

TomatoesNZ 

# ANNUAL REPORT 2023



# OUR BOARD

The TomatoesNZ Board is currently made up with the following members:



**Barry O'Neil**  
Independent Chairman,  
Tauranga



**Simon Watson**  
Vice Chair, Grower  
Representative, NZ  
Hothouse, Drury



**Albert Shih**  
Grower Representative,  
Vege Fresh Growers Ltd,  
Christchurch



**Anthony Tringham**  
Grower Representative,  
Vegetable Research & Innovative  
Board Representative, Curious  
Croppers, Clevedon



**Callum Grant**  
Grower Representative,  
Kakanui Tomatoes Ltd,  
Oamaru



**Mayank Saklani**  
Grower Representative,  
Wing Shing Farms,  
Papakura



**Ben Smith**  
'Grower Representative,  
T&G Global, Auckland



**Allen Lim**  
Observer, Director of  
Vegetables NZ Inc & member  
Covered Crops Advisory Group,  
Jade Gardens, Christchurch



**James Kuperus**  
Chief Executive Officer  
of HESL



**Pierre Gargiulo**  
Co-opted Member,  
JS Ewers, Nelson



**Roelf Schreuder**  
Co-opted Member, NZ  
Gourmet Ltd, Waiuku



**Stefan Vogrincic**  
Co-opted Member,  
Grower2Grower, Karaka



**Dinah Cohen**  
Business Manager

Tomatoes New Zealand's part-time staff are currently James Kuperus (CEO) and Dinah Cohen (Business Manager) based in the Horticulture New Zealand office in Wellington. Karen Orr who was on secondment in 2022, left her position with TomatoesNZ in January 2023. Rebecca Fisher was temporarily filling the position of General Manager until the formation of the Horticultural Executive Services Ltd was established from 1<sup>st</sup> April 2023. Rebecca continues to work for HortNZ.



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# SNAPSHOT OF THE INDUSTRY





## VISION FOR THE INDUSTRY:

Tomatoes you love from growers you can trust



## PURPOSE OF TOMATOESNZ:

Building a resilient, sustainable and profitable New Zealand tomato industry



**\$168 million**  
Industry farm gate value  
up from \$159m in financial year 2021/22



**\$3.88 million**  
Export value (FOB)  
up from \$2.58m in financial year 2021/22



**\$1.31 million**  
Import value (CIF)  
down from \$2m in financial year 2021/22



**~120**  
Number of growers  
as at March 2023



**\$8.88**  
Average Price  
from Nov 2022 - Mar 2023, compared to the same period in year prior of \$5.92 based on the consumer price index (CPI) average for retail price in NZ.



This is not the price the grower receives. HortNZ along with TNZ are aware that the release of the CPI each month sparks media interest and has tried to address this with press releases prepared in advance on behalf of industry.



# CHAIR'S REPORT



**To say this last year has been difficult might be an understatement! Costs gone through the roof, labour too expensive if available, biosecurity challenges, unfavourable weather for growing, and in amongst this media and consumers thinking we are making a fortune due to the prices they are paying....!**

However good to also see some respite on the horizon to some of these, with labour becoming more available and fertiliser prices starting to drop. Fresh tomato growers were fortunate to not suffer the same crop loss during the cyclone as other fruit and vegetable sectors however the change to an El Nino system will hopefully benefit all growers.

It's been a busy 12 months for Tomatoes NZ and at a time when we had pulled back on expenditure due to uncertainty of revenue in this difficult growing environment. PSTVd in Nelson was a huge response with over 3 hectares of tomatoes ending up being destroyed, creating a shortage of tomatoes in the market which, in part, was behind higher prices.

As I write this, the latest round of surveillance testing is all clear, so a great result to have eradicated this from NZ. Testing occurred at other growing sites in the same region and at selected greenhouses across the country but all came back negative. Under GIA while the response cost millions to MPI, we were able to cap our contribution to \$120k. This is still a significant cost for us out of our biosecurity levy but one we can cover. Thank you to the grower involved and his staff for all their efforts to ensure eradication succeeded.

As a result of this incursion, we have developed a new code of practice for PSTVd to ensure we are on the front foot should we find it in NZ again.

Over the year we pulled back on promotion activities due to having a lower budget, but also due to the undersupply of tomatoes. Prices weren't the problem, supply was, so we had some Aussie tomatoes come over in February which is a first for this time of year. We were active in making sure distributors and supermarkets knew they had to label these as imported irradiated Australian tomatoes due to fruit fly risks with imported tomatoes from Australia.

The biggest areas of our levy spend went into A Lighter Touch research program, finding ways of controlling our problem pests, especially white fly and TPP, without needing to resort to hard chemicals. Some good progress is being made as you will see further in this report.

Another really important development during the year was entering into a collaboration arrangement with Onions NZ, which we believe will not only benefit our two product groups, but will also result in other product groups joining. We wanted to take out the duplication of work where all product groups attend the same meeting, while we utilise and support our staff better. We have formed a cooperative company, Horticulture Executive Services Ltd (HESL), with ONZ, and this is the vehicle that now employs the staff working in both product groups. The CEO of HESL, James Kuperus, ensures staff are utilised most effectively and efficiently, and also supports the leadership needs of Tomatoes NZ.

This development is a win win: growers will get more value from their levy and staff will be able to do what they do best rather than being over taxed doing the same thing that everyone else is doing.

A couple of thanks before I finish. Firstly, to Dinah Cohen who is now the only dedicated person we have working in TNZ. Dinah has done a superb job in coming up to speed with our issues and in supporting growers in driving the best outcomes for TNZ. Over the year we had Rebecca Fisher with us as we transitioned to the new arrangements, who also was great and we thank her very much for her contribution. And of course at the start of the year Karen Orr left us to take up a job with EECA having completed a secondment with MPI. As the business manager, Karen played a key role in TNZ for over 4 years.

And my thanks to our board for their engagement and commitment. They are always looking for better ways for TNZ to support our current and future tomato growers, and for the industry to be more successful.

Finally thanks to tomato growers for their ongoing support of Tomatoes NZ. We have a great industry to be part of with a fantastic product and some amazing growers, and we will continue to do everything we can to ensure future industry success.

Kind regards,



**Barry O'Neil,**  
Chair Tomatoes New Zealand

# THE YEAR IN REVIEW

## Energy

TomatoesNZ has continued to work with EECA (the Energy Efficiency and Conservation Authority) in trying to promote ways for the covered crop industry to reduce its energy use and ultimately work towards a fully decarbonised industry by 2050. As part of this, Elly Nederhoff compiled an overview of climate screens and dehumidifiers best suited to New Zealand conditions including a list of suppliers.

TNZ also commissioned 2 Energy Reduction reports at 2 different tomato growing sites – 1 is based in South Auckland using recycled oil, the other is in the South Island, using coal. The findings from these reports, together with 4 other similar pieces of work done by Vegetables NZ, combine to make useful reading for all greenhouse growers to benefit from. Common areas which all lead to reduced CO2 were: insulation - double skinning walls, pipework, buffer tanks, boilers – anything that transfers heat and is exposed; air distribution fans; and thermal screens.

Thank you to both EECA and the Horticulture Charitable Trust for their help co-funding the energy reduction reports.

See the EECA dedicated website page for the covered crop sector. It has lots of tools that all growers can access for free including the overview mentioned above

[www.eeca.govt.nz/co-funding/sector-decarbonisation/covered-cropping-decarbonisation-pathway/tools-and-resources/](http://www.eeca.govt.nz/co-funding/sector-decarbonisation/covered-cropping-decarbonisation-pathway/tools-and-resources/)

The TNZ board is fully committed to continuing work to help the industry reduce its energy demands and this will continue to be an area of focus for the coming 12 months. It is TNZ's hope that more growers will be able to access part funding for making energy reductions. This is good for the grower as energy is increasingly expensive, as well as being good for climate change.



## A Lighter Touch

Last year we reported on the work by Emiliano Veronesi that was part of his PhD thesis: research into using the mirid bug *Engytatus nicotianae* to manage the tomato-potato psyllid (TPP) in greenhouse tomato crops. Emiliano's work highlighted the huge potential that *Engytatus* has as a biocontrol agent as part of an integrated pest management programme. TomatoesNZ is pleased to say that the continuation of this work has been taken up by Bioforce and there is now a robust project in place to see how *Engytatus* and a host of other biologicals perform in a commercial setting against both TPP and Whitefly.

The aim is not for growers to just use one type of beneficial insect to control pests but rather a range of bugs that will feed on different stages of the pest.





PHOTO: ENCARSIA, A BENEFICIAL INSECT, BEING USED TO HELP CONTROL WHITEFLY.

The project will also help to determine the quantity and timing that beneficials should be introduced and what sprays and when they should be used if things are getting out of control. The use of sprays ideally would be done as a last resort but in a way that would not decimate the existing beneficial insect population.

Early observations in this trial are promising, with one native bug released into an established psyllid population in a greenhouse decimate the population of juvenile pests found under the leaves. Part of the programme is to help growers understand all of this so TNZ will be conducting workshops for scouts and those in charge of spraying to increase knowledge.

## Biosecurity

Unfortunately biosecurity responses have continued to be part of the work that TomatoesNZ carries out. Potato spindle tuber viroid (PSTVd) was first detected in a greenhouse growing tomatoes in the Tasman region in late 2022. An MPI response was quickly established with GIA partners Processed Vegetables, Vegetables NZ, Potatoes NZ and NZ Plant Pass. Over the course of several months, the viroid was detected in further greenhouses, affecting capsicums as well as tomatoes on the same site. Biosecurity NZ (BNZ) proposed the destruction and deep burial of all plant matter and crop with each positive result and they oversaw a strict cleaning protocol in each compartment, before new seedlings could be planted. The hygiene protocol already in place by the grower, was complimented by BNZ and despite extensive testing of the seeds and surrounding environs which all resulted in negative tests, it is unknown how PSTVd came on to this site. Testing for PSTVd around New Zealand was extensive with tomato growers with the same seed lot, other growers in Tasman and a select number of growers from other parts of NZ all submitting samples for testing, all of which returned negative tests. This suggests that it was an isolated incursion.

Early on in the response, TomatoesNZ negotiated a cap of \$120,000 due to the depleted biosecurity levies that TNZ has following 2 incursions, Pepino Mosaic Virus and Tomato Brown Rugus Fruit Virus. At the time of writing this report, it appears that PSTVd has been eradicated from the growing site which is a great result for all NZ tomato growers.

The focus of work from late 2022, has been to step up projects that champion readiness work so that future responses might be better managed both in terms of time and money and ultimately have less of a negative impact on the individual growers involved.

As such, TNZ has worked with a biosecurity specialist to update a code of practice for PSTVd so that it can be used by industry and BNZ in the event of another positive case. This document can be found on the website here:

[www.tomatoesnz.co.nz/about/useful-docs/](http://www.tomatoesnz.co.nz/about/useful-docs/)

TomatoesNZ has been working collaboratively with other product groups along with MPI as part of the Solanaceae Biosecurity Working Group to progress work that affects all Solanaceae crops. In the 2022-23 financial year, the work was only just starting but TNZ hopes to bring updates to the growers via NZGrower articles as the year progresses.

## Advocacy and the Key Concerns of Tomato Growers

The Key Concerns document was put together to highlight the main issues that fresh tomato growers were raising while also suggesting solutions that TNZ would like policy makers to consider. This was presented at the AGM last year covering the 4 key areas:

1. Cost of Energy
2. Cost of Production
3. Labour
4. Biosecurity



KEY CONCERNS DOCUMENT

As a living document it will continue to be updated and developed as the concerns of fresh tomato growers changes. It is a useful tool for talking to media, government officials and policy makers and ensures that we are all talking about the same key issues. You can find a copy of the current version on the TNZ website here: <https://www.tomatoesnz.co.nz/about/key-concerns-of-tomato-growers/>

TNZ continues to advocate on behalf of fresh tomato growers. The Key Concerns document was presented to employees of MPI and the Environmental Protection Authority (EPA) on a tour of vegetable growers in August. Taking officials to see a greenhouse and packhouse and having them engage with growers is the best way for them to better understand the situation on the ground. This is something that we hope to repeat in collaboration with Onions NZ.

TNZ has also collaborated with the EPA to help growers to register for the ETS and claim industrial allocation (IA). Every year, fresh tomato growers who register before 31<sup>st</sup> December will then be given the opportunity to apply for IA. This is essentially the Government's way of compensating growers, for paying ETS carbon tax when growers in other countries don't. The work we did saw a 40% increase in the number of growers registered but to show the Government that this is important, we still need more growers to sign up. If you need help completing the application process, please contact Dinah [info@tomatoesnz.co.nz](mailto:info@tomatoesnz.co.nz)



PHOTOS: METIN GULESCI, LEAF TOBACCO, BUGWOOD.ORG



## Tuta absoluta

TNZ has co-funded a readiness manual for Tuta absoluta which is thought to be a priority pest for fresh tomato growers which could arrive on our shores at anytime. BNZ has co-funded this work and have agreed to use it as a basis for a response should one be required. By the time of this AGM taking place, a snapshot of key points for growers will hopefully have been circulated so that you can be aware of what to do to minimize the risks that Tuta poses. The first such project is the production of a manual for Tuta absoluta prepared by Market Access Solutions with full cooperation by Biosecurity NZ.

# AGENDA

## of the 2023 Annual General Meeting (AGM)

1. **WELCOME**  
Apologies, proxies and procedural motions
2. **CONFIRMATION OF 2022 MINUTES** **13**
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4. **FINANCIAL STATEMENTS 2022-23** **16**
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6. **LEVY & SUBSCRIPTION RATES**
7. **APPOINT AUDITOR**
8. **CONFIRM DIRECTOR ELECTIONS**
9. **MEMBER REMIT - COVERED CROPS**
10. **GENERAL BUSINESS**
11. **CLOSE**

# REMITs

## of the 2023 Annual General Meeting (AGM)

The following remits, proposed by the TomatoesNZ Board, will be considered at the Tomatoes New Zealand Incorporated AGM, being held 2<sup>nd</sup> August 2023 in Christchurch.

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### REMIT 1

That any TNZ member attending the AGM online has the right to vote and for that vote to count, in addition to those attending in person in Christchurch.

Proposed by the TomatoesNZ Board

#### Explanatory Note

We would like to offer every tomato grower the option of attending either in person or online but for their opinion to still count. At a future AGM we will change the rules to incorporate this as standard.

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### REMIT 2

That the minutes of the TomatoesNZ AGM, 17<sup>th</sup> August 2022 in Pukekohe, be taken as a true and correct record of that meeting.

Proposed by the TomatoesNZ Board

#### Explanatory Note

The minutes are included with the 2023 Annual report & AGM papers, available electronically at [www.tomatoesnz.co.nz](http://www.tomatoesnz.co.nz).

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### REMIT 3

That the Chair's report and general update for the year ended 31 March 2023, as published in the 2023 Annual report & AGM papers, be taken as read and approved.

Proposed by the TomatoesNZ Board

#### Explanatory Note

The report is included with the 2023 Annual report & AGM papers, available electronically at [www.tomatoesnz.co.nz](http://www.tomatoesnz.co.nz).

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**REMIT 4**

That the audited Tomatoes New Zealand Incorporated financial statements for the year ended 31 March 2023 be adopted.

Proposed by the TomatoesNZ Board

**Explanatory Note**

The audited Tomatoes New Zealand Incorporated financial statements are included with the 2023 Annual report & AGM papers, available electronically at [www.tomatoesnz.co.nz](http://www.tomatoesnz.co.nz).

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**REMIT 5**

Endorse the TomatoesNZ Incorporated budget for the year ended 31 March 2024.

Proposed by the TomatoesNZ Board

**Explanatory Note**

The proposed budget is included with the 2023 Annual report & AGM papers, available electronically 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 is collected under Commodity Levies Act 1990 - Commodity Levies (Fresh Tomato) Order 2019.

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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 the biosecurity readiness and response fresh tomatoes levy rate for the coming levy year remain at 0.10% 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 biosecurity levy rate. The levy is collected under The Biosecurity (Readiness and Response—Fresh Tomatoes Levy) Order 2019.

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## REMIT 9

That BDO Spicers be appointed auditors for the financial year ended 31 March 2024.

**Proposed by the TomatoesNZ Board**

### Explanatory Note

BDO Spicer have carried out the audit for Horticulture NZ and its contracted organisations (including TomatoesNZ Inc.) since 2017, and TomatoesNZ Inc. and Horticulture NZ intend to continue that arrangement. On further research BDO auditor fees were deemed to be reasonable.



Tomatoes New Zealand Incorporated

# DRAFT MINUTES

## of the 2022 Annual General Meeting

Held 17<sup>th</sup> August  
2022, 3:35pm at  
BNZ Business Partner's  
Centre, Pukekohe and  
online via Zoom

**TomatoesNZ Chairman, Barry O'Neil welcomed everyone attending online and in person.**

### In attendance

*(eligible grower voters noted only)*

**In person:** Michael Breitmeyer (MG); Barry O'Neil (independent chair); Mayak Saklani (Wing Shing Farms); Gavin & Malcolm Pook (Pomoana Gardens); Ben Smith & Andrew Sue (T&G Fresh); Simon Watson (NZ Hothouse); Angela and Anthony Tringham (Curious Croppers); Raj Singh (Dhindsa Farm Ltd); David Wang (Freshly Grown).

**Online:** Callum Grant (Kakanui Tomatoes); Albert Shih (Vege Fresh); Jiny Kim (MJ Fresh Ltd).

### General Business

Barry introduced the document 'Key Concerns from TomatoesNZ' to the in person audience at the AGM as a document that has been put together to reflect the main issues that growers are currently facing. We welcome feedback so that we can improve this document and we're also happy for any growers meeting with government delegates, opposition politicians etc to present the document.

### Nominations

Simon Watson and Mayank Saklani were up for rotation and deemed nominated. Ben Smith was newly appointed as an elected member of the board, filling the 6<sup>th</sup> vacant position.

### Proxies

Proxies were received from Roelf, Tarsem and Pierre.

### Apologies

Were received from Roelf Schreuder (NZGourmet); Tarsem Singh (Ngara Bros Ltd) Pierre Gargiulo (JS Ewers) & Gurcharan Singh Sood (Rasila Produce).

### Obituaries

Obituary was noted for Trevor Turner, known as 'Tussock' from Avondale Orchards, Lyttleton. Trevor was a long-standing undercover tomato grower with around 2300m<sup>2</sup>. He passed away in May 2022 aged 70.

### Life Members

After the AGM closed, Barry presented Malcolm Pook with a Life Membership by TomatoesNZ for his services to the tomato industry and the TNZ board.

Lex Dillon was also presented with Life Membership by HortNZ which was awarded in 2021.



#### **REMIT 1**

That any TNZ member attending the AGM online has the right to vote and for the vote to count, in addition to those attending in person in Pukekohe.

**Moved by the TNZ board, seconded by Anthony Tringham. Carried.**

#### **REMIT 2**

That the minutes of the TNZ combined AGM, 5<sup>th</sup> August 2021 in Mystery Creek, be taken as a true and correct record of that meeting.

**Moved by the TNZ board, seconded by Ben Smith. Carried.**

**Noted:** It was minuted in 2021 that the TNZ rules were going to be updated but as the incorporated society laws are being changed, it was deemed better to wait until these changes have occurred. The TNZ rules will be revisited once this has happened.

#### **REMIT 3**

That the Chair's report and general update for the year ended 31<sup>st</sup> March 2022 as published in the 2022 Annual report and AGM papers, be taken as read and approved.

**Moved by the TNZ board, seconded by Mayak Saklani. Carried.**

**Noted:** Barry recognised the significant contribution of Helen Barnes who stepped down as the TNZ General Manager in February 2022 after 11 years of service to the fresh tomato industry, for capably representing growers during responses and her enthusiasm and passion for the tomato industry. She was totally committed to the role and developed excellent relationships with all in the industry and made a huge contribution. On behalf of the board and all tomato growers, Barry thanked Helen. Barry also thanked Dinah Cohen & Rebecca Fisher for their work in taking over tomatoes NZ roles seamlessly and continuing to deliver outcomes for growers.

#### **REMIT 4**

That the audited TomatoesNZ incorporated financial statements for the year ended 31<sup>st</sup> March 2022 be adopted.

**Moved by the TNZ board, seconded by Michael Breitmeyer. Carried.**

**Noted:** The General manger (Rebecca Fisher) summarised: TomatoesNZ Incorporated financial statements were circulated in the meeting papers on page 18 to 31. Revenue has lifted by circa 36% on 2021 – healthy increases in levy income as well as grants and a refund from VR&I making up Other Income. Interest is considerably lower but now investing some reserves. Expenses have increased by circa 29%, most noticeably in Biosecurity, meetings and travel and Office and communications. Expenditure on Fruit Fly Response and PepMV/To BRFV response make up the bulk of the increase in Biosecurity. Meetings and travel have increased in the 2022 year over 2021 but are still lower than the 2020 year (pre covid). The statement of financial position shows stronger accumulated funds which is reflected in the closing cash on hand. This is a conservatively comfortable position to be in at the end of the 2022 financial year given the continuing issues around covid, labour and shipping.

Anthony Tringham mentioned that TNZ always thinks they will run short of money but never seem to. Barry responded by saying that this year might not be so rosy with lower yields, high heating costs leading to less heating being used, issues with labour etc. and that we will always have a cautious approach.





**REMIT 5**

Endorse the TNZ Incorporated budget for the year ending March 2023.

**Moved by the TNZ board, seconded by Simon Watson. Carried.**

**Noted:** The appearance of this budget is different to previous years because some of the lines have been collated to make it easier to read. This budget is trying to be conservative due to their being two responses to pay for.

**REMIT 9**

That BDO Spicers be appointed auditors for the financial year ended 31<sup>st</sup> March 2023.

**Moved by the TNZ board, seconded by Mayak Saklani. Carried.**

**Noted:** It was confirmed that as an incorporated society, audited accounts are required. It was requested that TNZ seek quotes to find a new auditor for a more competitive rate for 2024.

Barry thanked all the board members for being hardworking and bringing their knowledge to meetings.

**Meeting closed: 4.10**

**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.

**Moved by the TNZ board, seconded by Anthony Tringham. Carried.**

**REMIT 7**

Confirm that there is currently no subscription membership rate

**Moved by the TNZ board, seconded by Ben Smith. Carried.**

**REMIT 8**

That the biosecurity readiness and response fresh tomato levy rate for the coming levy year remain at 0.10% 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.

**Moved by the TNZ board, seconded by Malcolm Pook. Carried.**

# **Tomatoes New Zealand Incorporated**

Special Purpose Financial Reports

for the Year Ended  
31/03/2023

**Tomatoes New Zealand Incorporated**  
**Performance Report**  
**For the Year Ended**  
**31 March 2023**

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**Tomatoes New Zealand Incorporated**  
**Entity Information**  
**For the Year Ended**  
**31 March 2023**

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  
Kiwi Wealth House  
20 Ballance Street  
Wellington 6011

Postal Address: PO Box 10232  
Wellington 6140

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 2023**

|                                | Note | Actual<br>2023<br>\$ | Actual<br>2022<br>\$ |
|--------------------------------|------|----------------------|----------------------|
| <b>REVENUE</b>                 |      |                      |                      |
| Levy Income                    | 1    | 573,999              | 557,677              |
| Biosecurity Levy Income        | 1    | 152,758              | 148,003              |
| Other Income                   | 2    | 32,554               | 62,513               |
| Interest                       | 3    | 5,786                | 203                  |
| <b>Total Revenue</b>           |      | <b>765,097</b>       | <b>768,396</b>       |
| <b>EXPENSES</b>                |      |                      |                      |
| Research & Development         |      | 163,258              | 159,539              |
| PhD Bio Protection Scholarship |      | 7,413                | 49,500               |
| Biosecurity                    |      | 60,506               | 154,146              |
| Meetings & Travel              |      | 22,514               | 42,857               |
| Office and Communications      |      | 205,502              | 274,665              |
| Audit Fees                     |      | 8,672                | 7,110                |
| Promotion                      |      | 15,416               | 54,686               |
| <b>Total Expenses</b>          |      | <b>483,280</b>       | <b>742,502</b>       |
|                                |      | <b>281,817</b>       | <b>25,894</b>        |
| Tax Expense                    | 4    | 1,340                | -                    |
| <b>Net Surplus</b>             |      | <b>280,477</b>       | <b>25,894</b>        |

# Tomatoes New Zealand Incorporated

## Statement of Financial Position

As at  
31 March 2023

|   | Note | Actual<br>2023<br>\$ | Actual<br>2022<br>\$ |
|---|------|----------------------|----------------------|
| <b><u>ASSETS</u></b>                                    |      |                      |                      |
| <b>Current Assets</b>                                   |      |                      |                      |
| Bank accounts and cash                                  | 5    | 603,167              | 591,862              |
| Investments   | 5    | 100,147              |                      |
| GST Receivable  |      | -                    | -                    |
| Debtors and prepayments                                 | 6    | 96,066               | 63,342               |
| <b>Total Current Assets</b>                             |      | <b>799,380</b>       | <b>655,204</b>       |
| <b><u>LIABILITIES</u></b>                               |      |                      |                      |
| <b>Current Liabilities</b>                              |      |                      |                      |
| Creditors and accrued expenses                          |      | 45,946               | 172,509              |
| GST Payable   |      | 11,975               | 21,713               |
| <b>Total Current Liabilities</b>                        |      | <b>57,921</b>        | <b>194,222</b>       |
| <b>Total Assets less Total Liabilities (Net Assets)</b> |      | <b>741,459</b>       | <b>460,982</b>       |
| <b><u>ACCUMULATED FUNDS</u></b>                         |      |                      |                      |
| Accumulated Funds                                       |      | 568,179              | 379,954              |
| Biosecurity Reserve                                     | 7    | 173,280              | 81,029               |
| <b>Total Accumulated Funds</b>                          |      | <b>741,459</b>       | <b>460,982</b>       |



BARRY O'NEIL  
TNZ Inc. Independent Chair  
Dated 28 June 2023



SIMON WATSON  
TNZ Inc. Vice Chair & Director  
Dated 28 June 2023

**Tomatoes New Zealand Incorporated**  
**Statement of Cash Flows**  
For the Year Ended  
**31 March 2023**

|   | Actual<br>This Year<br>\$ | Actual<br>Last Year<br>\$ |
|---|---------------------------|---------------------------|
| <b>Cash Flows from Operating Activities</b>                   |                           |                           |
| <b>Cash was received from:</b>                                |                           |                           |
| Levy Income   | 694,034                   | 688,135                   |
| Other Income  | 32,554                    | 62,513                    |
| Interest  | 5,786                     | 203                       |
| GST (Paid)/Received   | (9,739)                   | 32,468                    |
| <b>Cash was applied to:</b>                                   |                           |                           |
| Payments to suppliers   | 611,183                   | 670,522                   |
| <b>Net Cash Flows from Operating Activities</b>               | <b>111,452</b>            | <b>112,797</b>            |
| <b>Net Cash Flows from Investing and Financing Activities</b> | <b>(100,147)</b>          | <b>-</b>                  |
| <b>Net Increase / (Decrease) in Cash</b>                      | <b>11,305</b>             | <b>112,797</b>            |
| <b>Opening Cash</b>   | <b>591,862</b>            | <b>479,065</b>            |
| <b>Closing Cash</b>   | <b>603,167</b>            | <b>591,862</b>            |
| <b>This is represented by:</b>                                |                           |                           |
| Bank Accounts and Cash  | <b>603,167</b>            | <b>591,862</b>            |

**Tomatoes New Zealand Incorporated**  
**Statement of Accounting Policies**  
**For the year ended**  
**31 March 2023**

**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.

**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 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.

**Levy Revenue**

Levies are non-exchange revenue and accounted for on an accrual basis. Revenue is recognised for produce sold in the year to 31 March for which a growers levy declaration has been received by the society prior to 31 May.

**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 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 2023**

**Note 1 : Levy Income**

|                  | \$ This Year   | \$ Last Year   |
|------------------|----------------|----------------|
| Levy Income      | 573,999        | 557,677        |
| Biosecurity Levy | 152,758        | 148,003        |
|                  | <u>726,757</u> | <u>705,680</u> |

From 1 April 2020 Tomatoes New Zealand Incorporated received funding through the Commodity Levies Fresh Tomatoes Order 2019. The Biosecurity (Readiness and Response - Fresh Tomatoes Levy) Order 2019 came in to effect from 3 February 2020.

**Note 2: Other Income**

|  | \$ This Year  | \$ Last Year  |
|--|---------------|---------------|
| EECA Grant   | 19,726        | 26,431        |
| A Lighter Touch reimbursement                            | -             | 6,870         |
| Contribution Refund from Vegetable Research & Innovation | -             | 20,000        |
| F-Tek project contributions                              | 4,166         | 8,332         |
| Other  | 8,662         | 880           |
|  | <u>32,554</u> | <u>62,513</u> |

**Note 3 : Interest**

|     | \$ This Year | \$ Last Year |
|-----|--------------|--------------|
| BNZ | 5,786        | 203          |
|     | <u>5,786</u> | <u>203</u>   |

Interest is earned on deposits held with BNZ .

**Note 4 : Taxation**

|                       | \$ This Year | \$ Last Year |
|-----------------------|--------------|--------------|
| Taxable Income        | 4,786        | -            |
| Tax is payable at 28% | 1,340        | -            |
| less RWT Paid         | (1,861)      |              |
| Tax refund due        | <u>(521)</u> |              |

Tomatoes New Zealand was incorporated on 6th August 2015. Trading started from 1 April 2016.

**Tomatoes New Zealand Incorporated**  
**Notes to the Performance Report**  
For the year ended  
**31 March 2023**

**Note 5 : Bank accounts, cash and investments**

|                     | \$ This Year   | \$ Last Year   |
|---------------------|----------------|----------------|
| BNZ Current Account | 603,167        | 591,862        |
|                     | <u>603,167</u> | <u>591,862</u> |

Interest is earned at 2.10% in the current account. As at balance date there were no overdraft facilities in place with BNZ.

|             |                |          |
|-------------|----------------|----------|
| Investments | 100,147        | -        |
|             | <u>100,147</u> | <u>-</u> |

Interest is earned at 5.00% per annum on this Fixed Term investment.

**Note 6 : Debtors and prepayments**

|               | \$ This Year  | \$ Last Year  |
|---------------|---------------|---------------|
| Trade Debtors | 93,790        | 63,342        |
| Prepayments   | 2,276         | -             |
|               | <u>96,066</u> | <u>63,342</u> |

**Note 7 : Biosecurity Reserve**

|  | \$ This Year   | \$ Last Year  |
|--|----------------|---------------|
| Opening Reserve                                  | 81,029         | 87,173        |
| Biosecurity Income received through out the year | 152,758        | 148,003       |
| Biosecurity Expenses paid through out the year   | (60,506)       | (154,146)     |
|  | <u>173,280</u> | <u>81,029</u> |

Tomatoes New Zealand Inc must spend the Biosecurity Reserve to meet its commitments to Readiness and response activities as per the section 100 Y(2) & (3) of the Biosecurity Act 1993.

**Note 8: Commitments and Contingencies**

**Commitments**

Tomatoes New Zealand Inc signed a subcontract agreement in May 2020 for the 'A Lighter Touch' Sustainable Food and Fibre Futures project to contribute \$453,179. In the year ended March 2023 payments were made totalling \$104,122 (2022: \$17,597). The balance of \$283,463 will be made over the next four years.

There are no further commitments as at balance date.

**Contingent Liabilities and Guarantees**

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

**Tomatoes New Zealand Incorporated**  
**Notes to the Performance Report**  
**For the year ended**  
**31 March 2023**

**Note 9 : Related Party Transactions**

**Horticulture New Zealand Inc**

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

All elected Directors are growers and pay levies through the entities they are associated with.

Barry O'Neil is the Chair of Tomatoes New Zealand Inc and the President of Horticulture New Zealand Inc.

Simon Watson is the Vice Chair of Tomatoes New Zealand Inc. He is a managing director of NZ Hothouse Ltd who provided funding of \$4,166 towards FTEK project contributions.

Callum Grant (Tomatoes New Zealand Inc board member) received funding for an Energy Transition Report. TNZ paid 25% of the total, amounting to \$5089.15.

Ben Smith was elected to the Tomatoes New Zealand Inc board in August 2022. He is a member of T&G Global Limited who contributed \$2,083 to the FTEK project in FY23.

**Note 10 : Events after Balance Date**

On 3 April 2023, Tomatoes New Zealand Incorporated invested \$30,000 in Horticulture Executive Services Limited, a management services company (Last Year - nil).

**Note 11 : Cyclone Gabrielle**

Cyclone Gabrielle has had an impact on horticultural businesses in the 2023 year. As Tomatoes NZ Inc is funded by levies from these businesses it is expected that 2023/24 levy income will be impacted.

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 2023, and the statement of financial performance, and the 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 2023 are prepared, in all material respects, in accordance with the accounting policies specified 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 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* 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.

Our firm carries out other assignments for the Society in the area of taxation returns. The firm has no other 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's 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.



BDO Wellington Audit Limited

## 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  
28 June 2023

# BUDGET 2023/24

| DESCRIPTION   | 2022/23 BUDGET | 2022/23 ACTUALS | 2023/24 BUDGET |
|---|----------------|-----------------|----------------|
| <b>INCOME</b>   |                |                 |                |
| Fresh Tomato levy   | 450,000        | 573,999         | 450,000        |
| Interest  | 2,000          | 5,786           | 5,000          |
| EECA Grant  | 25,000         | 19,726          | 10,000         |
| Automation project  | 4,700          | 4,166           | 0              |
| Other income  |                | 8,662           | 0              |
| <b>Total</b>  | <b>481,700</b> | <b>612,339</b>  | <b>465,000</b> |
| <b>EXPENSES</b>   |                |                 |                |
| <b>R&amp;D</b>  |                |                 |                |
| Automation Project  | 12,000         |                 | 0              |
| Energy  | 50,000         | 38,233          | 50,000         |
| Market Monitoring   | 2,000          | 0               | 1,000          |
| SFFF A Lighter Touch  | 100,000        | 104,122         | 100,000        |
| Agchem Compliance & EPA   | 8,000          | 1,950           | 2,200          |
| Find-A-Pest   | 2,500          |                 | 0              |
| Vegetable Industry Collaboration / Structure review               | 20,000         | 600             | 15,000         |
| VR&I Board  | 3,500          |                 | 0              |
| <b>Total R&amp;D</b>  | <b>198,000</b> | <b>144,905</b>  | <b>168,200</b> |
| <b>Promotion</b>  |                |                 |                |
| Public Relations + Seasonal Promo                                 | 0              | 1,531           | 20,000         |
| Consumer data   | 0              |                 |                |
| United Fresh Membership   | 3,000          | 3,000           | 3,000          |
| Veges.co.nz   | 10,000         | 10,000          | 0              |
| Website   | 10,000         | 884             | 1,000          |
| YGOTY Sponsorship, general sponsorship, WiH & District Ass Grants | 1,000          | 2,742           | 1,000          |
| <b>Total Promotion</b>  | <b>24,000</b>  | <b>18,157</b>   | <b>25,000</b>  |
| <b>Meetings/Travel</b>  |                |                 |                |
| Travel/Accom (incl Board)   | 15,000         | 10,837          | 20,000         |
| Conference  | 3,500          | 1,851           | 20,000         |
| Daily Fees  | 10,000         | 6,348           | 10,000         |
| Grower visits & workshops   | 8,000          | 3,478           | 4,000          |
| <b>Total Meetings/Travel</b>                                      | <b>36,500</b>  | <b>22,514</b>   | <b>54,000</b>  |

| DESCRIPTION                                       | 2022/23 BUDGET  | 2022/23 ACTUALS | 2023/24 BUDGET  |
|---|-----------------|-----------------|-----------------|
| <b>Office/Comms</b>                               |                 |                 |                 |
| Admin / printing / postage / photocopying / phone | 6,000           | 1,637           | 2,000           |
| Audit & Accounting                                | 5,500           | 8,672           | 6,700           |
| Chair Fees  | 35,000          | 35,000          | 35,000          |
| General/Training                                  | 2,000           | 88              | 1,500           |
| Grower Magazine Support                           | 12,000          | 12,000          | 11,000          |
| Office Overheads                                  | 30,000          | 26,604          | 36,000          |
| Salaries & Wages                                  | 200,000         | 130,170         | 170,000         |
| <b>Total Office/Comms</b>                         | <b>290,500</b>  | <b>214,171</b>  | <b>262,200</b>  |
| <b>TOTAL EXPENSES</b>                             | <b>549,000</b>  | <b>399,747</b>  | <b>509,400</b>  |
| <b>Profit / loss (Comodity Levy)</b>              | <b>(67,300)</b> | <b>212,592</b>  | <b>(44,400)</b> |
| <b>Reserves</b>                                   |                 | <b>212,592</b>  | <b>168,192</b>  |

| BIOSECURITY BUDGET   | 2022/23 BUDGET | 2022/23 ACTUAL | 2023/24 BUDGET |
|--|----------------|----------------|----------------|
| <b>INCOME</b>  |                |                |                |
| Biosecurity levy   | 120,000        | 152,758        | 120,000        |
| Biosecurity Services (BNZ 50% share of Tuta project)                   |                | 7,350          |                |
| <b>Total Expenses</b>  | <b>120,000</b> | <b>160,108</b> | <b>120,000</b> |
| <b>BIOSECURITY EXPENSES INCLUDING IMPORT, RESPONSE &amp; READINESS</b> |                |                |                |
| BMSB, Fruitfly and Tomato OAs  | 15,000         | 4,153          | 15,000         |
| GIA Secritariat and minimum commitment                                 | 20,000         | 8,953          | 10,000         |
| Import Biosecurity   | 2,500          |                | 0              |
| Market Access & PMAC   | 6,000          | 2,031          | 2,000          |
| Biosecurity Surveillance Services                                      |                | 474            |                |
| Technical advice (MAS)   |                | 7,413          |                |
| TRSM respnse   | 0              |                | 0              |
| Fruit Fly 2019 response  | 11,500         | 11,500         | -              |
| ToBRFV response  | -              | 13,931         | 13,931         |
| PepMV response*  | 35,000         | 9,740          | 5,000          |
| PSTVd response including technical advice**                            | 0              | 10,110         | 60,000         |
| Tuta absoluta  |                | 15,225         | 3,658          |
| SBWG work plan and readiness work                                      | 0              |                | 30,000         |
| <b>TOTAL EXPENDITURE</b>   | <b>46,500</b>  | <b>83,530</b>  | <b>139,589</b> |
| <b>Profit / loss (Biosecurity Levy)</b>                                | <b>73,500</b>  | <b>76,578</b>  | <b>-19,589</b> |
| <b>Reserves</b>  | <b>73,500</b>  | <b>150,078</b> | <b>130,489</b> |

\*PepMV response 2022-23 actual includes wastewater discharge project costs. Response repayments paid in 2022-23 were accrued to FY2021-22

\*\*PSTVd repayments 2023-24 budget - equates to \$120k total repaid over 2-years

**TomatoesNZ**

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