



Summerfruit NZ
For the year ended 31 August 2019

Annual Report

The purpose of Summerfruit NZ is to create a better earning base for growers, utilising a collective approach to industry good issues, funded predominantly by an industry levy.

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CHAIRMAN'S ANNUAL REPORT

A NEW NORMAL

– WHAT DOES THIS MEAN FOR SUMMERFRUIT NZ?

It seems strange writing this report for the year ending August 2019 as we approach the middle of 2020. Another season has already flown by and the 2020-21 harvest is approaching quickly. Whilst it is important to comment on the 2018-19 season, times have most certainly moved on over recent months – Covid-19 has had a profound impact on the whole world and will continue to do so for the foreseeable future. We will be operating in a completely different environment as we recover from this pandemic and will have to find new and innovative ways to move forward.

The 2018-19 season was a difficult year for parts of our industry for many reasons and, I think it is fair to say, Summerfruit NZ as an organisation faced many challenges throughout the year. At times it felt like we were walking up a scree slope – one step forward, two steps back seemed to me what it felt like much of the time. It is a credit to the staff and Board that throughout all the uncertainty the work continued to be completed on time and the industry was represented at a high level.

The financial result for the organisation is disappointing. The work that the Board had undertaken to implement *Sensational Summerfruit* had to be put aside as we listened to feedback from growers that the programme was not the desire of the majority. Whilst there were substantial sums allocated to PGP implementation, the biggest hole in the budget for the year was the difference between budgeted and actual income. The total budgeted income was \$2.28m vs the total actual income achieved of \$1.79m. As always, this is a reflection on the crop our growers work so hard to produce each year, and unfortunately Mother Nature saw to it that

TIM JONES
Chairman



your crop, and therefore our levy income, would not be as budgeted. If I think about the most recent season the same can also be said for many growers, particularly those involved in cherries which increasingly contributes to levy collection – this is another timely reminder of the risks we face as growers on a day to day basis. Frost in Central Otago in October 2018, hail in Hawke's Bay in October 2019 – these are the sort of risks we are used to. The worldwide pandemic we now refer to as Covid-19 is just one more to add to the list, but one that was unlikely to be on everyone's radars earlier this year.

So, what is the way forward, the 'New Normal'? Our industry review will form part of the blueprint for how we operate as an organisation, but as with most reviews, they never give us all the answers – many questions are posed at the same time. My view, and I write this before the outcomes of the review are fully known, is that having looked at how well industry has collaborated to design and implement solutions to operate during Covid-19, that we will find ourselves providing more of a united voice in the future. There will be certain things that we deem non-negotiable, and advocacy on those issues will always be the domain of Summerfruit NZ, but in some areas a united horticultural voice will be stronger and achieve better outcomes. The key here for Summerfruit NZ is maintaining an ability to make our views heard because they **are** important, and we can't let them be lost amongst the bigger product groups. Getting the balance right here is key to delivering successful outcomes from the review.

I would like to finish by recognising the contribution of Gary Bennetts to the summerfruit industry. Gary steps down from the Board at this AGM after 17 years of service, nine as Chairman. Gary has worked across all areas of the Summerfruit NZ portfolios and always advocates strongly on behalf of the grower. Not only will this be missed around the table, but the tales from his latest cycling trip to Asia will be fondly remembered by all who heard them. It won't be quite the same without Gary's cheeky grin and dry wit, but can I pass on our thanks for many years' service on behalf of the whole industry.

It is important to acknowledge the contribution of Marie Dawkins to Summerfruit NZ over many years. As you know, Marie left us at the end of 2019 to take up further challenges, have a bit more time to herself, and continue her passion of swimming in the ocean. Marie dedicated a huge portion of her working life to our industry and its growers, and the professionalism of our organisation and how we are respected in the wider horticultural industry has in no small way been influenced by Marie. I wish her all the best in her next career... knowing Marie, I'm sure she will pop up somewhere in the wider horticulture family very soon.

My thanks also to the Board and staff for their continued hard work for the industry. We have some challenges ahead of us but your efforts and professionalism are respected and I look forward to working together with you as we shape the industry for a successful future.

TIM JONES | Chairman

19 Summerfruit NZ Board 20 & Interim chief executive



From left to right

Kevin Paulin
Exporter representative

Stewart Burns
Grower representative

Craig Hall
Exporter representative

Tim Jones
Chairman
Grower representative

Blair McLean
Board observer

Richard Palmer
Interim chief executive

Rob Hollier
Co-opted marketer

Roger Brownlie
Vice chairman
Grower representative

Tracey Burns
Exporter representative

Gary Bennetts
Grower representative

In absentia

Trudi Webb
Grower representative

MESSAGE FROM THE CHIEF EXECUTIVE

REFLECTION ON THE YEAR

Writing the 2019 Annual Report in this time of Covid-19 seems slightly inconsequential as the history of 2019 gives way to an altogether different reality for 2020 and beyond. In addition, as the interim chief executive, I report on the past year essentially as an outside observer, when the credit for the operation of Summerfruit NZ must go to Marie Dawkins. Marie served the sector as chief executive very well over 20+ years and through some incredible changes, for which I thank her on your behalf, and on behalf of the Summerfruit NZ team. Despite the significant changes and challenges we are facing, reflection on the past year provides opportunity to review the successes of Summerfruit NZ, and where the industry is at.

RICHARD PALMER
Interim chief executive



Last year saw a significant effort put into the ongoing development and progress of the industry's bold plan, *Sensational Summerfruit*, which ultimately proved not to be the desire of the industry at the time. As a result, an independent review of the industry and the role of Summerfruit NZ was proposed, which is being undertaken in early 2020. Whilst there are a range of views from across the industry, it appears that the overall expectation of outputs and industry support has not fundamentally changed, but the current review provides the chance to formally test that and bring fresh thought to the role of Summerfruit NZ in that process.

The effects of Covid-19 will be felt across the world for years to come. One thing that has become clear is that everyone needs to eat, and we've been fortunate to have strong support from the Ministry for Primary Industries (MPI) to continue the primary sector operating as essential business to feed both New Zealanders, and other countries. As I have got to grips with the summerfruit industry, the current season, and the opportunities post-Covid, I consider it useful to reflect on some core themes and the questions that arise:

- **The consumer.** This past season's domestic sales have reflected on the excellent taste and eating quality of summerfruit. Meeting consumer expectations enables more and higher value sales. How do we maintain this in the future?
- **Export markets.** The offshore lockdown has demonstrated what can happen very quickly in our export markets. Which new markets can offset some risk and provide new opportunities? What do we need to do to give assurance to markets of our high quality?
- **The supply chain.** Lockdown in New Zealand has seen the development of new sales channels across a breadth of sectors, something that is occurring offshore too. How can we leverage closer to consumer, e-tail sales channels to maximise fresh sales? For export how can we cooperate to ensure sufficient and timely airfreight capacity is available?
- **Orchard productivity.** We have largely escaped the economic downsides of Covid due to our seasonal timing but now is the perfect time to review performance and think about employing skilled New Zealanders who can bring new ideas that may boost productivity.
- **A stronger horticulture sector.** Covid-19 has demonstrated our strong connection with others across the horticulture sector, and the importance of the primary sector to New Zealand's economic resilience. We have a unique opportunity to leverage that in collaboration with other like minds.



One key role of Summerfruit NZ is to represent the summerfruit sector's perspectives to decision-makers in government.

Your representative to government

One key role of Summerfruit NZ is to represent the summerfruit sector's perspectives to decision-makers in government. This is done both formally, through the likes of Government Industry Agreements for Biosecurity Readiness and Response (GIA) where we are a legal partner with MPI, or more informally through personal relationships and meetings. In MPI's response to Covid-19, the horticulture sector was fortunate to have someone we knew and trusted as our principal liaison, which enabled no-nonsense and productive discussion. The industry response to Covid-19 protocols, and successful operation as essential businesses, has strengthened the horticulture sector's perception by government agencies, so we have a unique opportunity to leverage support for our growth. This will likely cover market access, labour and infrastructure, all areas we know are crucial to our continued growth and success.

Crucial to any discussion with government is our knowledge of the sector – be it a policy, operational, or technical matter. For this reason, industry statistics on area, crop value, people employed, agrichemical usage, etc are vital to our role. For post-Covid-19 that means accurate statistics of planted area and crop load that will enable us to plan for such things as sufficient seasonal labour, and airfreight capacity for the export season. Accurate knowledge about our sector, in the post-Covid recovery phase, is more crucial than ever so I ask for your support to get this right.



Market access and enabling export

The summerfruit industry is fortunate to have a broad range of export market access, albeit we are still seeking access to some key markets, or broadening access. Maintaining and defending our existing market access continues to challenge us, such as the loss of Offshore Pre-clearance Inspection (OPI) for export to Australia, and its successor the Compliance Based Inspection Scheme (CBIS) which has consumed significant effort across the horticulture sector.

New Zealand has a well-regarded international voice on the value and benefits from global trade and conversely the risk from protectionism and agricultural subsidies. In the near term, reaction to Covid-19 will see an increase in protectionism and nationalism, which will leave many global consumers worse off. Summerfruit NZ has an important role in supporting New Zealand Inc work against protectionism and providing information to government agencies on the effects on, and in, our specific export markets is a key part of that. In addition, we will need to demonstrate value to our export consumers, and their regulators.

Export markets are increasingly demanding greater visibility of, and compliance from, all parties across the value chain. As international protectionism continues to increase, having a dependable system that is recognised and supported by New Zealand's export regulators, is crucial to our export success.

The 2021 export season is clearly going to be much more challenging than previous seasons. From airfreight to in-market demand, there are many uncertainties that may not be fully answered in time. Summerfruit NZ is already engaged in discussions about Recognised Seasonal Employer (RSE) labour, constraints on critical inputs, and information to government on airfreight demand.

...reaction to Covid-19 will see an increase in protectionism and nationalism...



Biosecurity

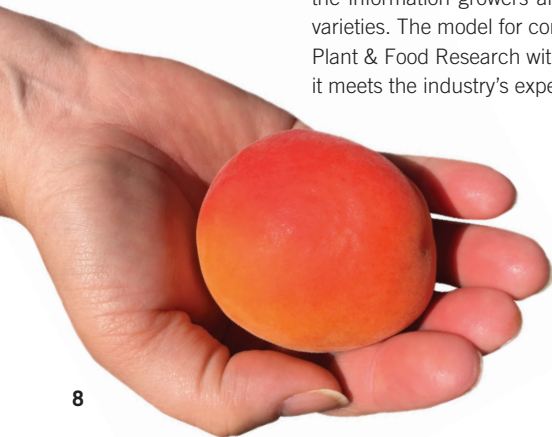
We continue efforts to identify and manage biosecurity risks that affect summerfruit growers, both from a production and market access perspective. The threat from new, easily spread, and highly damaging risks is amply illustrated in the Covid-19 story, and acting quickly and effectively is, thus far, New Zealand's success story of Covid. The well prepared, and unfortunately too-oft rehearsed, fruit fly response has once again proven effective in Northcote. Our trading partners have confidence in New Zealand's fruit fly response, meaning export markets remained open, thereby ensuring our short-season sales were unaffected.

Research and development

We have continued to invest extensively in research and development with a focus on resolving uncertainty that affects all growers. Ongoing areas of focus include benchmarking of agrichemical use, pathogens and fungicides, the final year of the Future Orchard Planting Systems (FOPS), and apricot evaluation. The effectiveness and use of agrichemicals is an increasing workload for Summerfruit NZ with constant reviews by the Environmental Protection Authority, broad scrutiny on residues, and ongoing challenges of disease management.

Apricot commercialisation

The options for commercialising new apricot varieties are making progress, and I was pleased to see a strong attendance at the field days held in Hawke's Bay and Central Otago over the recent harvest. Summerfruit NZ is working closely with Plant & Food Research to ensure the research delivers the information growers and marketers need to invest in the new apricot varieties. The model for commercialisation of new apricot varieties, bred by Plant & Food Research with levy contributions, is being reviewed to ensure it meets the industry's expectations, and the commercial reality.



New Zealand market

Despite challenges in the spring with a widespread Hawke's Bay hail event, the overall quality of the past season's crop was particularly good, with eating quality reflected in strong consumer demand.

Undoubtably the key point is that providing consumers with product that eats so well that they want to buy again and again, is fundamental to success in today's crowded fruit offering for New Zealand consumers.

The feedback from growers on the weekly seasonal reports continues to be exceptionally positive. It is clear that this feedback is valued for the honest appraisal of the current market situation, and we welcome seasonal contributions to broaden the weekly snapshot.



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that expecting
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fill the demand won't
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Labour

The current issue for seasonal labour is repatriation of RSE workers back to their Pacific Island homes. Naturally, Pacific Governments have taken a strong stance to prevent entry of people given their freedom from Covid-19 and the limited health capacity. Summerfruit NZ is working hard with other sectors and Horticulture NZ to realise a New Zealand-wide staged repatriation for workers, as well as developing the necessary messages to government about next season's labour demand. We well recognise that expecting unemployed Kiwis to fill the demand won't be the answer to our seasonal labour, not in 2021 and certainly not in 3-5 years' time. We do however have an important economic role to play as our

economy rebuilds following the fight against Covid-19. This presents a great opportunity for us to attract more skilled New Zealanders into our permanent industry staff.

Staff

I would like to thank the talented Summerfruit NZ team for their service to you. As I get to understand the multiple supporting functions we perform, I am continually pleased at their knowledge and breadth of capability. Much of their work goes un-noticed whether it is chasing down growers for information on agrichemical use, preparing submissions on a never-ending range of topics, or dealing with the myriad of export and compliance issues that arise – all important tasks in support of our industry. I would also like to recognise the contractors that enable Summerfruit NZ to represent and serve growers, packers and exporters. Their technical support continues to add significantly to the work of Summerfruit NZ.

Finance

The financial result for Summerfruit NZ for the year ended 31 August 2019 was a deficit of \$484,375. Operating revenue was down on the previous year by \$131,406 with reduced levy comprising most of this reduction, down by \$122,288. Operating expenses were up \$409,827 on the previous year. Members' equity decreased by \$475,594.

RICHARD PALMER | Interim chief executive

BIOSECURITY REPORT 2019–20

EFFECTIVE RESPONSES

Successful end to the QFF response in Auckland

New Zealand is once again free of Queensland fruit fly (QFF). Biosecurity New Zealand ended its Northcote fruit fly operations on 31 January 2020 and lifted restrictions on the movement of fruit and vegetables on Auckland's North Shore.

Queensland fruit fly is a serious pest, known to significantly damage a wide range of fruits and vegetables, and fruit flies are considered the greatest biosecurity threat to our summerfruit industry. Our principal risk from QFF is market access, that is our export markets closing their borders to us when QFF is detected in New Zealand. Thankfully our long-established system of seasonal monitoring across the country, and our (now well practised) response process, mitigates against undue export market responses when QFF is detected here.

The series of detections last year certainly put the horticulture industry on high alert and it has been especially important to have a well-managed response, considering our short harvest season and highly perishable produce, where any delays would be detrimental to our fruit quality.

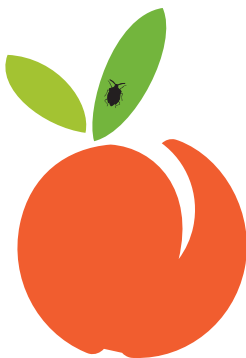
Summerfruit NZ actively participated in this response with two staff members assisting MPI with the response efforts in Auckland for two weeks in March last year. This was a fantastic experience for us, working mostly on fruit collection and trap inspections. Participating provided great insight into how a biosecurity response is managed, the key activities, and the huge logistics required to keep QFF out of our

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JUAN ROSALES
Biosecurity and export manager



It is extremely important that we continue to support the investment in biosecurity by ensuring efficient surveillance systems are in place and we are able to effectively respond to biosecurity incursions.



country. It also became apparent that with an ongoing response like this one, finding resources to assist out in the field was a challenge at times. One of the key outcomes of our biosecurity strategy is to develop the capabilities within our industry to be able to effectively assist during an incursion affecting summerfruit. We encourage our growers to participate with Summerfruit NZ in future responses in order to build up these capabilities.

The total cost of the response has been estimated by MPI to be around \$18 million. As GIA partners, our specific commitments are set out under the Fruit Fly Operational Agreement (FFOA). In this context, Summerfruit NZ not only assisted out in the field, but also participated in response governance meetings in Wellington. Summerfruit NZ's financial contribution is, as agreed under the FFOA, likely to be around \$116,000.

Biosecurity New Zealand has expressed its appreciation and gratitude for the ongoing support that was provided by the horticulture industry, Northcote residents and businesses, in what has been a lengthy response. Queensland fruit fly could not have been eradicated without the strong commitment and help of the community and stakeholders.

Summerfruit biosecurity levy

As part of the referendum conducted at the end of 2016 to sign the GIA Deed, consultation was also carried out to seek mandate from growers to implement a Biosecurity Levy. Growers voted overwhelmingly in favour of supporting the levy giving Summerfruit NZ the authority to submit this application to the Government. Our Biosecurity (Readiness and Response) Levy Order was approved by MPI and promulgated on 1 November 2019. The current default rate for this levy is zero.

It is extremely important that we continue to support the investment in biosecurity by ensuring efficient surveillance systems are in place and we are able to effectively respond to biosecurity incursions. Since 1989, The National Fruit Fly Surveillance Programme has reported 12 detections of economically important fruit flies – including the last one in Auckland. With the effects of climate change threatening to increase the area of distribution of pests and diseases, we are highly likely to face further responses in the future. In these circumstances investing in biosecurity, remaining vigilant, and ensuring we are ready to respond is vital.

Biosecurity activities

Biosecurity manual

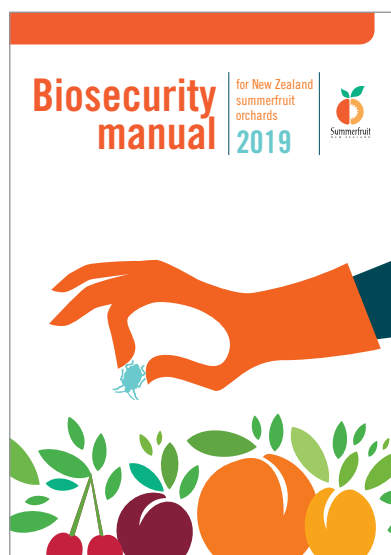
Last year we published the *Biosecurity manual for New Zealand summerfruit orchards*. The manual is a reference document for the implementation of biosecurity measures specific to the New Zealand summerfruit industry. It describes the relevant biosecurity guidelines and principles to assist growers in protecting their orchard from the introduction and spread of exotic organisms.

Publication of the biosecurity manual was one of the key activities identified as part of our biosecurity strategy. It is designed to fill a gap in information related to biosecurity practices at the orchard level. The manual includes sections on risk assessment, orchard hygiene, propagation material, people and machinery movements, and a best practice checklist for assessing biosecurity practices. It also includes several templates to help growers in the implementation of biosecurity in their orchards. The biosecurity manual is available on our secure portal.

BMSB Council

Technical projects continued development under the BMSB Council. The Council is making good use of international and domestic research and contacts to keep up to date with BMSB developments. The work programme has primarily focused on two key result areas which includes surveillance for early detection and effective response. These key result areas are within the scope of readiness and response, and focus on maximising the chance of eradication.

This BMSB risk-season (September 2019 to April 2020) there have been significantly fewer detections compared to last season. This is a clear indication that the phytosanitary measures implemented by MPI overseas targeting vehicles, machinery and parts coming from BMSB risk-countries such as USA, Italy and Japan are working.



Oriental fruit fly



Queensland fruit fly



Peach fruit fly



Mediterranean fruit fly



European cherry fruit fly



Fruit Fly Council

The existing state of knowledge of fruit flies is very well advanced compared to that of other pests now known to be as significant risks. Effective tools, technologies and methodologies are available for implementing an early warning surveillance system and fit-for-purpose response as demonstrated during the recent QFF incursion in Auckland.

In accordance with the OA, the Fruit Fly Council's work programme builds on systems implemented by MPI. The New Zealand Fruit Fly Strategy 2017-22 focused on reviewing surveillance, response systems and associated standards. Most of the current projects target efficiencies in the systems ensuring appropriate chemicals and trapping technologies are available in New Zealand's toolbox to maintain freedom from economically significant fruit flies and minimise their impacts.

Plants Council

The Plants Council is in its formative stage and is intended to provide a forum for pan-sector biosecurity issues. Members of the Council include GIA partners representing industries, government, and research organisations.

Initial discussions are focusing on identifying the strategic vision for plant sector biosecurity and defining key result areas. The intention is to have a systematic review of priorities and be collectively prepared for a response through strong partnership between stakeholders.

Xylella Action Group

The bacterium *Xylella fastidiosa* is a plant pathogen of worldwide biosecurity concern. It has a wide host range and is a potential threat to many of New Zealand's valued crops. And it is considered under our biosecurity strategy one of summerfruit's high priority pests.

The initial work from the Xylella Action Group (XAG) focused on identifying those industries that could be affected by this pathogen. As a result of this work, susceptibility of our summerfruit crops to this disease was confirmed. This study also helped redefine membership of this group and the focus is now on negotiating an operational agreement in order to develop a response plan for *Xylella* should it be detected in New Zealand.

The XAG is led by NZ Wine with the support of MPI and other GIA partners including Summerfruit NZ, Citrus NZ, NZAPI and Hort NZ.

Juan Rosales | Biosecurity and export manager

Independent auditor's report on the summary financial statements to the board of Summerfruit NZ

Opinion

The summary financial statements of Summerfruit NZ, which comprise the summary profit and loss, summary movements in equity for the year ended 31 August 2019, summary balance sheet for the year ended 31 August 2019, and related notes, are derived from the audited financial statements of Summerfruit NZ for the year ended 31 August 2019.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements of Summerfruit NZ, on the basis described in the Notes to the Summary Report.

Summary financial statements

The summary financial statements do not contain all the disclosures required by Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR"). Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements of Summerfruit NZ and the auditor's report thereon. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

The audited financial statements and our report thereon

We expressed an unmodified audit opinion on the audited financial statements of Summerfruit NZ in our report dated 18 December 2019.

Summerfruit NZ Committee's responsibility for the summary financial statements

The Trustees are responsible on behalf of the entity for the preparation of the summary financial statements on the basis described in the Notes to the Summary Report.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements of Summerfruit NZ based on our procedures, which were conducted in accordance with International Standard on Auditing (New Zealand) (ISA (NZ)) 810 (Revised), Engagements to Report on Summary Financial Statements.

Other than in our capacity as auditor we have no relationship with or interests in Summerfruit NZ.

Who we report to

This report is made solely to the Board, as a body, for the purpose of expressing an opinion on the summary financial statements for the year ended 31 August 2019. Our audit has been undertaken so that we might state to the Board those matters we are required to state to them in an auditor's report on summary financial statements and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board 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

23 June 2020

Profit and loss

For the year ended 31 August 2019

	2019	2018
Income		
Administration & finance	1,413,800	1,524,154
Export & compliance	173,840	183,027
R&D income/grants	156,096	162,826
Other income	12,638	12,731
Sundry income	41,214	46,257
Total income	1,797,588	1,928,994
Gross profit	1,797,588	1,928,994
Less operating expenses		
Board expenses	77,851	56,625
Staff costs	596,025	398,156
Finance	25,332	36,235
Conference	178,368	153,735
Administration	173,766	195,296
IT	41,030	57,907

	2019	2018
Research	555,003	507,126
PGP	162,650	81,666
Crop protection	52,746	29,058
NZ market	29,908	25,247
Export	246,539	253,861
Biosecurity	34,006	19,488
Labour survey	3,044	0
Communication & education	58,717	37,653
ACIB	35,720	8,823
Total operating expenses	2,270,703	1,860,876
Net profit before taxation	(473,115)	68,118
Total non-operating expenses	11,260	11,994
Net profit for the year	(484,375)	56,124

Movements in equity

For the year ended 31 August 2019

	2019	2018
Equity		
Opening balance	1,743,344	1,686,735
Surplus and revaluations		
Net surplus after tax	(484,375)	56,124
Total surplus and revaluations	(484,375)	56,124
Other movements		
Industry reserve fund	0	78,835
Operational reserves	8,896	(78,835)
Conference reserves	(115)	485
Total other movements	8,781	485
Total equity	1,267,750	1,743,344

Balance sheet

As at 31 August 2019

	2019	2018
Assets		
Bank	191,560	188,641
Current assets	1,130,834	1,477,700
Non-current assets	85,026	139,144
Total assets	1,407,419	1,805,485
Liabilities		
Current liabilities	139,669	62,141
Total liabilities	139,669	62,141
Net assets	1,267,750	1,743,344
Equity		
Total equity	1,267,750	1,743,344

Signed by

Chairman:



Chief Executive:



Date: 23 June 2020

Notes to the financial statements

For the year ended 31 August 2019

1 Basis of preparation

The Summerfruit NZ summary financial statements have been extracted from the full financial statements for Summerfruit New Zealand Incorporated, registered under the Incorporated Societies Act 1908. The full financial statements for Summerfruit New Zealand Incorporated have been prepared in accordance with the Public Benefit Entity Standards Reduced Disclosure Regime (PBE Standards RDR), as appropriate for Tier 2 not-for-profit public benefit entities.

The functional currency of Summerfruit NZ is New Zealand dollars and these summary accounts are presented in New Zealand dollars. Amounts in the accounts have been rounded to the nearest dollar.

The summary financial statements cannot be expected to provide as complete an understanding as provided by full financial statements. The summary financial statements have been examined for consistency with the full financial statements. The full financial statements are available on request and can be downloaded from the Summerfruit NZ website www.summerfruitnz.co.nz

The full financial statements have been subject to audit and an unqualified audit report has been issued.

The full financial statements were approved for issue by the Directors on 18 December 2019.

2 Allocation of interest

Interest income, less the associated provision for taxation is allocated to each sector within Summerfruit New Zealand Incorporated, based on their average accumulated funds over the year to 31 August 2019

3 Operating commitments

	2019	2018
Research & development projects		
Current commitments	119,520	172,300
Term commitments	110,240	180,750
Total research & development projects	229,760	353,050



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