates two sets of accounts – TomatoesNZ Product Group sitting under HortNZ, and TomatoesNZ Incorporated, which completed its second year of operation.
- Fresh tomato levy is collected through HortNZ and paid to the incorporated society. Any funds unspent at the financial year end are transferred back to HortNZ.
- Total income to the incorporated society was \$544,592, which included fresh tomato levy received during the year, plus a portion of fresh tomato levy reserves paid from Hort NZ. Approx. \$40,000 more levy income was recorded than was budgeted due to a good levy result (increased industry value to \$131m based on levy take).
- Total expenditure was recorded at \$544,592. Total expenditure was below budget (\$129,762) due to less expenditure across all areas and running a conservative budget with contingencies that did not get used (e.g. PR). The delay with the PGP was noted.
- The reserves are added to the income in TNZ Inc. to ensure there is a zero operating surplus and no tax to pay.
- TomatoesNZ's auditor (BDO) opinion was that the financial statements of TomatoesNZ Inc for the year ended 31 March 2018 were prepared, in all material respects, in accordance with the stated account policy.

### **REMIT 3**

**It was resolved** that the audited TomatoesNZ Incorporated financial statements for the year ended 31 March 2018 be adopted.

**TNZ Board / Reupena Kovati**

## **TOMATOES NEW ZEALAND FINANCIAL STATEMENTS 2017/18**

The TomatoesNZ (product group of HortNZ) financial statements, were circulated in the meeting papers, page 17.

- The income of \$471,246 is made up of \$459,940 levy collected plus \$11,306 interest on reserves.
- The expenditure is paid to TNZ Inc. to cover operational expenses (includes levy collected for the year, plus expenditure of \$69,227 of the reserves).
- Income was higher than budgeted, reflecting an increasing industry value. Interest received was slightly lower than budgeted. Expenditure was lower than budgeted.
- The accumulated reserves held for TomatoesNZ in HortNZ was recorded at \$544,489.

### **REMIT 4**

**It was resolved** that the audited TomatoesNZ (product group of HortNZ) financial statements for the year ended 31 March 2018 be adopted.

**TNZ Board / Anthony Tringham**

## **TNZI BUDGET 2018/2019**

The General Manager presented the TomatoesNZ budget for 2018/19 (circulated in the meeting papers on page 30-31 and updated handout provided):

Summary:

- Updated budget handout was provided as auditor's fee of \$3000 was not included in the total on pg. 31.
- The budget represents a combined view of the TomatoesNZ Inc. and Tomatoes NZ (product group of Hort NZ) finances was provided to give an overall view.
- Forecasted income of \$454,000 is based on a conservative industry value of \$125m (compared to an actual value of \$131m last financial year).
- Expenditure is forecasted at \$599,087. This is higher than last year's actual due to conservative budgeting and new research commitments including a PhD student looking at biocontrol agents and the PGP project on sustainable pest management proceeding (which was pushed out from FY17-18).
- Tomatoes NZ is budgeting a deficit of -\$145,087 for the year with a corresponding reduction in reserves to \$418,932.

In response to a question, the General Manager explained the history behind the strategy of running a deficit budget.

### **REMIT 5**

**It was resolved** to endorse the TomatoesNZ Incorporated budget for the year ended 31 March 2019.

**TNZ Board / Anthony Stone**

## **OTHER REMITS**

### **REMIT 6**

**It was resolved** resolved that the commodity levy rate for Fresh Tomatoes for the coming levy year remain at 0.35% at the first point of sale for domestic sales and Free on Board for exports.

**TNZ Board / Simon Watson**

### **REMIT 7**

**It was resolved** that there is no subscription membership rate.

**TNZ Board / Simon Watson**

### **REMIT 8**

**It was resolved** that BDO Spicers be appointed auditors for the financial year ended 31 March 2019.

**TNZ Board / Malcolm Pook**

## CONFIRM DIRECTORS

There were two vacancies on the board, due to retirement of Jonathan Baker and Hayden Armstrong.

**Albert Shih**, fresh tomato grower from Canterbury, was nominated.

**Callum Grant**, fresh tomato grower from North Otago, was nominated.

Due to the vacancy left by Jonathan and Hayden, both nominees were appointed to the two vacancies without the need for an election. The Chair thanked Jonathan and Hayden for their service, and acknowledged their vital role on behalf of smaller growers.

The Chair introduced and congratulated Albert and Callum on their appointment to the board. The Chair also acknowledged Ben Smith's recent resignation from the board and offered thanks for his observer and technical advisory roles.

## GENERAL BUSINESS

No items of general business were raised.

## THANKS TO CHAIRMAN

Vice Chairman, Malcolm Pook, offered thanks to the outgoing Chairman, Alasdair MacLeod.

He agreed with Alasdair's comment that when Alasdair first joined the TomatoesNZ board they were a dull and boring group and deciding to appoint an independent chair raised some concern by members at the time. However Alasdair's skills and the expertise he has been able to bring to the table has been invaluable, resulting in a re-vitalised board today.

General Manager, Helen Barnes, thanked the Chair commenting on him being a wonderful supportive boss. She noted the highs and lows they've been through and his ability to get stuck in to the issues. Helen acknowledged Alasdair's generosity with his time and energy, getting involved in areas such as Women in Horticulture and taking a lead role in many workshops and strategy sessions. She acknowledged his humour, patience, enthusiasm and support as a mentor and champion. A gift was presented.

Barry O'Neil was introduced as the incoming Chair. Barry provided thanks to Alasdair and spoke of how the two board meetings he had attended in preparation for stepping into the role were never dull and boring but insightful and focused on strategy and outcomes. He acknowledged the big shoes he will fill and his focus on the future success for the tomato industry. Barry briefly touched on his background in biosecurity and in more recent years in governance roles, noting there are big challenges ahead. He has spent the last 6 years at Kiwifruit Vine Health which was established following the PSA outbreak, noting the importance of understanding risks and being prepared. Achieving zero carbon 2050 whilst maintaining a positive economy are some of the challenges and important in our social license to operate. Whilst on the board of Horticulture NZ he noted importance of TomatoesNZ having a voice and working for successful outcomes for growers futures.

The Chair thanked members for their attendance and input.

Meeting closed at 5:40pm.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2019

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Barry O'Neil  
Chairman – Tomatoes New Zealand Incorporated



# **Tomatoes New Zealand Incorporated**

Special Purpose Financial Reports

for the Year Ended  
31/03/2019

# Tomatoes New Zealand Incorporated

## Performance Report

For the year ended  
31 March 2019

### Contents

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<b>Financial Information:</b>	
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Statement of Financial Position	3
Statement of Cash Flows	4
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# Tomatoes New Zealand Incorporated

## Entity Information

For the year ended  
31 March 2019

Legal Name of Entity: Tomatoes New Zealand Incorporated

Type of Entity and Legal Basis: Incorporated Society

Registration Number: 2629993

Date of Incorporation: 6th August 2015

### Contact details

Physical Address: Level 4  
Co-Operative Bank House  
20 Ballance Street  
Wellington 6011

Postal Address: PO Box 10232  
The Terrace  
Wellington 6143

Phone/Fax: Ph +64 4 472 3795

Email/Website: [www.tomatoesnz.co.nz](http://www.tomatoesnz.co.nz)

# Tomatoes New Zealand Incorporated

## Statement of Financial Performance

For the year ended  
31 March 2019

	Note	Actual 2019 \$	Actual 2018 \$
<b>REVENUE</b>			
Contract Income	1	482,106	540,473
Other Income		2,475	3,945
Interest	2	75	174
<b>Total Revenue</b>		<b>484,656</b>	<b>544,592</b>
<b>EXPENSES</b>			
Research & Development		97,803	195,942
Meetings & Travel		63,877	56,087
Office and Communications		247,160	212,894
Audit Fees		3,000	3,000
Promotion		72,815	76,669
<b>Total Expenses</b>		<b>484,656</b>	<b>544,592</b>
<b>Net Surplus/(Deficit)</b>		<b>-</b>	<b>-</b>



# Tomatoes New Zealand Incorporated

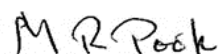
## Statement of Financial Position

As at  
31 March 2019

	Note	Actual 2019 \$	Actual 2018 \$
<b><u>ASSETS</u></b>			
<b>Current Assets</b>			
Bank accounts and cash	4	88,683	150,526
Debtors and prepayments	5	75,253	69,776
GST Receivable		-	5,907
<b>Total Current Assets</b>		<b>163,936</b>	<b>226,209</b>
<b><u>LIABILITIES</u></b>			
<b>Current Liabilities</b>			
Creditors and accrued expenses		49,700	159,616
GST Payable		2,337	-
Provision for Taxation	3	-	7,595
Income in Advance	1	92,369	39,467
<b>Total Current Liabilities</b>		<b>144,406</b>	<b>206,678</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>19,530</b>	<b>19,530</b>
<b><u>ACCUMULATED FUNDS</u></b>			
Accumulated Funds		19,530	19,530
<b>Total Accumulated Funds</b>		<b>19,530</b>	<b>19,530</b>



BARRY O'NEIL  
TNZ Inc. Chair & Director  
Dated 17 June 2019



MALCOLM POOK  
TNZ Inc. Vice Chair & Director  
Dated 17 June 2019

# Tomatoes New Zealand Incorporated

## Statement of Cash Flows

For the year ended  
31 March 2019

	Actual This Year \$	Actual Last Year \$
<b>Cash Flows from Operating Activities</b>		
<b>Cash was received from:</b>		
Contract Income	529,531	481,435
Other Income	2,475	-
Interest	75	174
GST (Paid)/Received	8,244	(12,322)
<b>Cash was applied to:</b>		
Payments to suppliers	602,168	434,664
<b>Net Cash Flows from Operating Activities</b>	<b>(61,843)</b>	<b>34,623</b>
<b>Net Cash Flows from Investing and Financing Activities</b>		-
<b>Net Increase / (Decrease) in Cash</b>	<b>(61,843)</b>	<b>34,623</b>
<b>Opening Cash</b>	150,526	115,902
<b>Closing Cash</b>	<b>88,683</b>	150,526
<b>This is represented by:</b>		
Bank Accounts and Cash	<b>88,683</b>	150,526

# **Tomatoes New Zealand Incorporated**

## **Statement of Accounting Policies**

**For the year ended**

**31 March 2019**

### **Basis of Preparation**

Tomatoes New Zealand Incorporated is an Incorporated Society and as such has no statutory requirement to prepare GAAP compliant financial statements. The Society has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000 with the exception of preparation of a Statement of Service Performance. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

### **Comparatives**

The comparative financial period is 12 months. Comparatives have been restated from that reported in the 31 March 2018 financial statements where appropriate to ensure consistency with the presentation of the current years position and performance.

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

Tomatoes New Zealand Inc is registered for GST. All amounts are recorded exclusive of GST, except for Debtors and Creditors which are stated inclusive of GST.

### **Income Tax**

Income tax is accounted for using the taxes payable method. The income tax expense in profit or loss represents the estimated current obligation payable to Inland Revenue. Taxation expense is accrued in the period to which the obligation arose. Tax is calculated in accordance with IRD rates.

### **Bank Accounts and Cash**

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

### **Contract Revenue**

Tomatoes New Zealand has an agreement with Horticulture New Zealand to provide services of benefit to tomato growers in New Zealand. Horticulture New Zealand provides funding to Tomatoes New Zealand on this basis. The funds are to be spent in accordance with the Tomatoes New Zealand budget.

### **Interest Revenue**

Interest income is recognised as it is earned and accrued using the effective interest method.

### **Research and Development Grant Revenue**

Research and development grants are recognised in accordance with the funding agreement. Where the funding is provided with conditions then income is only recognised when the conditions attached have been fulfilled with the unspent portion being recognised as income in advance. Funding is recognised as income when received if there are no refundable conditions attached.

### **Debtors**

Debtors are stated at estimated realisable value. Bad debts are written off during the period in which they are identified.

### **Changes in Accounting Policies**

There have been no changes in accounting policies during the financial year.

# Tomatoes New Zealand Incorporated

## Notes to the Performance Report

For the year ended  
31 March 2019

### Note 1 : Horticulture New Zealand Contract Revenue

	\$ This Year	\$ Last Year
Initial seed funding provided at inception	120,000	120,000
Contract Funding provided throughout the year	454,475	459,940
Unspent contract income	(92,369)	(39,467)
Recognised Income	482,106	540,473

As disclosed in the accounting policies Tomatoes New Zealand Incorporated has an agreement with Horticulture New Zealand Incorporated to undertake the activities specific to the tomato industry and previously undertaken by the Tomatoes NZ Product Group. Tomatoes New Zealand Inc has agreed to ensure any funding it receives from Horticulture New Zealand Inc is only used in accordance with the purpose for which it was provided by Horticulture New Zealand Inc which is defined by clause 19 of the Commodity Levies (Vegetables and Fruit) Order 2013.

### Note 2 : Interest

	\$ This Year	\$ Last Year
BNZ	63	174
IRD	12	-
	75	174

Interest is earned on deposits held with BNZ and from the IRD where the IRD determined that it had returned funds late.

### Note 3 : Taxation

	\$ This Year	\$ Last Year
Taxable Income	-	-
Tax is payable at 28%	-	-
	-	-

Tomatoes New Zealand became an Incorporated Society on 6th August 2015 and started trading from 1 April 2016. No provisional tax has been paid as no surplus was forecast. The tax liability for 2017 for \$7,595 has been filed and paid.



# Tomatoes New Zealand Incorporated

## Notes to the Performance Report

### For the year ended 31 March 2019

#### Note 1 : Horticulture New Zealand Contract Revenue

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# Tomatoes New Zealand Incorporated

## Notes to the Performance Report

For the year ended  
31 March 2019

### Note 4 : Bank accounts and cash

	\$ This Year	\$ Last Year
BNZ Current Account	88,683	150,526
	88,683	150,526

Interest is earned at 0.25% in the current account. As at balance date there were no overdraft facilities or any other banking arrangements in place with BNZ.

### Note 5 : Debtors and prepayments

	\$ This Year	\$ Last Year
Trade Debtors	75,253	69,776
	75,253	69,776

### Note 6 : Commitments and Contingencies

#### Commitments

There are no commitments as at balance date.

#### Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at balance date.

### Note 7 : Related Party Transactions

#### Horticulture New Zealand Inc

Horticulture New Zealand Inc is a related party by virtue of being a provider of administrative services and a provider of contract funding with an employee of Horticulture New Zealand being the main administrator of Tomatoes New Zealand Incorporated.

<u>Transactions Undertaken:</u>	\$ This Year	\$ Last Year
Contract funding provided	454,475	459,940
Contract funding receivable at year end	75,253	68,276
Income received in advance	92,369	39,467

Anthony Tringham is on the Vegetable Research & Innovation Board.

### Note 8 : Events after Balance Date

There were no events that have occurred after the balance date that would have a material impact on the Performance Report.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF TOMATOES NEW ZEALAND INCORPORATED**

**Opinion**

We have audited the financial statements of Tomatoes New Zealand Incorporated ("the Society"), which comprise the statement of financial position as at 31 March 2019, and the statement of financial performance, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Society for the year ended 31 March 2019 are prepared, in all material respects, in accordance with the accounting policies specified in on page 5 of the financial statements.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ("ISAs (NZ)"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Society.

**Emphasis of Matter - Basis of Accounting and Restriction on Distribution and Use**

We draw attention to page 5 of the financial statements, which describes the basis of accounting. The financial statements are prepared solely for the Society's members, as a body. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Society and the Society's members, as a body, and should not be distributed to or used by parties other than the Society or the Society's members. Our opinion is not modified in respect of this matter.

**Board' Responsibilities for the Financial Statements**

The Board is responsible for the preparation of the financial statements in accordance with the accounting policies specified on page 5 of the financial statements and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements 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 conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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.
- 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 Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society'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 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 Society to cease to continue as a going concern.

We communicate with the Board 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.

#### Who we Report to

This report is made solely to the Society's members, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's members, as a body, for our audit work, for this report or for the opinions we have formed.

*BDO Wellington Audit Limited*

BDO Wellington Audit Limited

Wellington

New Zealand

17 June 2019



# Profit & Loss with Budgets & Variances

## HORTICULTURE NEW ZEALAND INC

As At : 31/03/2019

### TOMATOES NZ

YE 2018 YTD	Description	YE 2019 Actual	YE 2019 Budget	Variance	%
471,246	Income	442,577	449,976	-7,399	-1.6%
540,473	Expenses	482,106	522,330	-40,224	-7.7%
<b>-69,227</b>	<b>Surplus/Deficit</b>	<b>-39,529</b>	<b>-72,354</b>	<b>32,825</b>	<b>-7.7%</b>

Income for Tomatoes NZ in Horticulture NZ is from levies and interest on Accumulated Reserves. The expense for Tomatoes NZ in Horticulture NZ is the transfer of the levy income to Tomatoes NZ Inc.

### ACCUMULATED RESERVES HELD IN HORTICULTURE NZ

	YE 2019	YE 2018
Opening Balance	544,489	613,716
Interest	7,569	11,306
Surplus/Loss	-47,098	-80,533
Closing Balance	504,960	544,489

### PREPAYMENT - TOMATOES NZ Inc

At the inception of TNZ as a separate incorporated entity, funds were transferred from the TNZ Reserves held in HortNZ to fund TNZ's initial payments.

In subsequent years any surplus/loss in TNZ has been recognised as Income in Advance in TNZ and as a Prepayment in HortNZ.

Currently the Income in Advance in the TNZI financials is **\$92,369**.

This Income in Advance will be offset against the Accumulated Reserves held in HortNZ for TNZ Inc.

# TNZ Budget 2018/2019

Description	2018/19 Budget	2018/19 actual	2019/20 Budget
<b>Income</b>			
Levy Income	437,500	435,007	437,500 <sup>1</sup>
Grant - AGMARDT <sup>(4)</sup>			
Other income			
Interest	15,000	7,644	7,000 <sup>2</sup>
Biosecurity services	1,500	2,475	
<b>Total Income</b>	<b>454,000</b>	<b>445,126</b>	<b>444,500</b>
<b>Expenditure</b>			
<b>Research &amp; Development</b>			
Biosecurity services	1,500	2,475	
GI A Min commitments	8,700	5,562	10,340
Tomato Sector OA	5,000	3,717	30,000
BMSB OA	5,353	10,128	10,000
Fruit Fly OA	16,000	1,200	10,000
Import Biosecurity & Fresh PAC	1,200	3,420	11,100
<b>Biosecurity subtotal</b>	<b>37,753</b>	<b>26,503</b>	<b>71,440</b>
Market Access	1,500	1,325	
PMAC	6,000	6,410	1,600
<b>Export market access subtotal</b>	<b>7,500</b>	<b>7,735</b>	<b>1,600</b>
EPA & Agchem reviews <sup>(8)</sup>			
ETS - Emissions Trading Scheme	5,000	321	3,000
Food safety - regulatory issues	2,400	2,400	-
Valuing covered crops			-
Macrolophus project	6,000	5,874	-
Market Monitoring	1,700	2,015	1,700
New Agchems - Trials & Registrations	3,680	2,137	1,000
PGP & related projects	60,000		30,000
TPP & UV light project	-		
Residue information (booklet)	7,000	6,395	5,000
Seafreight project			
Tamarixia post-doc support	3,660	708	2,000
Tamarixia SFF project	2,200	2,961	5,000
Technical Advice (MAS)	7,200	6,076	50,000
Bio-Protection Centre PhD (proposal)	50,000	0	5,000
Automation project			25,000
Grower visits and workshops	6,000	5,844	5,000
<b>Projects subtotal</b>	<b>154,840</b>	<b>36,344</b>	<b>134,700</b>
R & I Manager	16,652	16,653	17,755
R & I Board - Research	7,146	16,412	11,786
<b>VR&amp;I Board subtotal</b>	<b>23,798</b>	<b>33,065</b>	<b>29,541</b>
<b>Total Research &amp; Development</b>	<b>223,891</b>	<b>103,647</b>	<b>237,281</b>

Description	2018/19 Budget	2018/19 actual	2019/20 Budget
<b>Meetings &amp; Travel</b>			
Conference Delegates Travel & Accom <sup>(9)</sup>	15,000	20,180	20,000
Conference room & equipment			2,500
Conference Speaker Expenses			
<b>Total conference</b>	<b>15,000</b>	<b>20,180</b>	<b>22,500</b>
Travel & Accom	25,000	27,709	25,000
Daily Fees	10,000	10,142	10,000
<b>Total Meetings &amp; Travel</b>	<b>50,000</b>	<b>58,031</b>	<b>57,500</b>
<b>Office &amp; Communications</b>			
Admin	1,396	570	500
Chairman Fees	35,000	35,004	35,000
Commodity levy referendum	5,000	1,293	-
District Association Grants	3,000	2,446	3,000
General/Training	2,000	2,400	3,000
Grower Magazine Support	12,000	12,996	12,000
Legal Expenses	-	2,072	-
Office Overheads	27,000	24,149	27,000
Photocopying	4,000	5,605	2,000
Postages	1,500	1,313	1,500
Print & Stat(Ex Xerox)	500	261	500
Salaries & Wages	170,000	157,677	215,000
Telephone & Tolls	1,300	1,373	1,300
<b>Total Office &amp; Communications</b>	<b>262,696</b>	<b>247,160</b>	<b>300,800</b>
<b>Audit &amp; Accounting</b>	<b>3,000</b>	<b>3,000</b>	<b>5,000</b>
<b>Promotion</b>			
Promotion (United Fresh membership)	3,000	3,000	3,000
Vegetables.co.nz	53,000	53,000	53,000
Website	1,500	664	1,500
Public Relations	-	1,300	5,000
Export Market Development Grants		10,000	30,000
Young Vegetable Grower of the Year Sponsorship	2,000	2,352	3,500
Sponsorship (PVGA)		2,500	
Women in Horticulture			2,000
<b>Total Promotion</b>	<b>59,500</b>	<b>72,815</b>	<b>98,000</b>
<b>Total Expenses</b>	<b>599,087</b>	<b>484,654</b>	<b>698,581</b>
<b>Surplus Or Deficit</b>	<b>-145,087</b>	<b>-39,528</b>	<b>-254,081</b>
<b>Summary of Reserves \$</b>	<b>31-Mar-18</b>	<b>31-Mar-19</b>	<b>31-Mar-20</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>
Within Hort NZ	544,489	504,960	
Within TNZ Inc.	19,530	19,530	
<b>Total</b>	<b>564,019</b>	<b>524,490</b>	<b>270,409</b>

#### Notes

<sup>1</sup> 2018/19 Levy income budget based on \$125m and levy rate of 0.35%

<sup>2</sup> Interest accumulated on reserves in HortNZ included for completeness

## This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.









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