



Annual Report 2025

For the
year ended
31 May 2025





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Chair's report

Reflecting on the 2024–2025 season, I believe that Summerfruit NZ is well-positioned to support the industry into the future. This is thanks to the development of a clear strategic framework, the increasing engagement of our membership, and the knowledge and capability we are building within our management team and Board.

Back in mid-2023, the Board conducted a review of our governance performance, which concluded that “Summerfruit NZ and its Board are at a crossroads”. The main takeaway was the need for the Board to shift from maintaining current operations to focusing on the future needs of our growers. This meant lifting our eyes from the core day-to-day business and starting to think more strategically about where the industry is heading over the next three to ten years.

Over the past financial year, and continuing into this one, we've been steadily working our way through the review's list of recommendations. The first thing we got stuck into was bringing some real focus to what we were trying to achieve. The Board has worked closely with management to firm up Summerfruit NZ's strategic framework – reaffirming the big-picture goals and establishing core operational pillars that will help us get there.

This activity has provided the management team and Board with a clear pathway for delivery. It's also helped highlight the key areas we need to prioritise and the things we won't compromise along the way.





Trudi Webb, Chair

Board evaluation and capability

The conversation around strategic alignment also prompted us to assess the skills needed at the Board table, resulting in the development of a Board Capability Framework. This framework has been designed to ensure the Board collectively possesses the necessary expertise to govern the organisation effectively, leveraging the unique skills that each individual Director contributes.

To evaluate the collective competence of the Board, Directors undertook a self-assessment activity where they each rated their individual skills against the Capability Framework. This exercise provided a clear picture of the group's overall strengths and highlighted areas where supplementary expertise might be beneficial. While the assessment highlighted lower ratings in certain areas, the Board remains confident it collectively possesses the necessary skills for effective governance, as every capability was robustly represented by at least one Director. Crucially, the lower rated areas were identified as training opportunities to upskill existing Directors. This strategic work has also initiated discussions on the Board's optimal future composition and size, and led to the planned re-introduction of the Board Observer role to actively develop future talent.

Strategic focus: our operational pillars

Our revised strategic framework formally introduces six operational pillars to organise workstreams and provide clear focus and additional accountability for the management team. These core focus areas are:

1. Biosecurity & The Right to Farm
2. Innovation, Research & Technology
3. Market Development
4. Stakeholder Engagement & Communications
5. People
6. Finance & Administration.

These foundational pillars, developed through grower consultation, are each underpinned by three clear strategic imperatives, providing management and the Board with sharp, actionable focus areas. The framework also ensures we continue to execute the day-to-day fundamentals necessary for grower success – such as managing export registration and the residue testing programme – and drive long-term projects that look ahead.

A diagram of this framework can be found on pages 8 and 9 of this annual report.

Commodity levy

I was genuinely pleased with the strong engagement and positive result of the commodity levy referendum held in August 2025, with 96.31% of growers by value voting in support of continuing the levy.

The Summerfruit NZ team took their responsibility for consultation seriously, working hard through the reporting period to connect with as many members as possible. They reached out to nearly every individual grower through on-orchard visits, phone calls, and networking events to ensure the process was thorough.

The management team has now submitted the formal application for renewal of the commodity levy order ahead of the current order expiring in August 2026. The Board does not take the privilege of this commodity levy order lightly: we acknowledge that Summerfruit NZ must continue to work hard every day to ensure that the levy is a genuine investment in the industry's future.

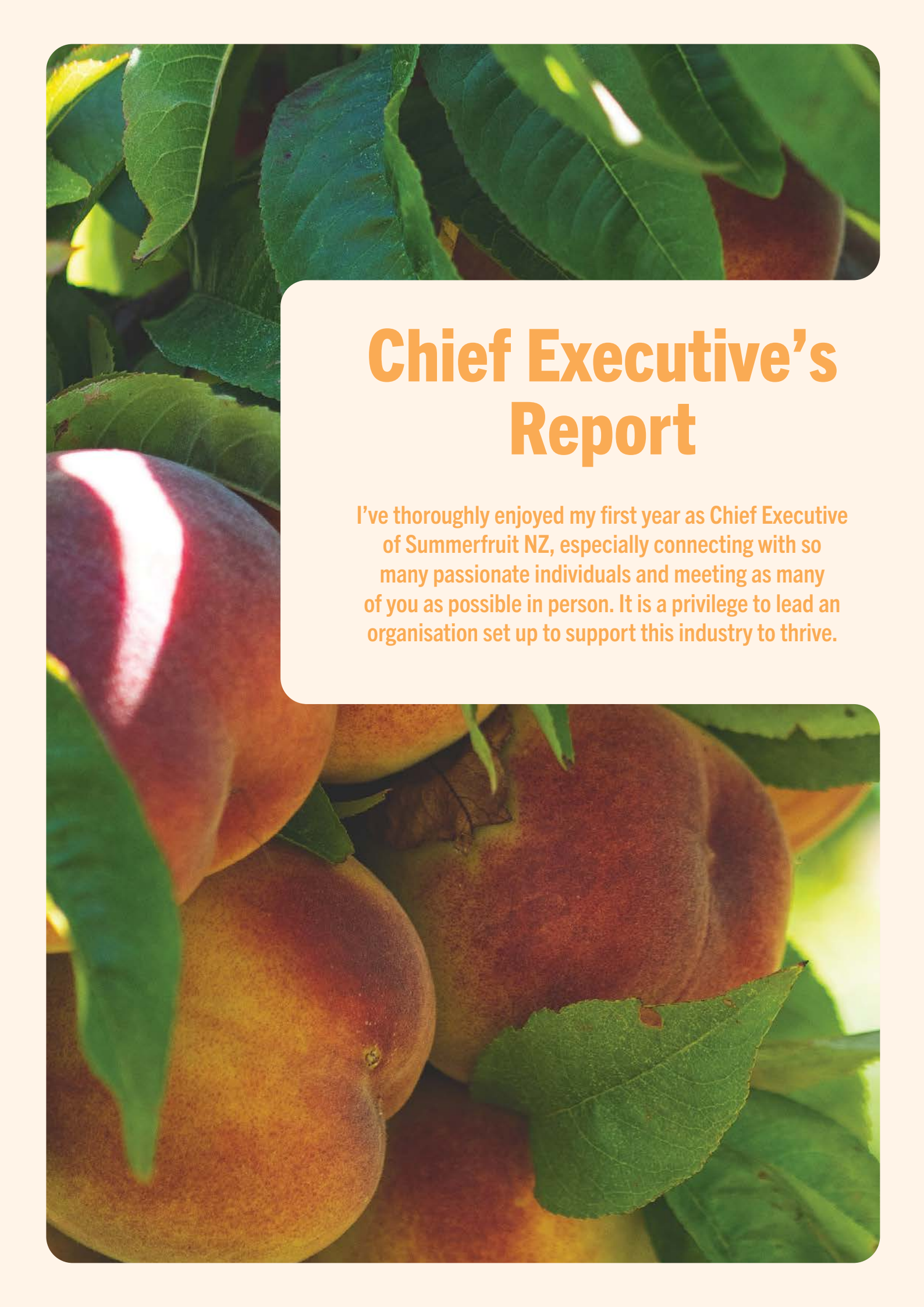
Conclusion and thanks

As I have said, I believe the organisation and the industry are well-positioned for the future. This is thanks to the passion and knowledge of our growers, built up over decades, as well as the commitment of our staff.

I would like to thank Dean and the Summerfruit NZ team for their hard work over the past year. We are committed to continuing to strive to be a high-performing organisation, and ensuring our work is consistently seen by growers as contributing directly to the industry's success.



Trudi Webb, Chair



Chief Executive's Report

I've thoroughly enjoyed my first year as Chief Executive of Summerfruit NZ, especially connecting with so many passionate individuals and meeting as many of you as possible in person. It is a privilege to lead an organisation set up to support this industry to thrive.



Dean Smith, Chief Executive

A look at the 2024–2025 season

Like every season, the last one brought its challenges. Hawke's Bay had an early start with warm, dry weather that brought forward maturity and resulted in some outstanding pre-Christmas quality. However, January and February 2025 were colder than ideal, which slowed things down and presented the domestic market with some supply imbalance towards the second half of the season due to the overlap with peak Central Otago production.

Blenheim had its best season in years. While an early rain event took out some varieties, overall, it was a great crop in terms of both quality and quantity.

The season in Central Otago was more mixed with a cooler start to spring with frosts, wet and windy conditions during blossom, and some wind damage to netting. However, overall growing conditions were also favourable. We are however aware that grower returns were frustrated by market dynamics and soft post-Christmas 2024 consumer spending in the domestic market.

Cherry exports surpassed 5,000 tonnes for the first time – a milestone for our industry. It is noted however that export markets remain extremely competitive, especially China, where a huge influx of Chilean fruit made our focus on quality and market diversification more important than ever. This is why collaborating with government to enhance and maintain market access remains a top priority.

During the height of the domestic season, we ran a targeted, market development campaign, "Summer for Everyone, Everyday," across YouTube, Meta, and TVNZ on Demand. The videos, which feature New Zealanders enjoying a taste of summerfruit wherever they are, enjoyed more than a million views and supported our ongoing partnership with the 5+ A Day Charitable Trust.

Strategic focus and delivery

We focused this year on delivering workstreams within the six operational pillars of our refreshed strategic framework. This ensures our investment aligns with strategy and provides a clear annual work plan with defined responsibilities. Key activities for each pillar are summarised in this report.

While seasonal labour availability was less of an issue this season, our growers continued to report a significant squeeze on margins, primarily thanks to ever-increasing input costs and the inability to generate a comparable lift in pricing.

I'm acutely aware that if growers can't make money, we don't have an industry. As an organisation, we must continue to challenge ourselves to accelerate the delivery of tools and initiatives that elevate operational effectiveness and enhance quality. We will also continue to advocate for sensible government settings that support productivity. Moving forward, applying a strong commercial lens to all our workstreams will be a major focus.

Financial performance and the road ahead

Over the 2024-2025 financial year, the organisation further strengthened its financial position. Strong growth in sales volume saw levy revenue exceed forecasts, while expenditure remained within budget. This resulted in an additional \$354,000 accruing to our reserves with total equity surpassing \$3 million.

Operating expenditure increased by 9.5%, primarily due to budgeted investments in an expanded Research & Development (R&D) programme; and the addition of a new role, taking our head count to four directly employed staff.

A perennial challenge for the organisation is balancing investment against a revenue stream that is highly dependent on seasonal production. The current strength of our reserves provides a vital buffer against future revenue shocks caused by significant climatic events. It also helps us manage the increasing financial exposure to biosecurity risks.

With a strong financial foundation and clear planning framework, we are well-positioned to accelerate investment in our R&D programme and explore longer-term innovation projects. This ramp-up will be a major focus for the coming period, with an immediate interest in rootstocks and new pest and disease options as priorities. Crucially, this accelerated investment will be deliberate: we will consult widely with our membership to ensure collective buy-in, drawing down reserves to fund this work, and building our strategies on existing knowledge to ensure transparent and supported research objectives.

Concluding remarks

Finally, I'd like to thank the Board, especially Trudi, for the guidance and support in my first year. Thank you also to all the growers who took the time to bring me up to speed with the industry's challenges and opportunities. Lastly, my thanks go to the Summerfruit NZ team for its commitment and can-do attitude.

I look forward to working with everyone in the season ahead.



Dean Smith, Chief Executive

Our Strategic Planning Framework



Our vision

Quality summerfruit produced by a successful, confident New Zealand summerfruit industry.

Our purpose

Delivering services, information and advocacy so New Zealand's summerfruit industry can thrive and produce quality summerfruit.

Our values

Putting growers first

Collaborating for impact

Embracing innovation

Adopting a value chain mindset

Championing sustainability

Operating with integrity

Our priorities

Supporting pathways for growth

Enabling industry success

Fostering industry cohesion

Operating with efficiency and alignment

Our operational pillars

Our strategic imperatives

Biosecurity & The Right to Farm

- Advocate effectively for resource management settings that enable growers to be world leading
- Develop strong partnerships to support the delivery of SNZ's biosecurity imperatives
- Ensure SNZ's biosecurity programme is delivered efficiently, effectively and sustainably

Innovation, Research & Technology

- Ensure industry engagement in steering SNZ's research programme
- Ensure the R&D budget is invested efficiently and effectively
- Ensure research outcomes are communicated clearly to support adoption and industry feedback

Market Development

- Defend and strengthen existing markets – both local and export
- Develop new or improved access to existing markets
- Ensure market access prioritisation aligns with member expectations

Stakeholder Engagement & Communications

- Enhance communication to improve stakeholder satisfaction
- Establish new industry partnerships to drive innovation, efficiency and collaboration
- Increase industry participation in SNZ events

People

- Partner to create pathways for quality people to enter the industry and thrive
- Advocate and support the industry to ensure seasonal labour supply is sustainable and effective
- Develop our own people and build a strong culture

Finance & Administration

- Embrace technology to improve the efficiency of the organisation
- Work with the Chair to enhance governance practice
- Ensure levy funds are collected and invested responsibly

Identifies specific goals and actions to deliver strategic imperatives

Annual Business Plan



Operational pillars

Our operational pillars are:



**Biosecurity &
The Right to Farm**

**Innovation, Research
& Technology**

**Market
Development**

**Stakeholder
Engagement &
Communications**

People

**Finance &
Administration**



Biosecurity & The Right to Farm

Biosecurity continued to be a major focus over the period.

Key actions included:

- Signed a sector-specific operational agreement with Biosecurity New Zealand, formalising a framework for investment in readiness and response workstreams for organisms of specific concern to our industry.
- Implemented a new Biosecurity Reserves Policy, ensuring Summerfruit NZ is best positioned to respond to future threats while mitigating the need to immediately hike biosecurity levies.
- Regularly attended Government Industry Agreement (GIA) governance and council meetings to ensure industry perspectives were represented.
- Represented the industry on the governance group that presided over the successful eradication of the two separate Oriental Fruit Fly incursions that occurred in Auckland in early 2025.

On the regulatory front, we maintained a strong voice by:

- Proactively engaged with HortNZ and other product groups to monitor regulatory change and prepare submissions on relevant resource management issues.



Innovation, Research & Technology

Summerfruit NZ engaged in several projects during the year utilising the skills and expertise of New Zealand research providers including the Bioeconomy Science Institute | Plant & Food Research Group (BSI|PFR), Primary Insight, and collaborations through the A Lighter Touch programme to progress R&D activities on behalf of the sector.

The focus of research investment has been primarily on crop protection and disease control for Brown Rot, *Botrytis*, and *Pseudomonas syringae* pv. *syringae*. Other R&D activities included orchard-based projects looking at irrigation practices for sweet cherries, and understanding the economics of collecting and applying cherry pollen to improve pollination outcomes.

Key highlights

Biofungicide screening for Brown Rot and Botrytis

- Multiple biofungicides were tested on peaches and cherries, with four products showing strong efficacy. These will be trialled further in pot and field conditions in the 2025–2026 season.

Non-copper treatments for Bacterial Canker

- Five treatments significantly reduced *Pseudomonas syringae* infections in cherry plants, offering effective alternatives to copper-based sprays.

UV-C light technology trial

- UV-C light applied via autonomous robots showed high effectiveness against Brown Rot and Bacterial Canker, with minimal impact on pollen viability and fruit quality.

A Lighter Touch – understorey planting for biodiversity

- Planting beneath orchard trees increased beneficial insect populations and reduced herbicide use, supporting agroecological resilience.



Irrigation trials for cherry quality

- Trials demonstrated that best-practice irrigation strategies significantly improved cherry fruit quality and export pack-out compared to under- or over-irrigation.

Cherry artificial pollination methods

- Three pollen collection techniques were evaluated for efficiency, yield, and viability, providing insights into improving cherry pollination outcomes.

R&D resources

- All the research supported by Summerfruit NZ and its R&D providers has been collated into a research database containing over 360 records. A pdf of the R&D resources is available to download from the Summerfruit NZ portal. Research topics include: agrichemicals, orchard practice, diseases, Future Orchard Planting Systems (FOPS), pests, pollination, rootstock, varieties, post-harvest, and environment.

Knowledge transfer

- We supported five successful applicants with \$5,000 each to attend the 2025 International Cherry Symposium. This investment ensured key growers were exposed to global best practices and emerging research.
- R&D outcomes were delivered through SummerGreen events.
- Quarterly R&D updates were provided to members.

Market Development

We continued our focus on market awareness, consumer engagement, and market access with key achievements including:

Domestic engagement and awareness

- Partnered with 5+ A Day to raise consumer awareness of summerfruit's diversity and role in a healthy lifestyle.
- Ran the successful domestic digital campaign, "Summer for Everyone, Everyday", which generated more than one million views across TVNZ OnDemand, YouTube, and social media.

International market activity

- Supported the Ministry of Agriculture, Forestry and Fisheries of Japan's remote audit trial for New Zealand's cherry export programme, ensuring trade continuity.
- Contributed to national efforts by participating in a horticultural delegation to India to advance Free Trade Agreement negotiations.

Advocacy and market access

- Maintained a proactive relationship with government agencies, including representing industry interests at the Plant Market Access Council (PMAC).
- Our advocacy remains relentlessly committed to protecting existing markets and securing new trade routes, despite facing a setback on a specific market prioritisation application.

Stakeholder Engagement & Communications

Conference

Significant effort this financial year was dedicated to planning the “Quality Sells” conference, which was successfully held in Blenheim in June 2025. The event featured both field-based sessions and a comprehensive lineup of speakers. It concluded with a memorable formal dinner at the Omaka Aviation Heritage Centre.

Industry recognition

Several well-deserved awards were presented during the year. Sam Hobbs received the prestigious Mack Nicol Award, while Stephen Darling and Roger Brownlie were granted Summerfruit NZ Life Membership.

In addition, Bruce McKay (Wattie’s) and Mark Cosgriff (Fruitfed Supplies Ltd) were recognised with Industry Service Awards.

Consultation and communications

Beyond the conference, the financial year communication featured extensive member engagement ahead of the August 2025 commodity levy vote. We reached out to nearly every individual member through on-orchard visits, phone calls, and networking events to ensure consultation was thorough.

Regular industry updates were provided via the Prunings newsletter. We also continued our active role at Horticultural Industry Forums and other pan-sector events, prioritising collaboration for broader horticulture industry impact.



The Summerfruit NZ team celebrating Board member Stewart Burns being awarded Horticulture NZ Life Member at the Horticulture Conference in August 2025.

Left to right: Communications Manager, Andrew Bristol; Commercial Manager, Raj Singh; Chief Executive, Dean Smith; Board Grower representative, Stewart Burns; Board Chair, Trudi Webb; Biosecurity and Operations Manager, Edwin Spencer; and Technical Advisor, Richard Mills.

People

Internal

We implemented a management reorganisation to align with the revised strategic framework. This change significantly enhanced accountability and subject matter specialisation by assigning each of the six operational pillars to an internal manager. By defining project management responsibilities in this way, we will also ensure that future support from third-party consultants is targeted, efficient and effective.

External

We were busy actively championing the industry at regional and national levels:

- Maintained a strong presence at key forums and regular meetings to ensure local issues are clearly understood and effectively championed nationally. Critically, we worked closely with HortNZ and other product groups at Chief Executive level to ensure our advocacy efforts were aligned on key issues, such as the Recognised Seasonal Employer (RSE) scheme.
- Collaborated with HortNZ, Regional and National Labour Governance Groups, and other product groups to advance effective and practical employment settings.
- Supported initiatives to drive the profile of horticulture as a compelling career path, including assisting HortNZ at the National Fieldays and sponsoring Young Grower of the Year regional events in Hawke's Bay and Central Otago.

Finance & Administration

A core objective for this period was modernising internal processes and ensuring compliance.

Key achievements included:

- Successfully transitioned Summerfruit NZ under the new Incorporated Societies Act, implementing the constitutional changes approved at the 2024 Annual General Meeting.
- Adopted a new procurement policy to mandate transparent and commercially responsible acquisition of all products and services.
- Realigned internal reporting to the new operational framework and implemented new technology to streamline purchase receipt processing.
- Engaged a new Information Technology partner to guarantee the security and stability of our internal digital systems.



Summerfruit NZ Board

2024/25



Trudi Webb

Chair
Grower representative



Blair McLean

Vice Chair
Grower representative



Stewart Burns

Grower representative



Jerf van Beek

Grower representative



Alex Huffadine

Grower representative



Craig Hall

Exporter representative



Russell Faulkner

Exporter representative



Reece van der Velden

Exporter representative



Rob Hollier

Co-opted marketer



Financial statements

Independent auditor's report

To the members of Summerfruit New Zealand Incorporated



BDO Wellington Audit Limited

Opinion

We have audited the financial statements of Summerfruit New Zealand Incorporated ("the Society"), which comprise the statement of financial position as at 31 May 2025, and the statement of financial performance 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 May 2025 are prepared, in all material respects, in accordance with the accounting policies specified in Note 1 to 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.

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 Note 1 to 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.

Other Information

The board is responsible for the other information. The other information obtained at the date of this auditor's report is information contained in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 in Note 1 to 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 has 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.



BDO Wellington Audit Limited

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

22 September 2025

Profit & Loss

For the year ended 31 May 2025

	2025	2024
Income		
Admin & Finance	2,374	4,407
Commodity Levy	1,887,801	1,667,964
Conference/AGM	20,800	185,480
Export & Compliance	252,956	207,470
Other Income		
Grants Received	8,000	1,739
Publications/Pest Books/Trap Books	195	285
Wallchart Advertising	2,250	1,500
Total Other Income	10,445	3,524
Interest Received	116,955	108,685
Share of Profit (Loss) in Associates	13,650	-
Total Income	2,304,981	2,177,530
Gross Profit	2,304,981	2,177,530
Less Operating Expenses		
Administration & Finance	851,180	662,007
Agrichemicals	45,872	49,870
Board Expenses	84,758	92,275
Conference	22,885	225,468
Research & Development	647,862	517,209
Export	206,774	166,312
Compliance	91,835	34,806
Share of Profit (Loss) in Associates	-	33,000
Total Less Operating Expenses	1,951,165	1,780,947
Net Profit (Loss) Before Taxation	353,816	396,582
Net Profit (Loss) for the Year	353,816	396,582

Movements in Equity

For the year ended 31 May 2025

	2025	2024
Equity		
Opening Balance	2,687,484	2,290,901
Increases		
Net Surplus After Tax	353,816	396,582
Total Increases	353,816	396,582
Total Equity	3,041,299	2,687,484

Balance Sheet

For the year ended 31 May 2025

	Notes	2025	2024
Assets			
Bank			
ANZ – Current Acc		1,145,677	494,414
ANZ Bank – Conference Account		196,355	18,443
Total Bank		1,342,032	512,858
Current Assets			
Accounts Receivable and Accrued Income		324,096	202,937
Investments	17	2,021,464	2,100,998
Prepayments		68,787	5,417
Taxation	20	35,543	23,400
Total Current Assets		2,449,890	2,332,752
Non-Current Assets			
Plant, Property and Equipment	18	6,330	9,030
Intangible Assets	19	1,287	2,475
Investments in Associates	22	10,117	(3,533)
Total Non-Current Assets		17,734	7,972
Total Assets		3,809,656	2,853,582
Liabilities			
Current Liabilities			
Accounts Payable		519,563	137,385
Income Received in Advance		212,333	13,800
GST		36,461	14,913
Total Current Liabilities		768,356	166,098
Total Liabilities		768,356	166,098
Net Assets		3,041,299	2,687,484
Equity			
Industry Reserve Fund		1,010,858	894,352
Operational Reserves		1,628,165	1,793,132
Biosecurity Reserves		402,276	-
Total Equity		3,041,299	2,687,484

Signed by:

Trudi Webb

Chair
22/09/2025



Chief Executive
22/09/2025

Notes to the financial statements

For the year ended 31 May 2025

1. Statement of Accounting Policies

Summerfruit New Zealand Incorporated is an incorporated society registered under the Incorporated Societies Act 2022. These Financial Statements are special purpose financial statements and have been prepared in accordance with the Tax administration (Financial Statements) Order 2014.

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical basis have been used.

2. Changes in Accounting Policies

All Accounting Policies have been applied on bases consistent with those used in previous years except for investments in associates.

Investments in associates are accounted for in accordance with the equity method. The investment in an associate is initially recognised at cost and the carrying amount in the financial statements is increased or decreased to recognise the share of the surplus or deficit of the associate as at balance date.

3. Comparative Figures

The comparative financial period is 12 months.

4. Revenue Recognition

Levies are non-exchange revenue and accounted for on an accrual basis.

Revenue is recognised for produce sold in the year to 31 May for which a grower's levy declaration has been received by the society.

Interest income is recognised using the effective interest method.

All other income is recognised at the time that services are provided.

5. Fixed Assets and Depreciation

All fixed assets are recorded at cost less accumulated depreciation.

Depreciation of the assets has been calculated at the maximum rates permitted by the Income Tax Act 2007.

The entity has the following asset classes:

- Computer Equipment. 40% – 50% Diminishing Value
- Office Assets. 10% – 67% Diminishing Value

Assets purchased on or after 17 March 2021 costing less than \$1,000 have been fully depreciated at purchase as allowed by the IRD.

6. Intangible Assets and Amortisation

The entity has the following classes of intangible assets:

- Website and Secure Portal

All intangible assets are recorded at cost less accumulated amortisation. Amortisation is calculated at the maximum rates permitted by the Income Tax Act 2007. Website and Secure Portal is amortised at 48% diminishing value.

7. Goods and Services Tax

These financial statements have been prepared on a GST exclusive basis with the exception of Accounts Receivable and Accounts Payable.

8. Income Tax

Summerfruit New Zealand Incorporated is a non-profit body within the terms of the Income Tax Act 2007. All income derived other than interest is from Society members. Tax is payable on the interest received in excess of \$1,000.

9. Investments

Investments are carried at the lower of cost and net realisable value.

10. Receivables

Receivables are stated at their estimated realisable value. Bad debts are written off in the year in which they are identified.

11. Audit

These financial statements have been subject to audit, please refer to the Auditor's Report.

12. Contingent Liabilities

At balance date there are no known contingent liabilities (2024: \$Nil). Summerfruit New Zealand Incorporated has not granted any securities in respect of liabilities payable by any other party whatsoever.

13. Securities and Guarantees

There was no overdraft as at balance date nor was any facility arranged.

Summerfruit New Zealand Incorporated has six Visa credit cards with ANZ, with a combined limit of \$21,000.

14. Operating Commitments

	2025	2024
Research & Development Projects		
Current Commitments	100,135	207,079
Term Commitments	89,572	183,341
Total Research & Development Projects	189,707	390,420
Other Commitments		
Current Commitments	94,313	85,500
Term Commitments	-	24,250
Total Other Commitments	94,313	109,750

15. Events Subsequent to Balance Date

There were no material changes subsequent to balance date that would affect the interpretation of the financial statements.

16. Capital Expenditure Commitments

As at balance date, there were no capital expenditure commitments outstanding (2024: Nil).

17. Investments

	2025	2024
Term Deposits	2,021,464	2,100,998
Total Investments	2,021,464	2,100,998

18. Fixed Assets

	2025	2024
Computer Equipment		
At Cost	12,749	15,117
Plus Additions	1,206	0
Less Disposals	(843)	0
Less Accumulated Depreciation	(9,566)	(7,152)
Total Computer Equipment	3,546	7,965
Office Equipment		
At Cost	5,020	5,088
Plus Additions	3,477	3,348
Less Disposals	(1,999)	(3,416)
Less Accumulated Depreciation	(3,712)	(1,587)
Total Office Equipment	2,785	3,433
Total Fixed Assets	6,331	11,398

19. Intangible Assets

	2025	2024
At Cost	183,394	183,394
Less Accumulated Depreciation	(182,107)	(180,919)
Total Intangible Assets	1,287	2,475

20. Taxation

	2025	2024
Current Year Taxable Income (Loss)		
Assessable Interest and Conference Income for the Year	61,452	(11,425)
Less Exemption	(1,000)	-
Prior Year Losses Brought Forward	(83,095)	(73,270)
Total Current Year Taxable Income (Loss)	(22,643)	(84,695)
Current Year Tax Provision		
Taxation provision applied thereon at 28%	-	-
RWT Paid	(35,543)	(23,400)
Taxable Income (Refund) for the year	(35,543)	(23,400)

Summerfruit NZ has \$22,643 of losses to carry forward for the 2025 financial year. (2024: \$84,695)

21. Related Parties

2025: The following related party transactions occurred in the 2025 year:

- There were \$22,425 board meeting fees paid during the year to Trudi Webb, who is the chair of Summerfruit NZ.
- There were \$1,750 board meeting fees paid during the year to Orchard HB Ltd. Roger Brownlie, the former vice chair of Summerfruit NZ, is also the director and shareholder of the entity.
- There were \$1,062 board meeting fees paid during the year to 4 Change Ltd. Stewart Burns, the grower representative of Summerfruit NZ, is also the director and shareholder of the entity.
- There were \$3,375 board meeting fees paid during the year to CherryB Orchard Limited. Blair McLean, the grower representative of Summerfruit NZ, is also the shareholder of the entity.
- There were \$3,881 board meeting fees paid during the year to Alex Huffadine, who is the grower representative of Summerfruit NZ.
- There were \$3,364 board meeting fees paid during the year to Fresh Produce Group NZ Ltd. Russell Faulkner, the exporter representative of Summerfruit NZ, is also the director and shareholder of the entity.
- There were \$3,549 board meeting fees paid during the year to Reece Van Der Velden, who is the exporter representative of Summerfruit NZ.
- There were \$2,925 board meeting fees paid during the year to Craig Hall, who is the exporter representative of Summerfruit NZ.
- There were \$1,575 board meeting fees paid during the year to The Rijnberk Family Trust. Jerf van Beek, who is the grower representative of Summerfruit NZ, is also a Trustee of the entity.

Horticulture Executive Services Limited

Trudi Webb is the chair of Summerfruit New Zealand and a Board member of Horticulture Executive Service Limited (HESL).

Summerfruit NZ has paid \$67,227 to HESL in 2025 for biosecurity and communications services.

2024: The following related party transactions occurred in the 2024 year:

- There were \$13,250 board meeting fees paid during the year to Trudi Webb, who is the chair of Summerfruit NZ.
- There were \$10,901 board meeting fees and \$1,350 industry conferences expense paid during the year to Orchard HB Ltd. Roger Brownlie, the vice chair of Summerfruit NZ, is also the director and shareholder of the entity.
- There were \$3,281 board meeting fees paid during the year to 4 Change Ltd. Stewart Burns, the grower representative of Summerfruit NZ, is also the director and shareholder of the entity.
- There were \$3,693 board meeting fees paid during the year to CherryB Orchard Limited. Blair McLean, the grower representative of Summerfruit NZ, is also the shareholder of the entity.
- There were \$2,555 board meeting fees paid during the year to Alex Huffadine, who is the grower representative of Summerfruit NZ.
- There were \$4,859 board meeting fees paid during the year to Fresh Produce Group NZ Ltd. Russell Faulkner, the exporter representative of Summerfruit NZ, is also the director and shareholder of the entity.
- There were \$3,200 board meeting fees paid during the year to Reece Van Der Velden, who is the exporter representative of Summerfruit NZ.

Horticulture Executive Services Limited

Trudi Webb and Roger Brownlie who are the chair and vice chair of Summerfruit New Zealand and a Board member of Horticulture Executive Service Limited (HESL). Tomatoes NZ, Vegetables NZ, Summerfruit NZ and Onions NZ invested \$30,000 each in HESL.

Summerfruit NZ has paid \$8,613 on industry promotion services, \$11,298 on biosecurity projects and \$22,190 on salaries to HESL in 2024.

22. Investment in Associates

Horticulture Executive Services Limited (HESL) is a company that was incorporated on the 23rd February 2023. On incorporation, Summerfruit NZ invested \$30,000 and became a 25% shareholder. As at 31 May 2025, Summerfruit NZ continues to hold a 25% interest in HESL. The investment is not publicly traded.

	2025	2024
Opening Carrying Amount	(3,533)	30,000
Share of Profit (Loss) in Associate	13,650	(33,533)
Carrying Amount at End of Year	10,117	(3,533)

Due to differing balance dates between Summerfruit NZ and HESL (HESL's balance date is 30 June 2025), Summerfruit NZ have used HESL's financial statements as at 31 May 2025 to assess the carrying amount of the investment in associate.

Schedule of Movements in Members' Funds

For the year ended 31 May 2025

	2025	2024
Members' Funds		
Operational Reserves		
Opening Balance	1,793,132	1,505,415
Gross Interest Income Transferred to Industry Reserves	(116,506)	(108,865)
Total Revenue and Expenses for the Year	353,816	396,582
Transfer to Biosecurity Reserves	(402,276)	-
Total Operational Reserves	1,628,166	1,793,132
Industry Reserves		
Opening Balance	894,352	785,487
Gross Interest Income Transferred from Operational Reserves	116,506	108,865
Total Industry Reserves	1,010,858	894,352
Biosecurity Reserves		
Opening Balance	-	-
Transfer from Operational Reserves	402,276	-
Total Biosecurity Reserves	402,276	-
Total Members' Funds	3,041,300	2,687,484

Under the Commodity Levy Act, Summerfruit NZ can accumulate interest derived from levy income. Summerfruit NZ has chosen to accumulate all interest income and capital expenditure repayments in the Industry Reserves.

Industry Reserves are made up of Historical Funds, plus interest transfers.

Operational Reserves represent unspent income, less approved expenditure, including unspent levy from prior years. Operational Reserves are made available for expenditure in the following year.

Biosecurity Reserves represents an equivalent of up to 50% of the total annual biosecurity financial obligations as stipulated in its contractual commitments with GIA and associated operational agreements.

Depreciation Schedule

For the year ended 31 May 2025

Name	Asset Number	Asset Type	Cost	Rate	Purchased	Disposed	Opening Value	Purchases	Depreciation	Disposals	Closing Accum Dep	Closing Value
Computer Equipment												
ASUS Laptop (2)	FA-0176	Computer Equipment	2,295	50.00%	31 May 2022	31 May 2025	344	-	-	344	-	-
HP Elitebook 13.3"	FA-0183	Computer Equipment	2,253	50.00%	26 Jan 2023		892	-	446	-	1,807	446
HP Elitebook 13.3"	FA-0184	Computer Equipment	2,253	50.00%	26 Jan 2023		892	-	446	-	1,807	446
HP Thunderbolt Dock	FA-0186	Computer Equipment	437		26 Jan 2023	31 May 2025	-	-	-	-	-	-
HP Thunderbolt Dock	FA-0185	Computer Equipment	437		26 Jan 2023	31 May 2025	-	-	-	-	-	-
Mobile Phone – Raj Singh	FA-0188	Computer Equipment	1,949	67.00%	17 Feb 2023	17 Feb 2025	499	-	-	499	-	-
Samsung Monitor – Raj Singh	FA-0214	Computer Equipment	1,053	13.00%	18 Dec 2023		985	-	128	-	196	857
HP Elitebook 13.3" – Edwin Spencer	FA-0217	Computer Equipment	2,071	50.00%	08 May 2024		1,985	-	993	-	1,079	993
HP Elitebook 14" – Dean Smith	FA-0220	Computer Equipment	1,206	50.00%	14 Oct 2024		-	1,206	402	-	402	804
Total Computer Equipment			13,954				5,596	1,206	2,414	843	5,291	3,545
IT capital expenditure												
IT Rebuild	FA-0189	IT Rebuild	156,689	48.00%	31 May 2022		1,903	-	914	-	155,699	990
IT Rebuild	FA-0190	IT Rebuild	26,705	48.00%	31 May 2022		572	-	274	-	26,408	297
Total IT capital expenditure			183,394				2,475	-	1,188	-	182,107	1,287
Office Assets												
Richard – Phone	FA-0194	Office Asset	1,672	67.00%	31 May 2022	31 May 2025	86	-	-	86	-	-
Mobile Phone – Kate Hellstrom	FA-0215	Office Asset	1,914		15 Apr 2024	31 May 2025	1,914	-	-	1,914	-	-
Mobile Phone – Edwin Spencer	FA-0216	Office Asset	1,434	67.00%	16 May 2024		1,434	-	961	-	961	473
Mobile Phone – Dean Smith	FA-0219	Office Asset	1,390	67.00%	19 Sep 2024		-	1,390	699	-	699	692
Mobile Phone – Raj Singh	FA-0221	Office Asset	2,086	67.00%	17 Feb 2025		-	2,086	466	-	466	1,620
Total Office Assets			8,496				3,433	3,477	2,125	1,999	2,125	2,785
Total			205,844				11,505	4,682	5,728	2,842	189,524	7,617



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