



New Zealand
Apples & Pears®

Annual Report 2023



Contents

Chair's Report	1
New Zealand Growing Regions	3
Industry Snapshot	4
Our Purpose	8
Market Access	10
Biosecurity	14
Workforce	15
Research and Development	17
Knowledge and communication	20
Collaboration and advocacy	22
Prevar	23
Board of Directors	24
Advisory Groups	27
Financial Report	28

Chair's Report

It is my pleasure to present the New Zealand Apples and Pears Incorporated Annual Report for the year ended 31 March 2023. This report covers the 2022 selling season and the 2022-23 growing season to the start of harvest.

Firstly, I would like to acknowledge our members who have been so deeply affected by Cyclone Gabrielle earlier this year, and those members impacted by some of the other major weather events that occurred across the country through this season. I know that these events have resulted in devastation for some and hardship for many, and my thoughts and our support are with you all.

Quality fruit during challenging times

In the face of one of the most challenging seasons in recent memory, the 2022-23 season will be remembered as one where our industry came together, ensuring top quality fruit continued to reach our global markets. The industry continues to play a critical role supporting our national and regional economies through its \$848 million in export earnings in 2022, ongoing employment opportunities, and supporting both upstream and downstream service industries in our local communities.

Balancing the ebbs and flows of workforce

Our industry is built on its people, from the smallest grower to listed corporates, the permanent teams that shape and guide our industry through the year, and the fantastic seasonal teams that support us during the season.

New Zealand orchards and packhouses employ over 1,900 permanent staff and more than 10,000 seasonal staff. This is further supported by a significant number of upstream and downstream businesses that support and service our industry. These people are the heart of regional New Zealand and continue to be a fundamental building block, supporting the regional economies of our key growing regions across the country.

This year the industry has seen a change in our workforce. Early in the season, the challenges of ongoing labour shortages led to a particularly tough start for the 2022 harvest and packing season. COVID-19 border restrictions continued to affect the national and international workforce, resulting in a lack of both overseas working holiday staff and Recognised Seasonal Employees (RSE).

New Zealand's unemployment rate continued to sit at a record low of 3-4%, meaning securing both permanent and seasonal skilled staff was challenging. This season we even saw packhouses closing for periods of time as staff shortages meant lines could not operate.

By the end of the season however, we began to see the return of our much-needed Working Holiday Scheme workforce and our Pacific RSE teams to Aotearoa. This, coupled with an increase in RSE cap to record numbers, meant growers went into the 2023 harvest with many much-needed hands at the ready.

This year we also celebrated 15 years since the establishment of the RSE Scheme. The annual RSE Conference celebrated the 'Voices of the Pacific' with a renewed focus on ensuring a scheme that is fit for purpose for all.

Workforce and related schemes are not without issue, as the rising costs of labour and new RSE Scheme policies and wage thresholds threaten the viability of the RSE Scheme and the ability for orchard businesses to operate profitably, which may result in the closure of some businesses. NZAPI continues to work with government and advocate strongly on behalf of members to ensure the RSE Scheme is both effective and delivers value to all parties involved.

Rising cost of production and impact of policy challenges

Unfortunately, the resilience of the industry continues to be further tested as the avalanche of legislative issues bear down on us - from the effects of water usage and environmental legislation to the RSE policy review process and new fair pay legislation.

Lower export volumes combined with increasing labour costs and increasing cost of production on orchard and post-harvest are seriously impacting the profitability of most New Zealand apple and pear growers in 2022/23.

It is vital that all horticulture sectors challenge policy changes and mitigate the negative effects that these initiatives have on already diminished returns.

The NZAPI team is here to serve our members, to help them access the world, and protect and grow the future of our industry.

Building back after Cyclone Gabrielle

The impact of Cyclone Gabrielle in February 2023 has brought consequences that may change the face of the industry in Hawke's Bay.

The devastation of Cyclone Gabrielle impacted many in the Hawke's Bay and Tairāwhiti growing regions. In the Hawke's Bay alone, 50% of the orchard area was impacted by flooding to some degree. For some, this meant a complete loss of orchards, for others, an entire year's crop and income was lost.

Of those affected, more than 80% were small to medium growers. Many of these growers lost not only orchards, but family homes, and following three challenging seasons, had already incurred the cost to produce the 2023 crop. The financial impact for many has been catastrophic.

NZAPI mobilised during and after the cyclone, playing a role in response, wellbeing, logistics and solutions in the immediate aftermath. The team quickly pivoted to quantifying the impact of the flood on the regions and provided this much needed data to local and central government agencies.

In partnership with local advisors and scientists, including Plant and Food Research, the NZAPI team swiftly sought to pull together technical advice for growers to help harvest remaining crops and focus on saving trees in the long term. Longer term technical research programmes have also been established to maximise the survivability and productivity of flood-affected trees.

Growers have been working hard to clean up the millions of tonnes of silt and flood debris from their properties to save their orchards and livelihoods, however the future for some is uncertain.

Whilst Government has provided some financial assistance for clean-up, unfortunately, it has become clear that the package will be well short of what growers need. The Government has repeatedly stated its commitment to supporting the long-term rebuild of the industry in Hawke's Bay and Tairāwhiti. We will continue to work alongside them to get the best possible outcome for growers.

The NZAPI team has and will continue to play a strong role in advocating for members with central government, ministers, local government, and recovery agencies by seeking support and solutions for affected members. Whilst this work is often not seen, be assured the team has worked tirelessly in this area and will continue to do so, to get options and solutions that support members to move forward and rebuild their livelihoods.

Accessing the world

The trend of increased volume and value for exports to Asia at the expense of Europe continued. Asia now accounts for over 60% of total exports. Within Asia, both China and Vietnam performed well with the highest volumes ever recorded. Both the Middle East and India were affected by average increases in freight rates of 100% and 70% respectively.

As has been widely documented, consumer demand in the EU has been hit hard by the severe inflationary environment that has been exacerbated by the Russia war with Ukraine. Facing major increases in energy prices (up to 109% for gas), this has seriously impacted discretionary spending, resulting in a decrease in consumer demand for apples (German demand down 20-25%).

The combination of weak market demand, inflation hitting consumer spending, high USD in 2022, and global logistics challenges has created a perfect storm. This, combined with a change from globalisation to increasing nationalism, makes exporting in this current environment challenging.

Two varieties – Dazzle and Rocket™ – have bucked an otherwise gloomy trend in returns. This illustrates the importance of the Prevar pipeline going forward. The continued influence and growth of new varieties in our overall portfolio of export offerings is likely to assist returns, continuing the move towards differentiated, premium

varieties.

NZAPI continues to focus on deepening relationships with two key markets – India and Japan. With visits to both countries in 2022/23, and a focus on exchanging ideas as we seek to develop enduring partnerships.

Smart and sustainable future

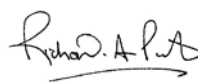
This year was the first of seven for the sectors' new major research and development programme - Smart and Sustainable, managed by New Zealand Apple and Pears. The \$14.8M programme (funded half by industry and half by the Ministry for Primary Industries) will allow the sector to lead the world as a sustainable, low-input, low-residue apple producer. The project will look to utilise the latest technology and opportunities to meet the needs of consumers, and address the ever-increasing risk of loss of agrichemicals, and adapt to changing climate challenges. This programme of research will provide short- and long-term benefits and opportunities for all growers, large and small, to continue their journey in sustainable production.

Together we grow

The NZAPI team is here to serve our members, to help them access the world, and protect and grow the future of our industry. Our team works hard to deliver value to members across our key focus areas of market access, crop protection, biosecurity, workforce, advocacy, and research and development.

I also want to thank the Board for their ongoing commitment to the industry, especially through these challenging times, while balancing the needs of their own businesses. They continue to provide sound governance and support to the team and myself making sure the growers voice is heard loud and clear through all decisions, guiding the future of our organisation.

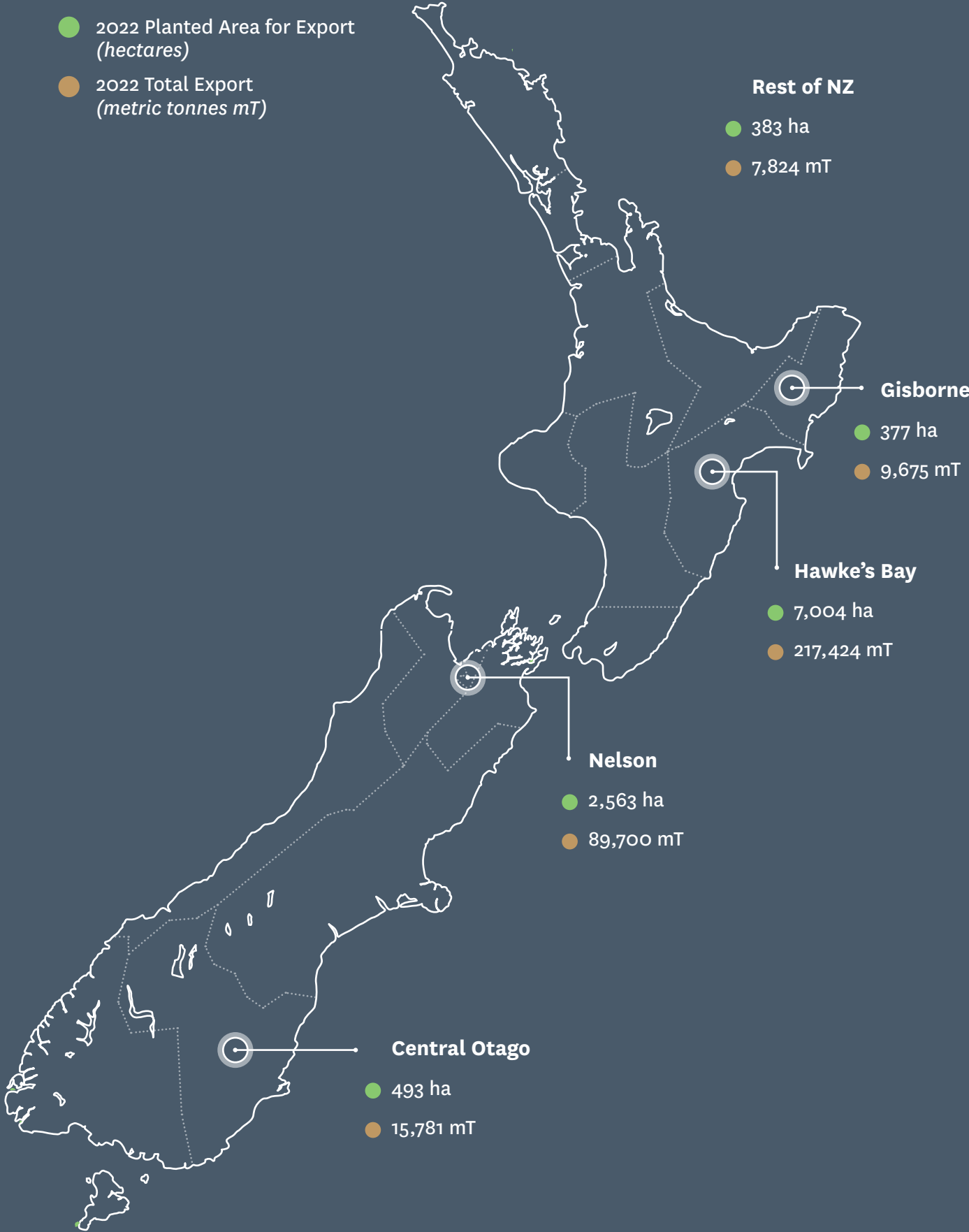
In closing, I want to again acknowledge our growers and industry members. This year many of you have faced unprecedented trauma and hardship, on top of ongoing pressures through rising costs of production. Your resilience is to be admired, together we will build back stronger.



Richard Punter
Chairman



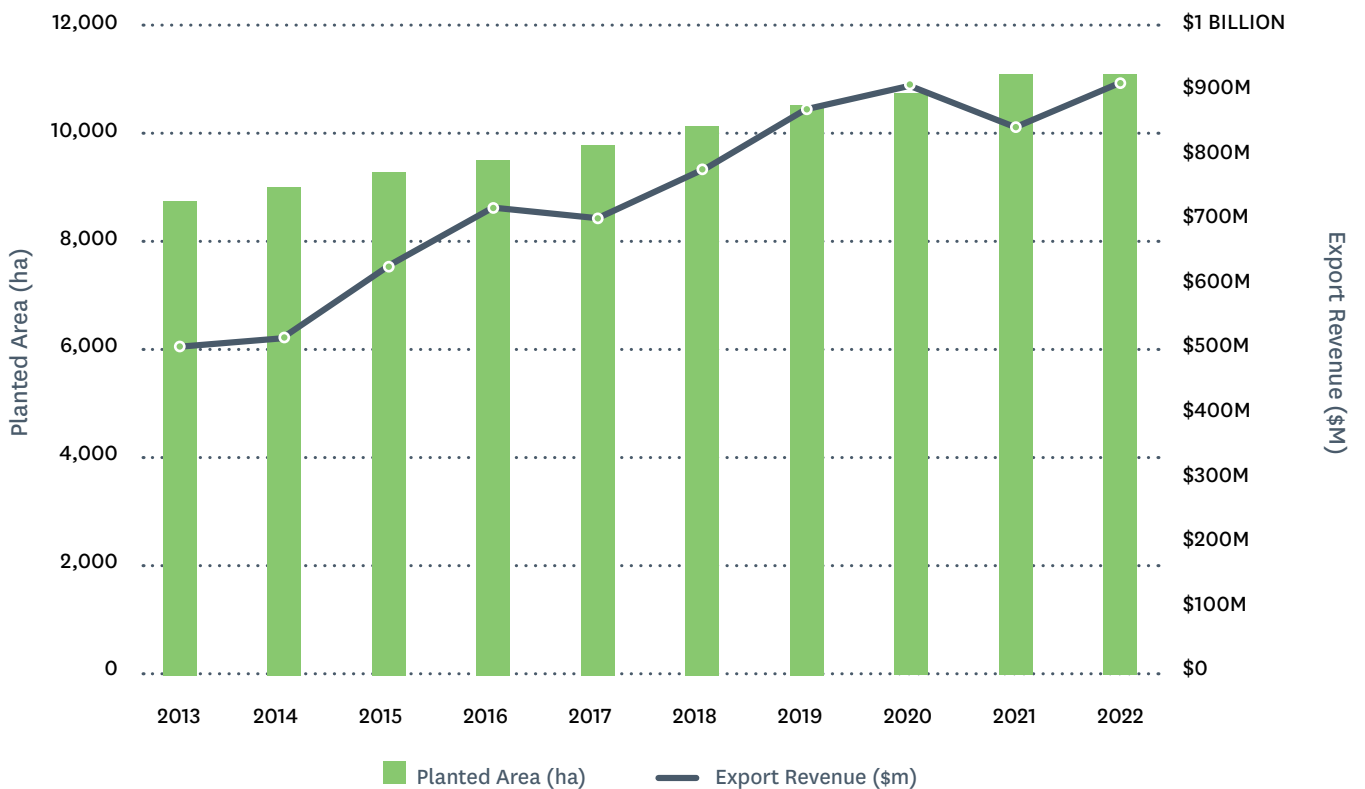
New Zealand's growing regions



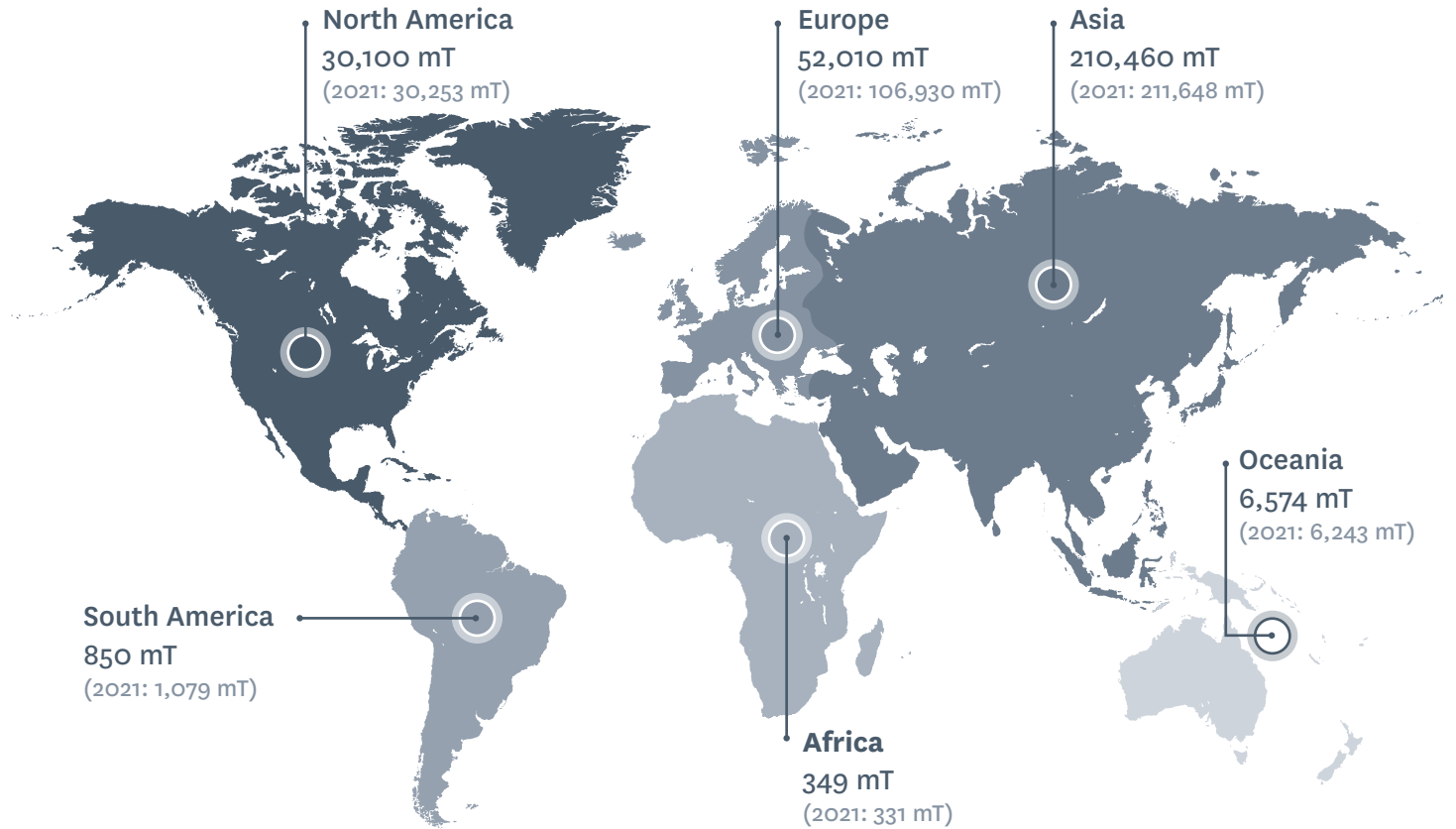


Industry Snapshot

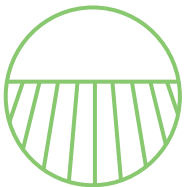
Export Revenue and Planted Area



Export Volume



Planted Area



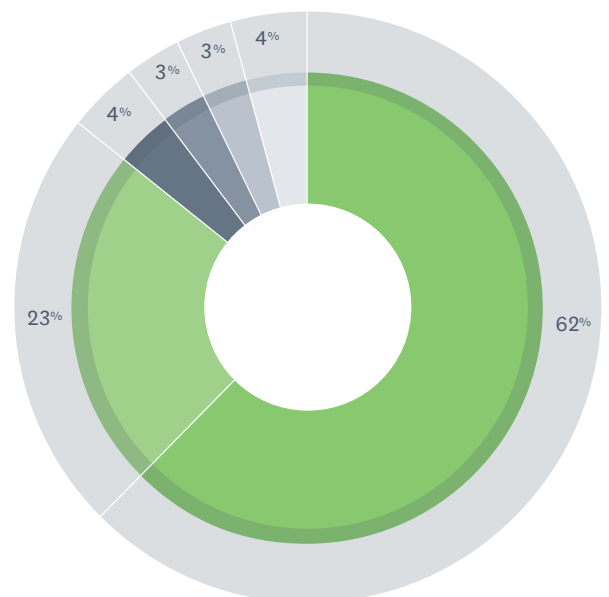
11,250 planted hectares

1% compound annual growth rate (CAGR) in planted area over the last 6 years.

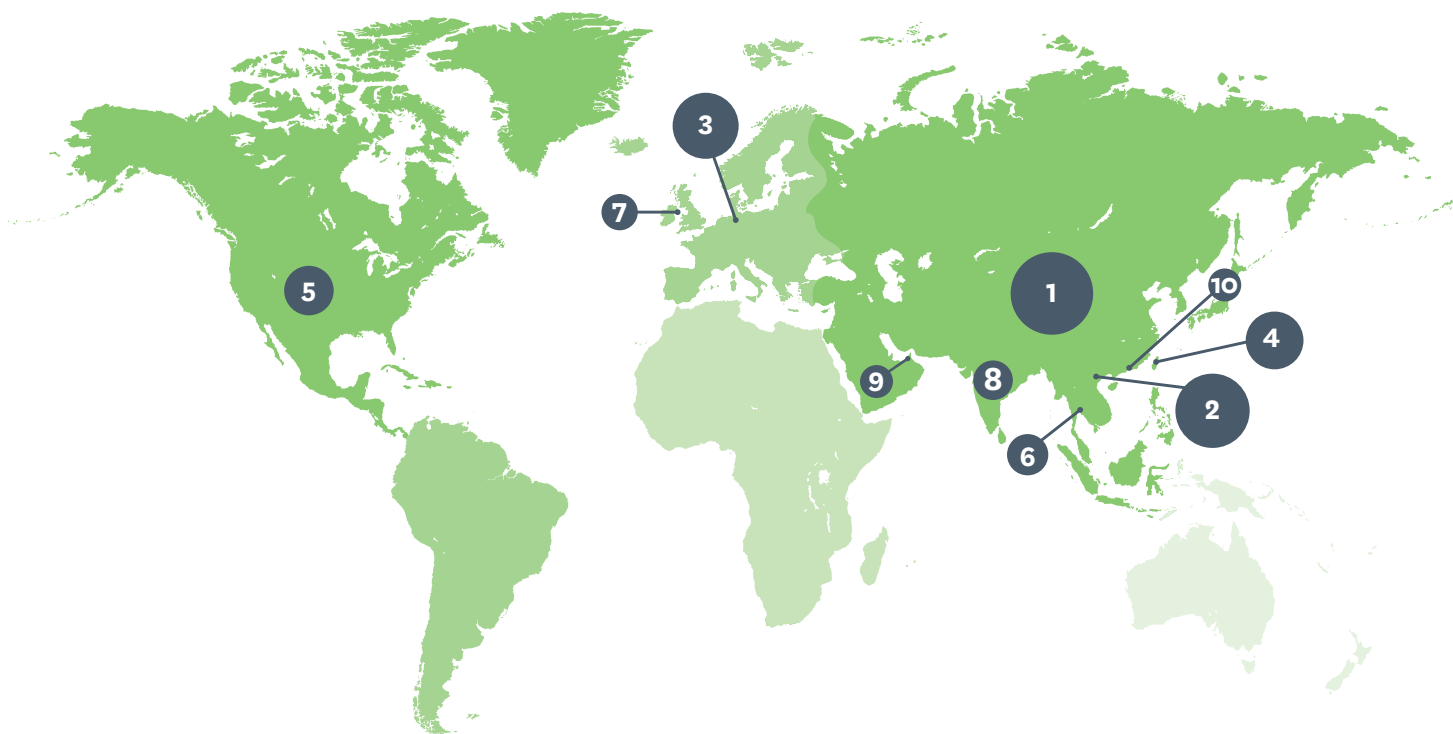
Hawke's Bay remains the largest growing region, accounting for 62% of our total planted area.

Gisborne's pipfruit industry continues to grow rapidly this season, with a planting increase of 11%. Nelson, Hawke's Bay and Central Otago all plateaued this year, whilst a small 3% increase in plantings elsewhere in the New Zealand continued this season.

- Hawke's Bay
- Nelson
- Otago
- Gisborne
- Rest of New Zealand
- Unregistered/Local Market/Processing

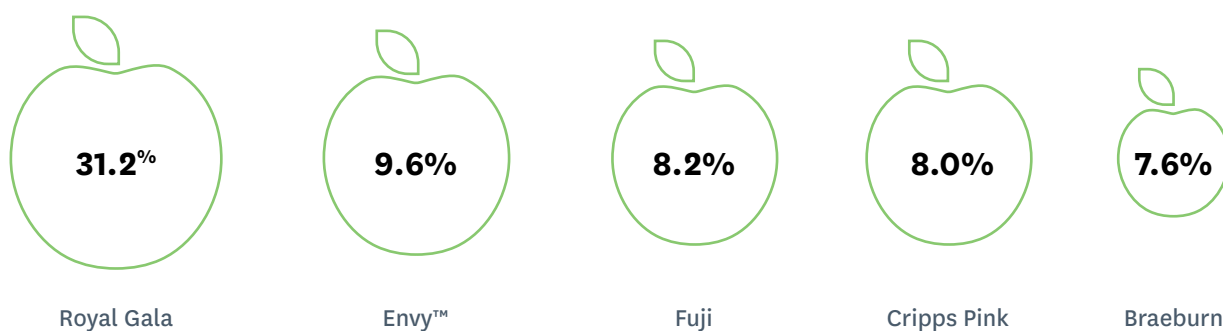


Our Export Destinations



- 1 Peoples Republic of China
- 2 Vietnam
- 3 Germany
- 4 Taiwan
- 5 United States of America
- 6 Thailand
- 7 United Kingdom
- 8 India
- 9 United Arab Emirates
- 10 Hong Kong

Export Production



Pipfruit key data

		2021	2022
	Gross export earnings (\$ Millions)	849M	901M
	Planted area registered for export production (hectares)	10,745	10,760
	RPIN's registered to grow apples and pears	1017	988
	Grown Varieties	87 Apples 21 Pears 5 Nashis	91 Apples 22 Pears 5 Nashis
	Export Packhouses	46	47
	Cartons of export apples and pears	19.8 M	18.9M
	Tonnes of export apples and pears	356,484	340,725
	New Zealand Exporters (Exporting more than 1 container)	58	59

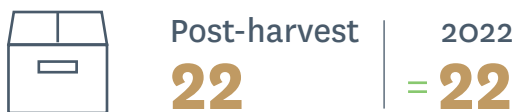


Our Purpose

New Zealand Apples & Pears Incorporated (NZAPI) is the representative body of the New Zealand apple, pear, and nashi (pipfruit) industry.

We promote and represent New Zealand apple, pear, and nashi growers in domestic and export markets, and provide advocacy on behalf of our levy-paying membership.

Our members

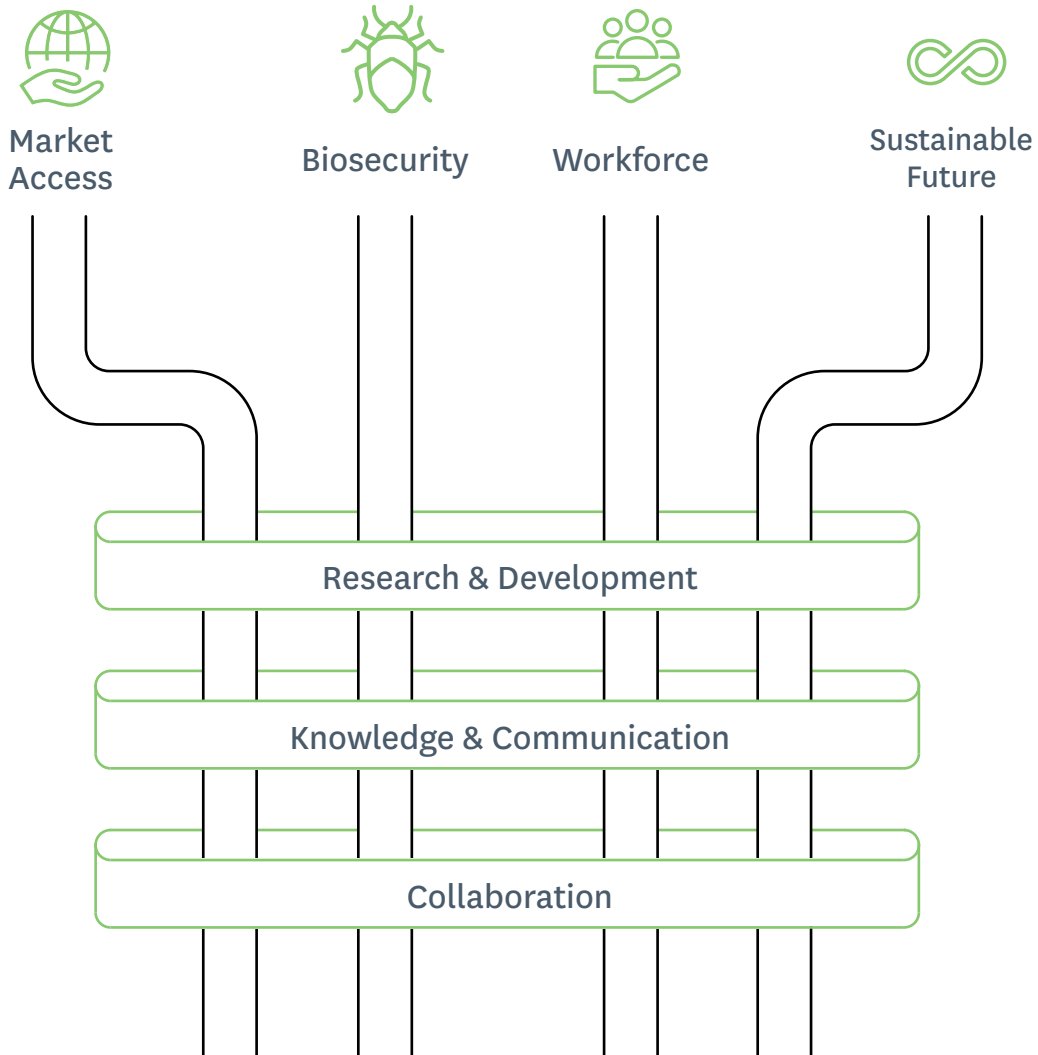


Our focus

We are focused on providing programmes and systems that support members to maintain and grow market access, manage biosecurity risks, and build a skilled workforce. We advocate for members with central and local government.

Our objectives

- **to promote and champion** the New Zealand Pipfruit industry for the benefit of all participants and for the overall benefit of New Zealand;
- **to speak on behalf** of the New Zealand Pipfruit industry;
- **to represent the interests of Members** both domestically and overseas in matters of political and commercial significance to Members and to the industry as a whole;
- **to consider and make recommendations** to Members and interested parties with respect to the future of the New Zealand Pipfruit industry;
- **to provide services to Members** which will provide benefits to the industry as a whole;
- **to promote**, whether directly or indirectly and whether by means of ownership, investment or otherwise, the development and commercial exploitation of new plant varieties for the benefit of Grower Members;
- **to identify, undertake, fund, and promote** research and development relating to the New Zealand Pipfruit industry;
- **to develop and promote access** to domestic and overseas markets for New Zealand Pipfruit;
- **to initiate, organise and publicise** seminars, workshops, conferences and meetings for the education and development of participants in the Pipfruit industry; and
- **to undertake any obligations that are required** of the Society pursuant to the Commodity Levies Act 1990 and any other relevant legislation.



Market Access

Together we access the world



Export Market Requirements

Providing the tools and understanding to meet market access requirements



Research

Delivering innovative world class production systems underpinned by science



Biosecurity

Safeguarding our industry from unwanted pests and diseases



Food Safety and Assurance

Advocating and supporting quality systems for market access



Crop Protection

Supporting industry to deliver safe, quality and low-residue fruit to all markets



Relationships

Working together to develop and strengthen market access



Market Access

Market Access is at the core of our organisation

Realising new export market opportunities and solving challenges to maintain existing markets is key to the success of our industry and underpins our organisation.

NZAPI explores and maintains access to overseas markets by:

- Developing export programmes to meet market requirements.
- Providing systems and support to growers so they can meet export programme standards.
- Assessing and growing new market opportunities.
- Developing solutions to trade barriers.
- Advocating for new market access.
- Monitoring onshore and offshore regulations.

In 2022, the industry exported a total of 340,740mT (2021: 356,484mT), or 19.8 million tray carton equivalents (TCE) to 61 countries.

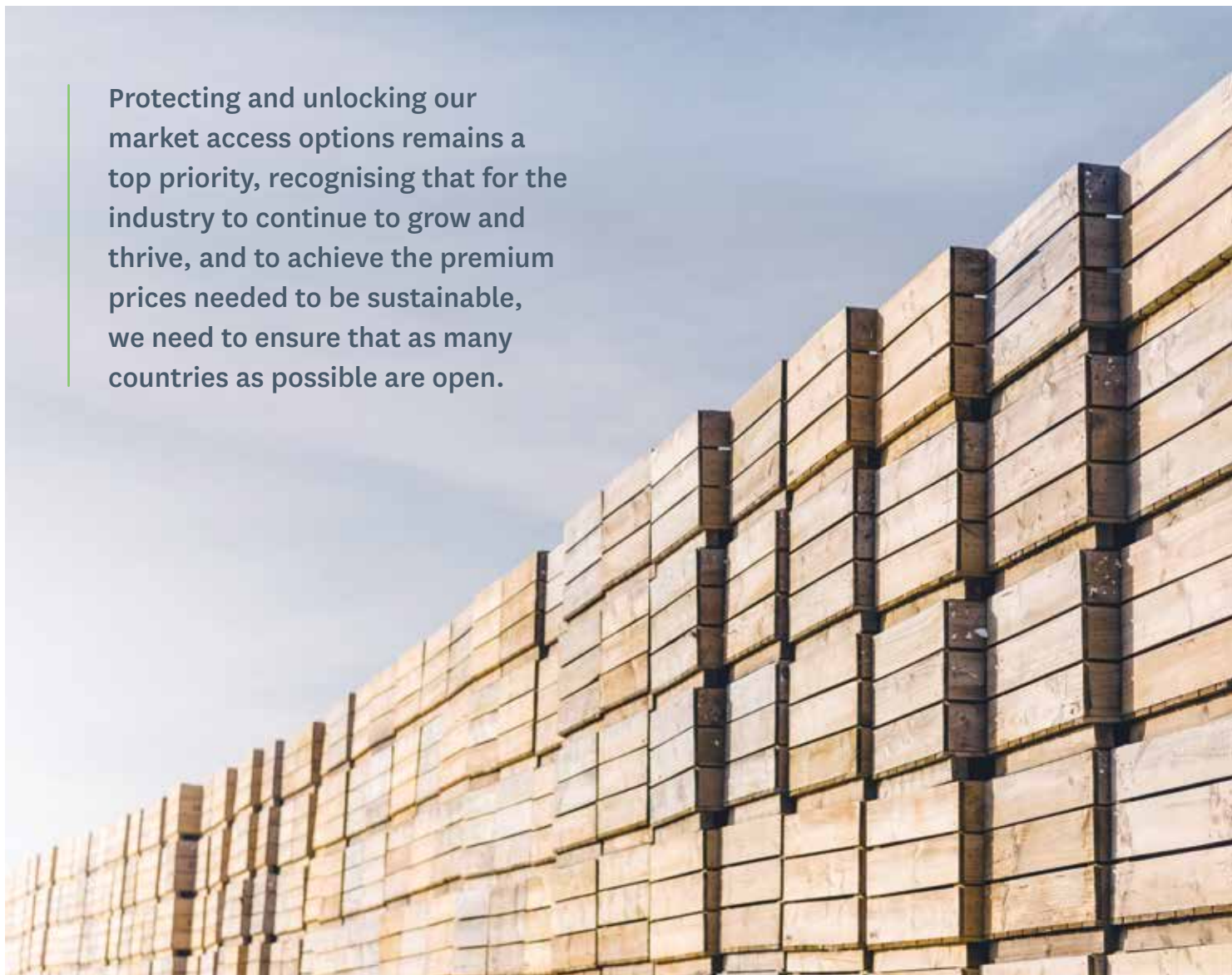
The 2022 season was the third year in a row for challenging growing, packing, and exporting conditions. This season, industry continued to be challenged by COVID-19, including the rapid spread through businesses at the peak of harvest and packing, resulting in staffing issues. Shipping and logistics continued to be unreliable, meaning the ability to meet shipping timeframes, as well as managing market access timeframes, was challenged.

There continues to be a clear market shift towards Asia, with export of apples to markets such as Vietnam increasing by 40%. With this shift, we will continue to see a trend towards 'tangy' apples being removed and replaced with red and sweet apples.

The industry will continue to grow apples with strict phytosanitary controls for Asia, and low residues for the UK and Europe for as long as it is achievable. However, with the rapid reassessment of chemistry in Europe reducing the pesticide options that we have available, and the drawn-out process to get chemistry registered in New Zealand, this may be challenged in the future.

Protecting and unlocking our market access options remains a top priority, recognising that for the industry to continue to grow and thrive, and to achieve the premium prices needed to be sustainable, we need to ensure that as many countries as possible are open.

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United States Department of Agriculture

The USDA pre-clearance programme was a success in 2022. We had two inspectors arrive in New Zealand to inspect apples from February through to July. Inspections occurred in Hawke's Bay, Nelson, and Timaru. In March 2023, we had two USDA Directors visit, where we showcased operations and systems across orchards, packhouses and cool-stores in Hawke's Bay and Nelson. The two USDA Directors were impressed at the level of integrity within our phytosanitary programmes, and the overall culture of compliance. These visits are integral to the ongoing relationship with our markets, and aid significantly in improving market access conditions.

Total exports to USA in 2022 were 23,500MT, which represented 502 lots presented.

Japan

Japan continues to be a high-value market for New Zealand apples, with existing active and robust relationships across the board. However, access is limited by the requirement to use methyl bromide treatment. A systems approach request has been made to Japan MAFF.

NZAPI led a NZ-Japan Delegation visit from 16-22 October 2022, alongside Plant and Food Research and Lincoln University, with the aim of reactivating opportunities for combined research and capability exchanges including technical transfer of knowledge between universities and research organisations.

With NZ-Japan bilateral conversations still ongoing, recent plant technical discussions in Tokyo have had apples as one of the core topics for the negotiations, with the aim of improved access for exports.

Work continues in Japan, as the opportunity this market offers is vast.

NZ-UK FTA

The NZ-UK FTA has now been ratified, as New Zealand and the United Kingdom agreed to bring forward the entry into force of their Free Trade Agreement (FTA) to 31 May 2023. For the apple and pear industry this means the UK apple quota system will operate 1 Aug – 31 Dec, so any apples arriving during this time with a quota certificate will be tariff free. NZAPI will be managing the quota allocation and certificate issuance for product that arrives between 1 August and 31 December from 2023 until 2025.

India

In September 2022, NZAPI joined the NZ Trade Delegation to India with the objective of connecting through partnerships in education, research, and investment opportunities, as well as connecting with future leaders. As part of our knowledge exchange strategy, NZAPI has developed and arranged for thirty students and six academic staff from YS Parmar University to attend a custom-made horticulture and forestry course designed by NZAPI, through Massey University. This will be delivered in the 2024 financial year.

As part of our effort to build ongoing partnerships, NZAPI hosted a "A Taste of India in the Bay". The event had the honour of being attended by the India High Commissioner, HE Neeta Bhushan, and was a great opportunity to showcase our industry.

In March 2023, NZAPI had the opportunity and external funding to travel back to India with the purpose of supporting the New Zealand High Commission's efforts to build the relationship. This was also a chance to further deepen the relationships with YS Parmar University in Solan and better understand the World Bank Project.

The India New Zealand Business Council released the discussion paper, "India and New Zealand, a relationship ready for its next phase" to government in April 2023. In the paper, NZAPI made it very clear there is a need for a tariff reduction, noting the continuous support the NZ apple industry has been giving to India to upskill.

The Assam Official Delegation, through the World Bank Fund, will participate in the Horticulture Study Tour to NZ and will be in the South Island in the next financial year to meet with apple growers and Lincoln University to explore future connections.

Pakistan

Up until 2017, exports to Pakistan were of great significance. The aim is to re-open this opportunity for the apple and pear industry. New Zealand Apples and Pears are working closely with MFAT and MPI officials as well as strengthening communications with Pakistani officials in Wellington.



Food Safety and Quality Assurance

Food safety requirements are often complicated, and helping growers meet these standards and compliance requirements is critical.

NZAPI supports growers to meet both national and international food safety standards and quality assurance standards by:

- Communicating crop protection strategies that ensure food safety regulations are met;
 - Supporting growers to meet their GlobalG.A.P. and other quality management systems;
 - Monitoring and communicating international regulations and trends.
-



In 2023 the National Black spot (Venturia inaequalis) fungicide resistance testing project was completed and is ready for extension next season.

Crop Protection

Core crop protection services and projects provided by NZAPI ensure the New Zealand apple and pear industry is well placed to meet our Market Access sanitary and phytosanitary requirements.

NZAPI works with key stakeholders to provide services, including: best practice pest and disease management information; regulatory market residue limits and appropriate preharvest intervals; a close link into spray diary clearance; and a GLOBALG.A.P. certified industry residue monitoring programme.

NZAPI hold and use industry data to refine our crop protection programme and provide feedback at grower workshops. NZAPI monitors reviews of agrichemicals both in New Zealand and export markets, and provides feedback and submissions where appropriate.

Ensuring the New Zealand apple and pear industry's Integrated Fruit Production Programme continues to be a robust crop protection programme is a key focus of NZAPI. A key piece of work this year was the National Black spot (Venturia inaequalis) fungicide resistance testing project, which was completed in early 2023, with best practice guidelines to be updated and disseminated ahead of the 2024 season.

The New Zealand apple and pear industry's Integrated Fruit Production programme also means it is well placed to meet the

current ultra-low residue requirements of the most stringent customers and the phytosanitary requirements of our key markets. NZAPI monitors global changes and works to ensure we stay ahead of these upcoming challenges while maintaining a robust crop protection programme.

Our key growing regions are unique, and projects to support individual regional challenges continue to be important. NZAPI has worked closely with Plant and Food Research, consultants, and key service providers to provide technical support for orchardists in the Hawke's Bay and Gisborne regions following Cyclone Gabrielle. In Central Otago, NZAPI has worked with local growers and Plant and Food Research staff to review targeted disease management options.

Crop protection was a key topic for NZAPI's extension activities in 2022, with Skill Up days focusing on practical information for spray operators, and new resources created for orchard and packhouse pest identification.



Crop protection supporting Market Access

Understanding how to grow and protect crops from pest and disease, while meeting food safety and export requirements. NZAPI does this by:

- Monitoring and communicating appropriate control programmes and product use guidance;
- Monitoring risks to the crop protection programme both domestically and internationally;
- Investing in the development of alternate solutions for pest and disease control.



We have recently negotiated cost shares for Fruit Fly and Lepidoptera and contributed to the Fall Army Worm response

Biosecurity

Our industry is in a strong position in the biosecurity area, with the investment made by industry in preparedness over the past few years showing great benefits.

We are well connected with our colleagues in other horticulture industries and are strongly placed to respond to technical proposals that may change our risk. Our biosecurity levy has allowed us to build up a reserve to pay for the industry's share of any future biosecurity response activities. With the borders open and an increase in international travel, this has become increasingly important. The best chance we have of eradication is a fast, intensive response.

NZAPI continues to support the Government Industry Agreement ensuring our industry is actively involved in biosecurity readiness and response. We have recently negotiated cost shares for Fruit Fly and Lepidoptera and contributed to the Fall Army Worm response. Our biosecurity levy allows us to fund our share, which gives us a seat at the table and decision-making rights – essential for us to protect ourselves from both the known and unexpected risks.

The 4th International Congress on Biological Invasions was held in May in Christchurch and NZAPI supported a session on Brown Marmorated Stink Bug (BMSB) control techniques. BMSB continues to be one of our biggest risks and the more we can learn in advance, the better off we will be in a response, reducing the chance of BMSB becoming established.

Our industry position has changed drastically following the recent cyclone events, and we need to ensure that our reinvestment is backed by best practice and protection from unnecessary risks. We need to support all of horticulture in New Zealand by reporting anything unusual, especially as we see a change in the landscapes around us.



Biosecurity supporting Market Access

The importance of biosecurity to New Zealand's apple and pear industry cannot be understated.

NZAPI supports the industry by ensuring we are prepared both financially and operationally to respond to any biosecurity incursion that may occur on New Zealand shores. NZAPI does this by:

- Involvement in the New Zealand Government Industry Agreement (GIA) on Biosecurity Readiness and Response;
- Ensuring growers have information on biosecurity awareness and prevention practices;
- Working with government, regulators, and other industry body groups to negotiate policy on biosecurity response and requirements.

Workforce

New Zealand orchards and packhouses employ over 1,900 permanent staff and more than 10,000 seasonal staff. These people are in the heart of regional New Zealand and continue to be the fundamental building block supporting the regional economies of our key growing regions across the country.

The 2022 season saw the workforce tides turn for the industry. Challenges of ongoing labour shortages led to a particularly tough start for the 2022 harvest and packing season. COVID-19 border restrictions continued to affect the national and international workforce, resulting in a lack of both Working Holiday Scheme (WHS) staff and RSE workers.

By the end of the season, we began to see the return of our much-needed WHS workers and RSE teams to Aotearoa. This, coupled with an increase in RSE cap to record numbers, meant growers went into the 2023 harvest with many much-needed hands at the ready.

Workforce and related schemes continue to have their challenges, with increasing costs of labour and ongoing policy reviews of labour mobility in New Zealand and the Pacific adding pressure and threatening the economic viability of the industry.

NZAPI continues to work closely with employers, Pacific governments, RSE workers and the New Zealand government, to ensure the scheme is both effective and delivers value to all parties involved.

RSE

The RSE scheme is an enduring partnership and an important economic enabler, supporting the development, growth, and prosperity of Pacific nations. At the same time, it enables New Zealand's pipfruit sector to increase its productivity, invest for the future, grow export earnings, and help build strong and vibrant regional communities.

This year we celebrated 15 years since the establishment of the RSE Scheme, with an RSE Conference that celebrated 'Voices of the Pacific' and a renewed focus on a sustainable, circular, labour mobility scheme. NZAPI continues to work closely with a wide range of stakeholders including employers, Pacific governments and officials, RSE workers and the New Zealand government, to ensure the scheme is both effective and delivers value to all parties involved.

Managing RSE through border restrictions

The start of this year saw continued border restrictions and limitations due to COVID-19 Omicron taking hold in New Zealand. Surmounting pressure to ensure vital seasonal staff could enter New Zealand for harvest saw NZAPI taking a key role in the coordination of multiple border exemptions. The NZAPI team worked closely with New Zealand and Pacific governments to create and facilitate processes to enable the travel of staff to and from the Pacific. Repatriation of onshore workers was an ongoing challenge, with all countries finally allowing valid visa holders to return to their home

country at some stage during the year. NZAPI would like to make note of the support that employers, health teams, and community groups provided to stranded workers, and to the RSE workers themselves who remained in New Zealand for an extended period of time.

As we began to move out of border restrictions, industry sector groups worked closely with government on behalf of growers to achieve the biggest cap increase in history of the scheme from 16,000 to 19,000. This saw many employers with temporary allocation receive permanent allocation and gave some certainty to growers for the season ahead. Unfortunately, continued challenges, including flight availability, a rapidly growing Pacific Australia Labour Mobility (PALM) scheme, ongoing reviews of labour mobility in some Pacific Islands, and disruptions due to Cyclone Gabrielle have impacted the ability to return to 'business as usual'.

Policy review and wage increases

The pipfruit industry has a strong role to play in the regional and economic development of New Zealand. Strengthening the RSE scheme will ensure benefits can continue for all participants. NZAPI is concerned that the cumulative impact of increased wage thresholds, Tripartite workstreams, and policy review options will render the scheme financially unviable. NZAPI has, and will continue, to advocate for a holistic and data-driven approach to the RSE Policy Review and all other RSE-related changes, to understand the cumulative impact of proposed changes, and to ensure the scheme meets the needs of all RSE partners.

NZAPI consulted broadly across members and RSE stakeholders before submitting on the RSE Policy Review consultation document. The key points in our submission were that 1) the cumulative costs of the various policy options would risk the scheme not meeting its objectives, 2) the RSE worker voice needs to be heard to ensure cultural preferences and free choice are accounted for and, 3) recognition of social standards such as GRASP instead of new compliance standards.

RSE Policy Review

consultation key points -

- 1) the cumulative costs of the various policy options would risk the scheme not meeting its objectives,**
- 2) the RSE worker voice needs to be heard to ensure cultural preferences and free choice are accounted for and,**
- 3) recognition of social standards such as GRASP instead of new compliance standards.**

RSE through a global lens

This season has also seen an increase in the influence of Pacific countries, and Australia. Reviews in some larger sending countries have impacted the ability to recruit and may change the way labour mobility is carried out in the future.

Australia also continues to invest strongly in labour mobility, with more than 35,000 people recruited for the PALM scheme in 2022. NZAPI attended the Pacific Labour Mobility Annual Meeting (PLMAM) in Apia, Samoa in November 2022, to better understand the impact that PALM is having on the Pacific sending countries and the perception of labour mobility schemes more broadly. Vanuatu was also visited to further build Pacific relationships. Both visits had a focus on exploring opportunities to develop skills and training opportunities for RSE staff while living in New Zealand, to support their reintegration upon returning home.

Engaging with Pacific governments and officials has become a key role for NZAPI, ensuring the needs of our Pacific partners are heard and met. In early 2022, NZAPI was privileged to meet with the Samoan Prime Minister, Afioga Fiamē Naomi Mata'afa, during her visit to Hawke's Bay, to give her and her delegation the opportunity to meet with some of our workers and employers, and see our industry first-hand.

RSE conference celebrated 15 years of the scheme

NZAPI was a key partner in the organisation and delivery of this year's RSE conference, which focused on celebrating 15 years of the RSE Scheme. The conference was not only attended by RSE employers and New Zealand government officials, but also multiple Pacific officials and representatives.

RSE support during Cyclone Gabrielle

NZAPI was strongly involved in the emergency response during and after Cyclone Gabrielle, which included a particular focus on ensuring the safety and wellbeing of RSE workers across the impacted East Coast regions.

With many RSE teams losing their homes and their belongings, NZAPI was involved in coordinating community evacuation centres in the days immediately after the event, and the subsequent transition to more permanent housing over the following weeks.

NZAPI also played a critical role in the communication with Pacific governments about the safety of their people during this period of displacement and communication breakdown, and helped with acquiring and distributing cell phones to those who had lost their method of communication during the floods.

As many RSE teams settled, there was an eagerness to get stuck in and help with clean up across the industry. To ensure our RSE teams were safe while they did this, NZAPI worked with MPI to organise and distribute PPE equipment and footwear.

New Zealand's unemployment rate continued to be extremely low, meaning securing both permanent and seasonal skilled and motivated staff is challenging.

New Zealand workforce

New Zealand's unemployment rate continued to be extremely low, meaning securing both permanent and seasonal skilled and motivated staff is challenging. This was reflected by the annual Pick the Bay event (which aims to connect employers and job seekers), where unfortunately the tight labour market meant attendance was very low.

Cyclone Gabrielle will further change the face of seasonal and permanent employment in Hawke's Bay, with seasonal staff moving to other employment earlier in the season, and the expected loss of some permanent staff to other sectors as the regions adjust to workforce supply and demand trends.

New Zealand's unemployment rate continued to be extremely low, meaning securing both permanent and seasonal skilled and motivated staff is challenging.

Emerging Leaders

Emerging Leaders is NZAPI's fit-for-purpose leadership programme designed to support team leaders and supervisors. Delivered by Emerge & Transform Coaching, the 12-week programme featured online and two face-to-face workshops, feedback and goal setting, personal coaching sessions, and daily 15-minute learning modules.

Our aim is to grow the talent in our industry particularly in areas relating to self-awareness, self-management, communication, conflict management, and how to develop strong relations with diverse groups.

With support from AGMARDT and the NZ Fruitgrowers' Charitable Trust the programme was delivered to seven regional cohorts including Central Otago, Canterbury, Nelson, Hawke's Bay, Gisborne, Bay of Plenty, and Pukekohe - each with approximately 16 participants taking the course.

Growing Futures

The Growing Futures Programme aimed to provide employment opportunities in the horticulture industry for people referred from the Department of Corrections and the Ministry of Social Development. Growing Futures has proved to be positive for those involved. Thornhill Contracting had great success with their intensive pastoral support programme, and although the overall number of people supported was small, the social benefit was huge. This project has concluded with MSD now working directly with Thornhill.

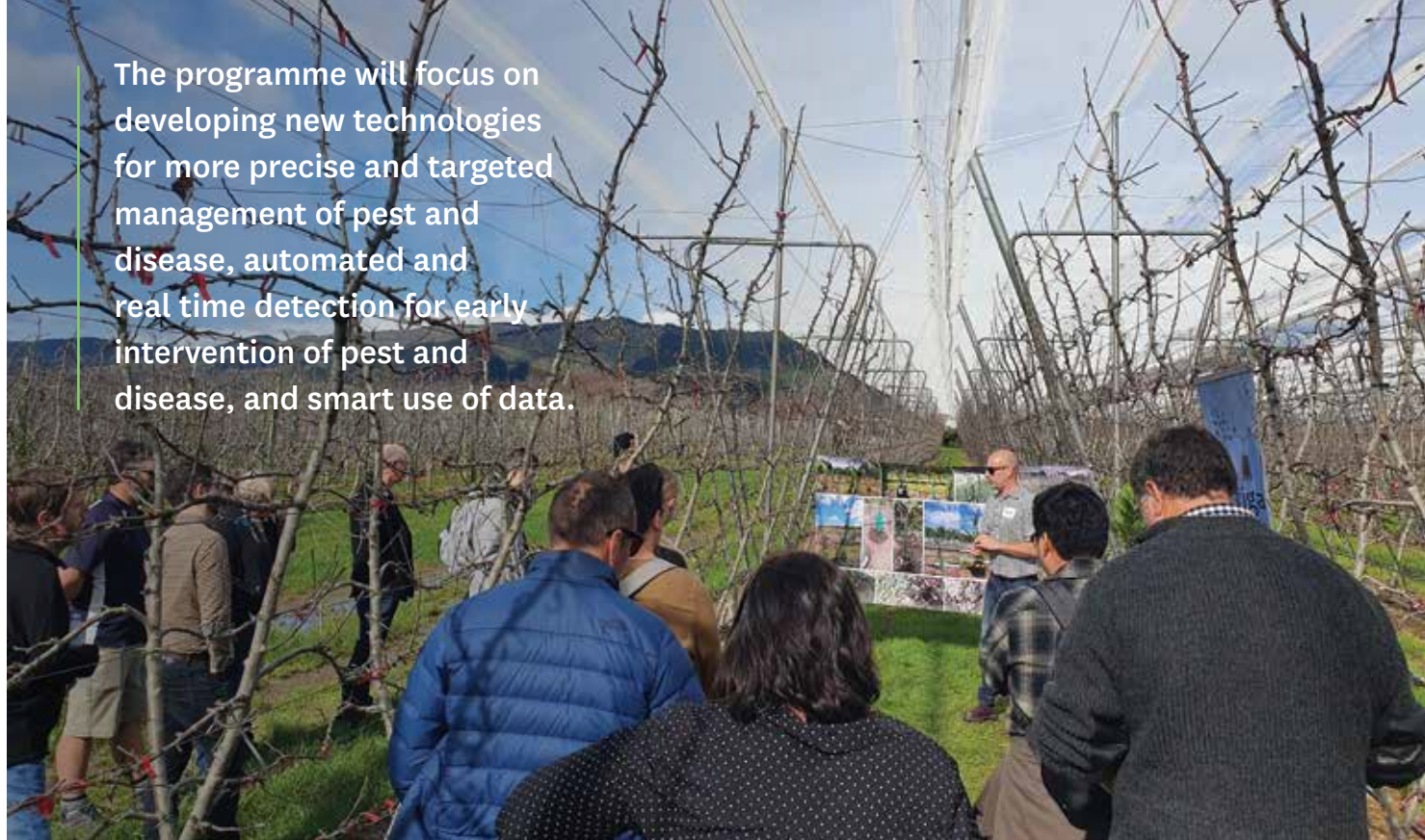
Career Progression Managers

The Primary Growth Fund project saw the establishment of Career Progression Managers (CPM) in horticultural growing regions to ensure strong linkages to education and employment transitions, and to enable employers to better understand their workforce needs. The CPM were funded and placed in Bay of Plenty, Hawke's Bay, Nelson, and Otago, with some additional funding for a Tertiary Advisor originally based at Massey. In the Hawke's Bay, Summer Wynyard and George Rarere (through NZAPI) were exemplars of the project, with Summer subsequently taking over in Nelson and showing outstanding results across the school to employment pathway. The project concluded in June 2022.

Working holiday visa workers return

As borders opened earlier in the year, the number of working holiday scheme visa applications quickly rose back to previous levels. However, the industry is now competing for these people with all other industries across the country facing employment shortages, including hospitality and trades.

The programme will focus on developing new technologies for more precise and targeted management of pest and disease, automated and real time detection for early intervention of pest and disease, and smart use of data.



Research and Development

2022/23 was the first year of New Zealand Apples and Pears' major research and development programme, Smart and Sustainable.

The Smart and Sustainable programme arose from the challenge faced by industry to remain global leaders, producing fruit that meets both low MRL and nil pest requirements across 80 global export markets. Increasing pressure from international markets to reduce agrichemical use puts this unique position at threat.

If we are to continue meeting both low MRL and high phytosanitary requirements simultaneously, we need to quickly develop and adopt new solutions and technologies to be able to meet all of these agrichemical regulatory changes and targets.

The programme will focus on developing new technologies that deliver new knowledge for more precise and targeted management of pest and disease, automated and real time detection for early intervention of pest and disease, and smart use of data integrated into an industry dashboard to undertake risk mapping and decision support. The areas of focus are:

- 1) Communicate and promote a sustainable New Zealand apple industry.
- 2) Development and adoption of decision support tools for pest and disease monitoring, more detailed understanding of risk factors for pest or disease presence, technology for capturing and assessing data spatially, and software that integrates and assesses data to inform management decisions for growers.
- 3) Develop new technologies for precision targeted use of agrichemicals and alternate control options in the orchard and packhouse.

- 4) Develop new technologies for pest and disease detection by investigating and developing real time remote sensing technologies in the orchard and packhouse.
- 5) Develop methodology using spray technology to deliver optimal application for pest and disease management.
- 6) Develop an online dashboard to bring together pest and disease monitoring data, mapping and decision support tools into an interactive platform that allows growers to monitor and make decisions in real time as well as review and benchmark their interventions, pest and disease pressure to the wider industry.
- 7) Ensure effective technology transfer with growers and packers by interacting with growers throughout the development stages of each workstream, demonstrate new technologies through case studies, field days and seminars, and use benchmarking to encourage practice change.

The Smart and Sustainable programme is being delivered using a collaborative approach of research providers with a broad range of capabilities including Plant and Food Research (PFR), Lincoln Agritech, Applied Research Technologies, Stoneleigh Consulting, Fruition Horticulture, and AgFirst.

The industry levy-funded Research and Development Programmes:

	Investment \$	Objectives	Measures of success
Smart & Sustainable			
<p>Regulations for chemical use in countries we export apples and pears to are constantly changing, with MRL requirements being lowered and existing chemistry being deregistered and no longer available for use.</p> <p>The European Green Deal has set a 50% reduction in agrichemical target by 2030 and Japan has set the same target for their Green Food Systems Strategy.</p> <p>It is becoming more difficult for industry to maintain their unique global position of meeting both low MRL markets in Europe and nil detectable pests and disease in Asia.</p>	<p>2022 - 2029 (7 years)</p> <p>Total \$14.8M</p> <p>\$7.4M NZAPI + \$7.4M MPI</p>	<p>Reduce chemical use by developing pest and disease detection and chemical application methods for greater precision.</p> <p>Develop new technologies and knowledge that will provide industry with the tools and best practice to implement non-chemical control options effectively.</p> <p>Address immediate threats to loss of chemistry that threaten good control and the loss of market access.</p> <p>Develop an online dashboard that integrates data sets to allow more temporal and spatial risk monitoring and decision support.</p>	<ul style="list-style-type: none"> • 30% reduction in chemical use by 2030 • Continued access to existing markets • New technologies adopted by growers and packhouses
Crop load management			
<p>It is estimated to add \$8000/ha in value to the grower by optimising crop load early in the growing season, reducing variability that impacts on fruit size and quality at harvest.</p> <p>Costs are also minimised through more efficient use of chemical thinners or less hand thinning.</p>	<p>2016 - 2022 (6 years)</p> <p>Total \$1.1M</p> <p>\$0.3M NZAPI + \$0.8M MPI</p>	<p>Develop a decision-based platform that enables growers to optimise crop load more efficiently to achieve target yields, size classes and quality.</p>	<ul style="list-style-type: none"> • Improved productivity measured by packouts and achieved yield targets. • Decision support platform available. • Automated machine vision counting technology validated for commercial implementation.
Biosecurity preparedness - Complete			
<p>A pest incursion, such as fruit fly, within Hawke's Bay has the potential to halt exports valued at \$750M. We currently have no control strategies for BMSB that would allow export without severely compromising crop damage.</p> <p>By the end of this project, we will have strategies in place to manage key pest threats in the event of an incursion or post border establishment of BMSB.</p>	<p>2019 - 2022 (3 years)</p> <p>Total \$0.7M</p> <p>\$0.3M NZAPI + \$0.4M MPI</p>	<p>To develop industry capability to continue trade during a pest incursion.</p> <p>To determine control strategies for key pests so that industry can be prepared to manage them within our existing IFP and export programmes.</p>	<ul style="list-style-type: none"> • Industry response plans for orchards and postharvest. • Control strategies for managing BMSB. • A preapproved disinfestation treatment for fruit fly.

Food safety to meet challenging markets – Complete

It is estimated that a single food recall costs companies an average of \$10M and could be as high as \$100M.

The risk of a food recall is increasing with growing demand in export markets for producers and suppliers to undertake testing and provide protocols and records that demonstrate a zero tolerance of food-borne pathogens.

This project will reduce the risk of food recalls, associated costs, and impact to brand reputation.

2019 – 2022
(3 years)

Total \$0.9M

\$0.3M NZAPI
+
\$0.6M MPI

To deliver new procedures and best practice guidelines to upskill and benchmark an industry that can confidently manage the risk of food-borne pathogens.

- Meet food safety requirements of importing countries.
- No food safety recalls.
- Protocols for orchards and packhouses that mitigate the risk of *Listeria monocytogenes*.
- Response plans for food recall management.

Bronze beetle for organic production

Bronze beetle currently costs organic producers \$13,500/ha resulting in >\$6M pa in losses to the organic industry - the single highest cost to an organic producer.

2016 – 2022
(7 years)

Total \$0.3M

\$0.3M NZAPI

Develop a more sustainable and cost-effective control option for organic control of bronze beetle

- An alternative control option to cultivation for organic control of bronze beetle available
- Reduced costs for bronze beetle control

Industry life cycle assessment

There is increasing need to demonstrate the sustainability of produce exported to Europe and other countries.

2022 – 2023
(1 year)

Total \$0.1M

\$0.1M NZAPI

To provide an industry life cycle assessment that demonstrates the impact of growing, packing, and exporting New Zealand apples.

- Life cycle assessment reported and available to industry

Fruit fly cold treatment

There is currently no accepted treatment to allow movement and export of fruit from an exclusion zone in the event of a fruit fly biosecurity incursion.

2020 – 2025
(5 years)

Total \$0.5M

\$0.5M NZAPI

To collect data that will gain international acceptance of a cold treatment protocol that can be used to treat fruit fly in the event of it being detected in apple-growing regions of New Zealand.

- An accepted cold treatment protocol for fruit fly

In addition to our NZAPI-led programmes, we support a number of other external research and development projects including:

Project

SFF Futures Orchard Planting Systems: to double productivity, improve environmental outcomes, and transform labour practices.(Plant and Food Research)

SFF Futures Project “What’s Coming Out of Tile Drains? (AgFirst Hawke’s Bay)

SFF Futures Project Enhancing biocontrol preparedness for brown marmorated stink bug. (Plant and Food Research)

Funding Support

2021 - 2026
NZAPI Contribution \$500k

2021 – 2024
NZAPI Contribution \$50k

2023 – 2025
NZAPI Contribution \$209k



Knowledge and communication

Ensuring members can access and receive quality information when and how they need it is a critical role for NZAPI. Following three years of COVID-19 restrictions, this year was a welcome return to running events, training, and bringing growers back together.

Wellbeing support

Supporting growers and their staff with their mental health and wellbeing continued to be a focus for growers this season. Sir John Kirwan and NZAPI staff met with growers, packhouses and businesses through Nelson and Central Otago to discuss mental health and wellbeing. In addition to visits with members, two evening workshops were held and were extremely well attended and received, with over 300 members and staff involved.

Market Access Forum

The Market Access Forum is an opportunity for our industry to hear the latest updates and insights relating to attaining and retaining market access for the industry. This year's presentations included insights from New Zealand government, NZAPI, and from exporters.

Industry season start up events

Season Start Up meetings were held with all main supplier groups in Hawke's Bay and open meetings in Gisborne, Hawke's Bay, Nelson, Timaru, and Central Otago during August and September. In total, 13 workshops were held and approximately 275 industry people were engaged. Key staff members provided an update on changes and issues and covered NZAPI key priority areas. These events also provided a great opportunity to gather feedback from members about any issues in the industry, and regionally.

More than 300 members and staff attended mental health workshops held in the South Island.

Skilling up the orchard

In August 2022, NZAPI presented Skill up for Spraying events in Gisborne, Hawke's Bay, Nelson, Timaru and Central Otago for growers and their teams. With over 430 staff from members taking part, the record number of attendees received practical hands-on training on spraying practices.

Several orchard workshops were also held throughout the season. The Agritech on the Orchard event in conjunction with Callaghan Institute was a great opportunity for growers to see some of the latest technology available for our industry. Other events such as Pollination Field Days in Hawke's Bay, Underfloor Management Workshops in Nelson, and Midge Management events in Central Otago, provided a more practical discussion and ideas throughout the season.

Skilling up the packhouse

The phytosanitary course was redeveloped this year based on industry feedback, to provide members with the flexibility to learn most of the information at a time and speed that suits them, while maximising the in-person training time to focus on hands-on practical quality control skills and training. Now delivered as a combined online training course with in-person training workshops held around the country through January 2023 and attended by over 212 people.

Packhouse Skill Up Days were delivered to all growing regions throughout January and February 2023. More than 300 people attended the hands-on skill up day, which focused on pest and rot identification and phytosanitary inspection techniques. These events were supported by new resources produced to help packhouse staff clearly identify phytosanitary pests and reduce market access interceptions.

This season also focused on apple washers, with a number of training and discussion events held around the country to upskill operators and decision-makers using apple washers. With the assistance of Plant and Food Research, the training was supported by the release of new apple washer best practice guidelines.

The Taiwan Best Practice Guide was released in February 2023, to help growers, packhouses and exporters navigate the requirements of exporting to Taiwan, and to help reduce risk.

A focus for this years extension was providing training and resources to post-harvest teams on pest and disease identification and systems to reduce market access risk.

Grower tools and support

NZAPI continues to evaluate and identify tools and resources that will further support members in their everyday operations. With a strong focus on crop protection, market access, and pest and disease management, NZAPI continues to upgrade and update its suite of in-house resources and tools available for growers.

NZAPI and Hort Plus continue to work together to deliver critical pest and disease management tools to members. This year saw the development and launch of a new online codling moth trap monitoring tool and mobile app in September 2022.

We are also focused on supporting the rollout of GLOBALG.A.P. and preparing growers for upcoming versions. This year the grower support guide was updated, and the development of online support tools began.

Covid-19 support

During 2022, NZAPI provided a significant amount of support and advice to members around managing COVID-19 in their businesses and helping them access information, equipment, and financial assistance. This included ongoing communications with members via webinars, emails, and our website, ensuring they were kept updated as important changes came to hand.

NZAPI took a leading role on behalf of industry, recording and reporting cases to MPI, and working with MPI on COVID-19 expectations for Market Access.

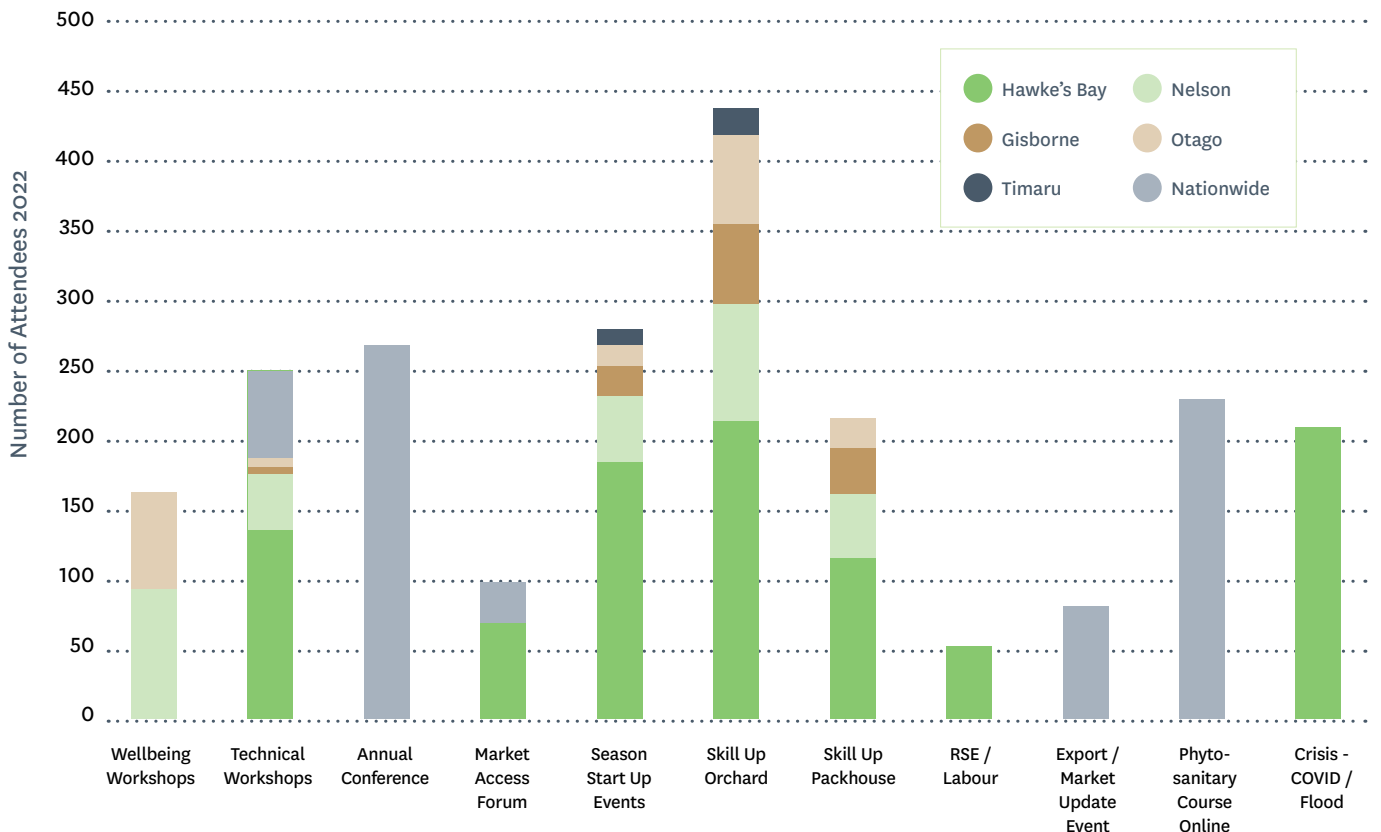
The Big Apple Project

The Big Apple Project was a celebration of the Hawke’s Bay apple industry for the community. NZAPI was a key partner in the event organisation, delivery and promotion which saw 20 giant apples decorated by leading Hawke’s Bay artists, and displayed in the community for three months across Hawke’s Bay townships. This celebration culminated in a fantastic auction event raising funds for the arts in Hawke’s Bay.

Annual Conference

The annual NZAPI Conference remained a highlight of the extension calendar, and this year’s conference ‘Adapting to New Horizons’ was well attended and received excellent feedback. With over 200 people in attendance and a fantastic array of speakers and panellist discussions. The closing address by Sir Ian Taylor was a highlight for many. The annual conference continues to be a great opportunity for industry to connect with one another and share ideas.

A focus for this year’s extension was the providing training and resources to post-harvest teams on pest and disease identification and systems to reduce market access risk.





Collaboration and advocacy

NZAPI advocates on behalf of the industry across various government portfolios at both ministerial and official level.

Continued effort went into deepening relationships with other industry sector groups this year. With growers facing another challenging season, it is imperative that industry-funded organisations are spending grower levies in the most effective and efficient fashion. The leaders of the major fruit sector groups share this vision – and genuine cross-sector collaboration is the only way for that to truly happen. This saw a great deal of cooperation and teamwork at strategic and operational levels. This included collaborative RSE management and advocacy, shared training and education days with Horticulture New Zealand, Kiwifruit Growers, and Summerfruit New Zealand, and collaborative communications cross-sector.

Toward a sustainable workforce

RSE continues to demand a huge amount of time and resource across New Zealand and Pacific government and stakeholders. The ‘RSE CE Collective’ and ‘RSE Operations Group’ continue to meet regularly to ensure we are working effectively and maximising the impact and value for our members, on both strategic and tactical levels. This year there was a change to the Immigration Minister from Minister Faafoi to Minister Wood, resulting in the establishment of new relationships and engagement opportunities.

Ongoing impact of COVID-19

NZAPI played an essential leadership role through COVID-19 as it established in both New Zealand and the Pacific Islands. As part of this effort, the CE Collective met on a fortnightly basis with government.

Challenges of Cyclone Gabrielle

Cyclone Gabrielle provided a significant challenge to our sector this year and NZAPI have, and continue to, advocate strongly with government for support for members. From the week of the cyclone, NZAPI advocated and communicated with government for both financial and employment support, and with local government for practical, cost-effective solutions for clean-up. We have also operated

collaboratively cross-sector with joint industry taskforces and working groups at the operational and the strategic levels. This resulted in joint proposals, requests and communications to government, and member engagement. NZAPI had significant engagement with Ministers during this period, including meetings with Prime Minister Hipkins, Minister’s Robertson, O’Connor, Nash, Sepuloni, McAnulty, Lorke, and Whitiri, as well as opposition National Party members Luxton, McClay, and Uffindell.

International leadership

NZAPI continues to retain active membership on a number of committees, boards, and organisations at both a national and global level. This includes being active members of Global.G.A.P., GRASP, Southern Hemisphere Association of Fresh Fruit Exporters (SHAFFE), the World Apple and Pear Authority (WAPA), the New Zealand Taiwan Business Council, the India New Zealand Business Council, and the New Zealand International Business Forum.

Supporting our future industry leaders

We recognise the importance of our up-and-coming horticultural generation. NZAPI are proud to support the development of young growers, through the Young Grower Competitions across New Zealand. These competitions provide an opportunity for young growers to not only challenge themselves, but to develop and grow their skill set and confidence.

Cyclone Gabrielle provided a significant challenge to our sector this year and NZAPI have, and continue to, advocate strongly with government for support for members.



Prevar

Prevar delivered budgeted commercial revenue for the FY23 financial year based on solid production royalty returns and new business activity with the release of three new varieties – T019, T133 and T021.

The existing portfolio of licensed varieties continues to perform well with Rokit™ plantings expanding in New Zealand and offshore markets, Dazzle™ maintaining strong price premiums in key consumer markets in Asia as production ramps up, and the early-stage growth of Sassy™ meeting expectations in what is now an over-crowded marketplace.

The quality of Piqa®Boo® exported into Asia was disappointing in 2022, and based on the response from licensees and key markets, we have taken a number of steps to secure the ongoing value of the brand and benefit to growers by bringing on in-house technical and brand management resource and taking full ownership of the programme. We maintain a strong belief in the long-term value of this unique variety and the entire interspecific pear breeding programme that will expect to produce a number of new innovative varieties in the coming years.

In 2022, T019 was licensed to VentureFruit® having been showcased to the New Zealand industry at Prevar Open Days over the past four years. This large, juicy, full flavour variety with the brand name Joli™ is the latest addition to T&G Global's established premium apple portfolio of Envy™ and JAZZ™ apple brands. VentureFruit® and T&G will be working with growers in New Zealand and in key offshore production markets to develop a programme to coincide with the marketing and consumer elements of this exciting new cultivar.

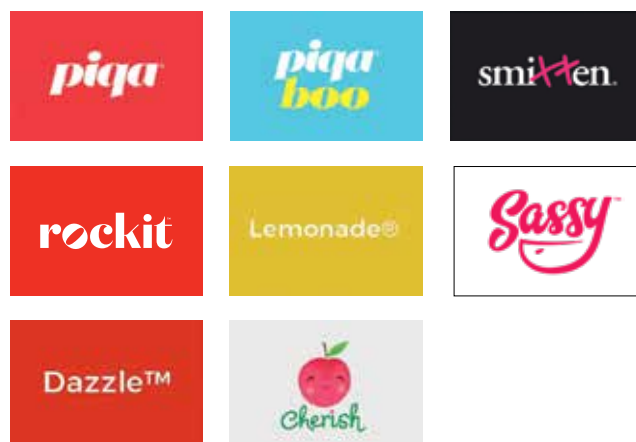
T133 has been licensed to Wouters Fruithandel in Europe and is the first disease-resistant, high flavour variety from the new generation of premium apples from the breeding programme to be commercialised. This variety is still open for licensing in New Zealand.

T021 has been licensed as both a fresh apple and as a cider apple in New Zealand and, as the first red flesh variety to be commercialised from the breeding programme, there is significant interest from the industry in how this cultivar performs on orchard and with consumer appeal.

The impact of Cyclone Gabrielle will have a material effect on Prevar's royalty revenue over the next three years. With tree damage and crop loss we have anticipated a 15% revenue reduction over this period and will be working to recover this by further optimising our existing portfolio of licensed products with new plantings where possible and accelerating the release of two new varieties within the next three years.

In the meantime, Prevar remains financially self-sufficient and is not forecasting any further capital calls over this three-year horizon.

Prevar released three new varieties in 2023



Board of Directors

The NZAPI Board comprises nine directors: seven grower directors and two independent directors.

Director terms are three years, with a maximum of four consecutive terms. Grower directors must either be a grower, or an employee of a grower, or an employee of an associated entity of a grower. The maximum number of independent directors is two.



Richard Punter Chairman

Richard has been a professional independent director since 1996, having held governance positions across a wide range of industries including Engineering, Software, Plastics, Construction, Retail, and nearly all the primary industries.

Independent Director

Appointed November 2015

Hawke's Bay

Meeting attendance: 6 of 6



Jackie van der Voort

Jackie has 30 years of business experience, owning and managing businesses in multiple industries. She manages New Zealand's largest privately-owned apple and pipfruit packing shed, C.A.J van der Voort.

Grower Director

Appointed May 2018

Central Otago

Meeting attendance: 6 of 6



Craig Betty

Craig has extensive experience in operations and supply chain management.

Craig has spent the past five years as Director Operations at T&G Global where he leads their growing operations for apples.

Grower Director

Appointed Jan 2023

Hawke's Bay

Meeting attendance: 1 of 1



Cameron Taylor

Cameron is a fourth-generation fruit grower, working in the family business as part of the senior management team. As the Export Manager at Taylor Corporation, Cameron is passionate about innovation and the marketing of New Zealand apples.

Grower Director

Appointed August 2016

Hawke's Bay

Meeting attendance: 5 of 6



Cameron Bagrie

Cameron has been an economist for 20 years. For over 11 years he was the Chief Economist at ANZ. He has also worked as an economist at the National Bank, Treasury and Statistics New Zealand.

Independent Director

Appointed August 2021

Auckland

Meeting attendance: 1 of 1



John Allen

John has spent the past five years working in brand development and export sales at Mr Apple. John spent 15 years in corporate and agribusiness banking and governance roles in New Zealand and Australia, working with businesses exporting horticulture, dairy, meat, plant and machinery goods.

Grower Director

Appointed August 2021

Hawke's Bay

Meeting attendance: 6 of 6



Evan Heywood

Growing fruit has been a part of Evan’s family business for more than 80 years. Heywood Orchards is part of Golden Bay Fruit and is based in the Tasman area. Evan is the NZAPI representative on the Prevar board.

Grower Director

Appointed August 2015

Tasman

Meeting attendance: 5 of 6



Lesley Wilson

Lesley is an independent grower from a strong, future-focused, family business. Lesley is also a shareholder in Mt Erin Packhouse and the marketing arm, Mt Erin Group.

Grower Director

Appointed August 2019

Hawke’s Bay

Meeting attendance: 6 of 6

Outgoing Directors

Cathrine Wedd

Grower Director

Resigned January 2023

Hawke’s Bay

Meeting attendance: 5 of 5

Peter Landon-Lane

Grower Director

Resigned January 2023

Auckland

Meeting attendance: 5 of 5

Associate Directors

NZAPI can appoint up to two Associate Directors. These are appointed by the Board of Directors and serve a term of two calendar years.



Naomi Mannering
Hawke’s Bay



Greg Sutherland
Hawke’s Bay



Advisory Groups



Financial Report

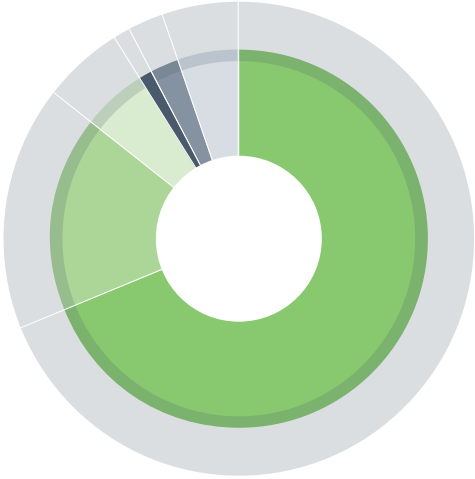
Financial statements for the year ended 31 March 2023

The financial statements have been audited and an unqualified opinion has been expressed by BDO Hawke's Bay. NZAPI's main revenue is from commodity levies.



Revenue

\$6.8m



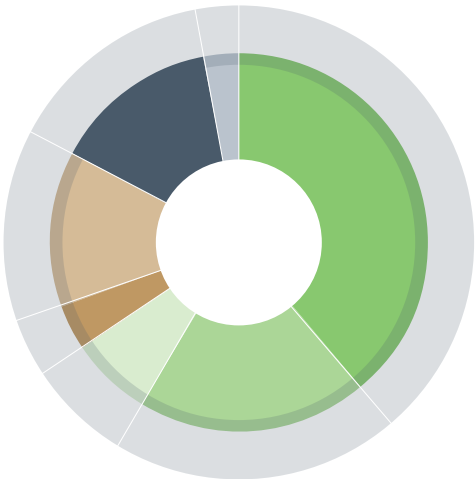
● Commodity Levy	\$4.7m
● Research Funding	\$1.1m
● Grants	\$0.4m
● Residue Testing	\$0.1m
● Annual Conference	\$0.2m
● Biosecurity Levy	-
● Other Revenue	\$0.3m



Expenditure

\$6.9m

↑ 5%

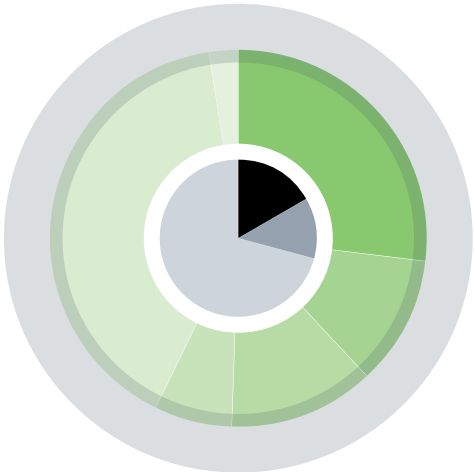


● Research & Development	\$2.7m
● Market Access	\$1.3m
● Collaboration	\$0.5m
● Biosecurity	\$0.3m
● Knowledge & Communication	\$0.9m
● Workforce	\$1.0m
● Sustainability	\$0.2m
○ Apple Story	\$0.0m



Total Assets / Total Equity & Liabilities

\$9.1m



Assets	
● Cash & cash equivalents	\$2.4m
● Other current assets	\$1.0m
● Biosecurity (GIA) fund	\$1.1m
● Reserve fund	\$0.6m
● Investment in Prevar	\$3.8m
● Plant, equipment & intangible assets	\$0.2m
Equity & Liabilities	
● Current liabilities	\$1.5m
● Prevar capital payable	\$1.3m
● Equity reserves	\$6.3m

Levy Expenditure

New Zealand Apples and Pears is focused on investing levy funding into programmes that support and advocate for growers.

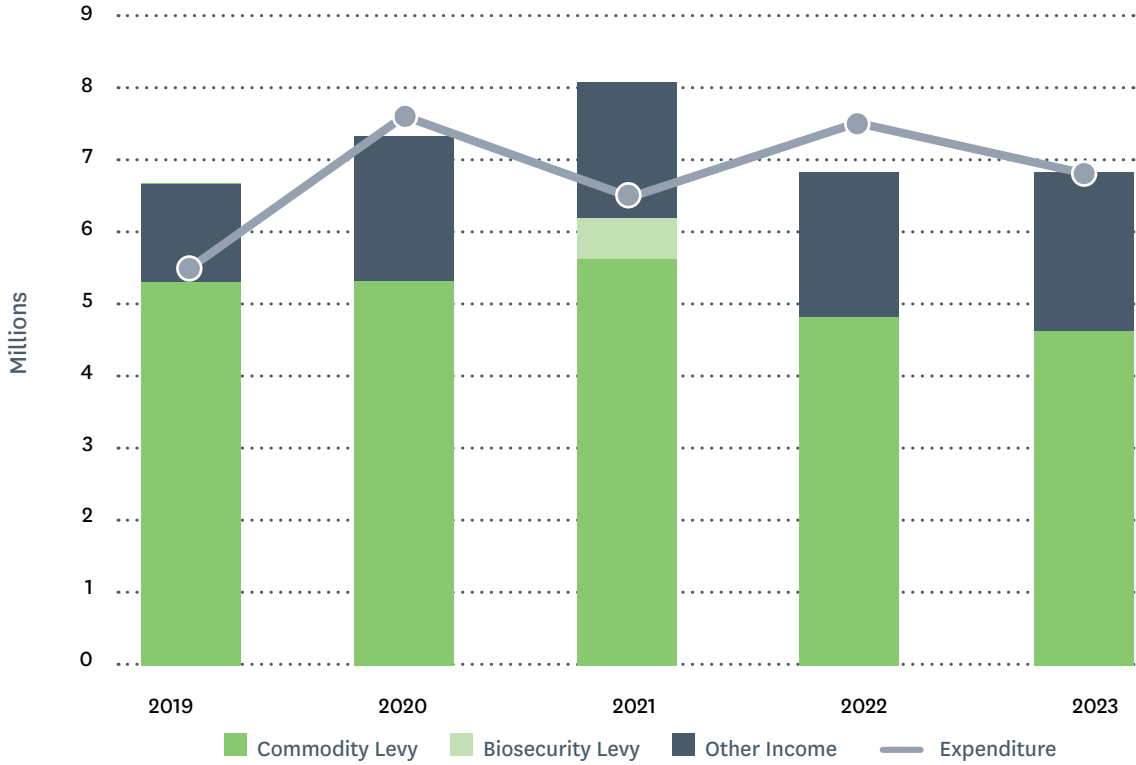
We invest into programmes across our strategic priority areas of Market Access, Biosecurity, Workforce and Sustainable Future. Research and development projects, collaboration, and knowledge and communications support these priority areas.

Grower levies and co-funding investment in strategic priority areas for the year ended 31 March 2023

Strategic area	Levy Funded	Co-funded	Total
Research and Development	\$1.5m	\$1.2m	\$2.7m
Market Access (incl. Crop Protection)	\$1m	\$0.3m	\$1.3m
Collaboration	\$0.5m	-	\$0.5m
Biosecurity	\$0.3m	-	\$0.3m
Sustainability	\$0.2m	-	\$0.2m
Knowledge and Communication	\$0.7m	\$0.2m	\$0.9m
Workforce	\$0.7m	\$0.3m	\$1.0m
TOTAL	\$4.9m	\$2m	\$6.9m

Annual Financial Comparison

Income and Expenditure over the past five financial years



Financial Statements

For the year ended 31 March 2023

Contents

- Independent Auditor’s Report 31
- Statement of Comprehensive Revenue and Expense 33
- Statement of Changes in Equity 33
- Statement of Financial Position 34
- Cash Flow Statement 35
- Notes to the Financial Statements 36
- Statement of Service Performance 53

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF NEW ZEALAND APPLES & PEARS INCORPORATED

Report on the Audit of the General-Purpose Financial Report

Opinion

We have audited the general-purpose financial report of New Zealand Apples & Pears Incorporated ("the Society"), which comprise the financial statements, and the service performance information. The complete set of financial statements comprise the statement of financial position as at 31 March 2023, the statement of comprehensive revenue and expense, statement of changes in net assets/equity, 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 general purpose financial report presents fairly, in all material respects:

- the financial position of the Society as at 31 March 2023, and its financial performance, and its cash flows for the year then ended; and
- the service performance for the year ended 31 March 2023, in accordance with the Society's service performance criteria,

in accordance with Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit of the financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the service performance information in accordance with the ISAs and New Zealand Auditing Standard (NZ AS) 1 The Audit of Service Performance Information (NZ). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the General-Purpose Financial Report 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.

The Board's Responsibilities for the General-Purpose Financial Report

Those charged with governance are responsible on behalf of the Society for:

- (a) the preparation and fair presentation of the financial statements and service performance information in accordance with Public Benefit Entity Standards RDR issued by the New Zealand Accounting Standards Board;

PARTNERS: Glenn Fan-Robertson Heather Hallam Lisa Townshend
CONSULTANT: David Pearson

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(b) service performance criteria that are suitable in order to prepare service performance information in accordance with Public Benefit Entity Standards RDR; and

(c) such internal control as those charged with governance determine is necessary to enable the preparation of the financial statements and service performance information that are free from material misstatement, whether due to fraud or error.

In preparing the general-purpose financial report those charged with governance are responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless those charged with governance either intend to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the General-Purpose Financial Report

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole, and the service performance information 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) and NZ AS 1 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 or collectively, they could reasonably be expected to influence the decisions of users taken on the basis of this general-purpose financial report.

A further description of the auditor's responsibilities for the audit of the general-purpose financial report is located at the XRB's website at <https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-14/>

This description forms part of our auditor's report.

Who we Report to

This report is made solely to the Society's Board, 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 Board, as a body, for our audit work, for this report or for the opinions we have formed.



BDO Hawke's Bay
Napier
New Zealand
11 July 2023

New Zealand Apples and Pears Incorporated

Statement of Comprehensive Revenue and Expense

For the year ended 31 March 2023

<i>in NZD</i>	<i>Note</i>	<i>2023</i>	<i>2022</i>
Revenue	7	6,819,157	6,808,046
Operating Expenses	8	6,856,736	6,527,626
Finance costs	13	-	36,427
Operating surplus for the year		(37,579)	243,993
Share of Prevar's surplus/(deficit) for the year	13	224,000	469,428
Total surplus before income tax		186,421	713,421
Income tax expense/(benefit)	9	-	-
Total surplus after income tax		186,421	713,421
Other comprehensive revenue and expense		-	-
Total comprehensive revenue and expense for the year		186,421	713,421

Statement of Changes in Equity

For the year ended 31 March 2023

<i>in NZD</i>	Retained Earnings	Total Equity
2022		
Balance at 1 April 2021	5,334,207	5,334,207
Total comprehensive income for the year	713,421	713,421
Balance at 31 March 2022	6,047,628	6,047,628
2023		
Balance at 1 April 2022	6,047,628	6,047,628
Total comprehensive income for the year	186,421	186,421
Balance at 31 March 2023	6,234,049	6,234,049

The accompanying notes are an integral part of these financial statements.



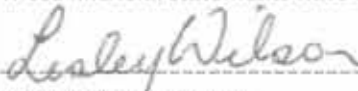
New Zealand Apples and Pears Incorporated

Statement of Financial Position

As at 31 March 2023

<i>in NZD</i>	<i>Note</i>	<i>2023</i>	<i>2022</i>
Current Assets			
Cash and cash equivalents	10	2,357,213	2,983,167
Recoverables from non-exchange transactions	11	777,686	651,401
Receivables from exchange transactions	11	123,879	94,499
Prepayments and other assets		94,205	81,230
Income tax refund due	9	19,938	10,144
Other investments	12	1,712,162	1,700,000
Total Current Assets		5,085,083	5,520,441
Non-Current Assets			
Investment in Prevar	13	3,802,376	3,335,867
Plant and equipment		57,314	86,638
Intangible assets	14	172,233	149,557
Total Non-Current Assets		4,031,923	3,572,062
Total Assets		9,117,006	9,092,503
Current Liabilities			
Payables from exchange transactions	15	875,980	1,249,884
Deferred income	16	302,420	291,633
Employee entitlements		137,282	184,258
Funds held in Trust	10	203,955	198,289
Capital payable	13	900,000	-
Total Current Liabilities		2,419,637	1,924,064
Non-Current Liabilities			
Capital payable	13	463,320	1,120,811
Total Liabilities		2,882,957	3,044,875
Equity			
Accumulated comprehensive revenue and expense		6,234,049	6,047,628
Total Equity	20	6,234,049	6,047,628
Total Equity and Liabilities		9,117,006	9,092,503

These financial statements have been authorised for issue by the Directors on 27 July 2023.


Lesley Wilson, Director


John Allen, Director

The accompanying notes are an integral part of these financial statements.



New Zealand Apples and Pears Incorporated

Cash Flow Statement

For the year ended 31 March 2023

<i>in NZD</i>	<i>Note</i>	<i>2023</i>	<i>2022</i>
Cash flow from operating activities			
Receipts			
Receipts from commodity and biosecurity levies		4,526,085	5,024,821
Receipts from other non exchange transactions		1,539,789	1,553,015
Receipts from exchange transactions		542,788	536,415
Interest received		61,560	16,805
Income Tax		-	2,865
Goods and Services Tax (Net)		45,137	600,441
		<u>6,715,359</u>	<u>7,734,362</u>
Payments			
Payments to employees & directors		1,944,590	1,553,192
Payments to suppliers		5,329,105	4,567,417
Income Tax		9,794	-
		<u>7,283,489</u>	<u>6,120,609</u>
Net cash (outflow)/inflow from operating activities		(568,130)	1,613,753
Cash flow from investing activities			
Receipts			
Proceeds from sale of plant and equipment		-	18,696
		<u>-</u>	<u>18,696</u>
Payments			
Capital payment to Prevar		657,491	311,842
Purchase of other investments		254,671	600,000
Purchase of plant and equipment		8,311	63,782
Purchase of intangibles		37,351	87,833
		<u>957,824</u>	<u>1,063,457</u>
Net cash outflow from investing activities		(957,824)	(1,044,761)
Net increase/(decrease) in cash and cash equivalents		(1,525,954)	568,992
Add opening cash and cash equivalents		2,983,167	2,414,175
Closing cash and cash equivalents	4	<u><u>1,457,213</u></u>	<u><u>2,983,167</u></u>

The accompanying notes are an integral part of these financial statements.



New Zealand Apples and Pears Incorporated

Notes to the Financial Statements

1. Reporting Entity

New Zealand Apples and Pears Incorporated (the 'Society') is an incorporated society and is domiciled in New Zealand. The Society is registered under the Incorporated Societies Act 1908. The Society is a public benefit entity for the purposes of reporting in accordance with the Financial Reporting Act (2013).

The Society is the national body that promotes and represents the New Zealand pipfruit (apple, pear and nashi) industry – growers, packers, and marketers of apples and pears in domestic and export markets.

2. Basis of Preparation

These financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with the Public Benefit Entity Accounting Standards Reduced Disclosure Regime as appropriate for Tier 2 not-for profit public benefit entities. The Society is a Tier 2 reporting entity on the basis it does not have public accountability and is not large.

The financial statements have been prepared on a going concern basis. During the year PBE IPSAS 41 *Financial Instruments* was adopted by the Society. The effects of the initial application of this standard are detailed below. All other accounting policies have been applied consistently throughout the period.

A. Adoption of PBE IPSAS 41 – *Financial Instruments*

PBE IPSAS 41 – *Financial Instruments* came into effect for accounting periods starting on or after 1 January 2022. PBE IPSAS 41 supersedes PBE IFRS 9 *Financial Instruments*, which was issued as an interim standard, and most of PBE IPSAS 29 *Financial Instruments: Recognition and Measurement*. It also amends a lot of the required disclosures in PBE IPSAS 30 *Financial Instruments Disclosures*. In accordance with the transitional provisions of PBE IPSAS 41, the Society has elected not to restate the information for previous years to comply with PBE IPSAS 41. The comparative information continues to be reported under PBE IPSAS 29. Any adjustments arising from the adoption of PBE IPSAS 41 are recognised in opening equity at 1 April 2022.

Accounting policies have been updated to comply with PBE IPSAS 41. The main updates are:

- Note 11 Recoverables from non-exchange transactions and Receivables from exchange transactions: This policy has been updated to reflect that the impairment of short-term receivables is now determined by applying a lifetime expected credit loss model.
- Note 12 Other Investments (Term deposits): This policy has been updated to explain that a loss allowance for expected credit losses is recognised only if the estimated loss allowance is not trivial.

PBE IPSAS 41 introduced new classifications for financial instruments. On the date of initial application, being 1 April 2022, the classifications of financial instruments were changed as follows:

- Financial assets previously classified as loans and receivables, are now classified at amortised cost.
- Financial liabilities previously classified as other financial liabilities, are now classified at amortised cost.

On initial application of PBE IPSAS 41, Capital payable to Prevar was derecognised and then recognised at its current amount payable, as this approximates the fair value. At the same time, the net carrying value of the Investment in Prevar was amended to reflect the derecognition the previous liability, and the recognition of the new liability amount for the Capital payable to Prevar, refer Note 13.

There were no other changes in the carrying amount of financial assets or liabilities on adoption of PBE IPSAS 41.



3. Functional and Presentation Currency

These financial statements are presented in NZD, which is the Society's functional currency. All amounts have been rounded to the nearest dollar.

4. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following disclosure item, which is measured on an alternative basis on each reporting date.

Item	Measurement bases
Disclosure of indicative fair value of equity accounted investment	Fair value

5. Use of Judgements and Estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Society's accounting policies and the reported amounts of assets, liabilities, revenue, expenses, and the accompanying disclosures. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised in the current year.

A. Judgements

The Society has been impacted by Cyclone Gabrielle, through reduced current and future years levy income. Given the uncertainty created by Cyclone Gabrielle, the Board has considered different scenarios and the impact on the ability for the Society to continue as a going concern. Under these scenarios, the Society has sufficient cash inflows to meet its obligations. The largest area of risk is in the collection of commodity levies due to the reduced 2023 harvested apple and pear crop. The Board continues to monitor the economic impact to the Society.

Information about other judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

- Note 6 – Determination of Non-financial Assets as non-cash generating assets;
- Note 7 – Commodity levy revenue: the period to which the revenue relates;
- Note 7 – Determining whether the Society is acting as a principal or as an agent;
- Note 9 – Recognition of deferred taxes; and
- Note 13 – Impairment of Investment in Prevar.

B. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2023 are included in the following notes:

- Note 7 – estimation of research accrual; and
- Note 13 – equity accounted investment, impairment test and fair value disclosure.

i. Measurement of fair values

A number of the Society's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When measuring the fair value of an asset or a liability, the Society uses observable market data as far as possible, or for non-cash-generating assets, depreciated replacement cost.

6. Summary of Significant Accounting Policies

Significant accounting policies are included in the notes to which they relate. Significant accounting policies that do not relate to a specific note are outlined below.



B. Impairment of Non-Financial Assets

The classification of assets as non-cash generating assets is a highly judgmental matter. PBE IPSAS 21.16 clarifies that cash-generating assets are those assets that are held with the primary objective of generating a commercial return. Therefore, non-cash generating assets would be those assets from which the Society does not intend (as its primary objective) to realise a commercial return. The Society's plant and equipment, and intangible assets are deemed to be non-cash generating assets as they are held for administrative purposes.

At each reporting date, the Society reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units (CGUs). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows (for cash-generating assets) or future remaining service potential (for non-cash-generating assets), discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in surplus or deficit. They are allocated to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss is reversed only if there has been a change in the estimates used to determine the assets recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount or the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

C. Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Society at the exchange rate at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into functional currency at the exchange rate at the reporting date. Foreign currency differences are generally recognised in surplus or deficit.



7. Revenue

<i>in NZD</i>	2023	2022
Revenue from non-exchange transactions		
Commodity levy (A)	4,697,755	4,809,974
Biosecurity levy	-	-
Shared research	1,145,743	993,182
Grants	384,022	611,914
Other revenue	-	14,087
<i>Total revenue from non-exchange transactions</i>	6,227,520	6,429,157
Revenue from exchange transactions		
Interest	70,953	14,892
Residue testing	70,888	63,040
Membership fees	25,950	25,500
Annual conference	160,796	140,955
Administration services	21,500	21,500
Other revenue (B)	241,550	113,002
<i>Total revenue from exchange transactions</i>	591,637	378,889
Total revenue	6,819,157	6,808,046

(A) Net income from commodity levies of \$4,477,499 (2022: \$4,622,231) was recognised after deducting commission, collection costs and bad debts, and after allowing for impairment or impairment reversals. Commodity levy income has been applied to advancing various industry interests and the administrative support of the Society as detailed in Note 8.

(B) Other revenue includes income of \$144,414 (2022: \$nil) from co-ordinating a stand at an International Tradeshow on behalf of exporters. The associated expenses are included in Market access expenses in Note 8, the net cost to the Society is nil.

(C) Net income from the RSE Resumption Project where the Society acted as an agent on behalf of employers of RSE Workers was \$nil (2022: \$nil). Total inflows collected were \$nil (2022: \$1,324,617) and outflows paid were \$nil (2022: \$1,257,713). The net difference of \$nil (2022: \$67,304) is recorded as a liability on the Statement of Financial Position.

Accounting Policies

A. Revenue from non-exchange transactions

Non-exchange transactions are those where the Society receives value from another entity (e.g. cash or other assets) without giving approximately equal value in exchange. Inflows of resources from non-exchange transactions, other than services in-kind, that meet the definition of an asset are recognised as an asset only when:

- It is probable that the Society will receive an inflow of economic benefits or service potential; and
- The fair value can be measured reliably.

Inflows of resources from non-exchange transactions that are recognised as assets are recognised as non-exchange revenue, to the extent that a liability is not recognised in respect to the same inflow. Liabilities are recognised in relation to inflows of resources from non-exchange transactions when there is a resulting present obligation as a result of the non-exchange transactions, where both:

- It is probable that an outflow of resources embodying future economic benefit or service potential will be required to settle the obligation, and
- The amount of the obligation can be estimated reliably.

The following are the specific recognition criteria in relation to the Society's non-exchange transactions:



i. Commodity levy

Commodity levy is a levy imposed on all pipfruit grown and sold/exported by growers in New Zealand under the Commodity Levies (Apples and Pears) Order 2018 (previously Commodity Levies (Pipfruit) Order 2012 and Commodity Levies (Nashi Pears) Order 2012). Commodity levy revenue includes levies from Pipfruit sales up to 31 March that are included in commodity levy returns received by the Society up to 31 May. Levy returns received after this date are reported as revenue in the following year.

ii. Biosecurity levy

Biosecurity levy is a levy imposed on apples and pears grown in New Zealand by growers for commercial purposes under the Biosecurity (Response – Apples and Pears Levy) Order 2020. Biosecurity levy revenue is recognised as income in the year that it is invoiced. Invoices are issued based on annual grower registration details provide to the Society as at 1 August each year. Biosecurity levy monies received by the Society can only be used to pay the Society's share of a Government Industry Agreement for Biosecurity Readiness and Response (GIA) response. The Biosecurity levy monies may be invested until it is spent (refer Note 10 Cash and Cash Equivalents and Note 12 Other Investments).

iii. Shared research

Shared research revenue includes grants given by government or other organisations for conducting research relating to or affecting the pipfruit industry. Shared research revenue is recognised when the conditions or restrictions attached to the grant have been complied with. Where there are unfulfilled conditions attaching to the grant, the amount relating to the unfulfilled condition is recognised as a liability and released to revenue as the conditions are fulfilled.

iv. Grants

The recognition of non-exchange revenue from grants depends on whether the grant comes with any stipulations imposed on the use of a transferred asset. Stipulations that are 'conditions' specifically require the Society to return the inflow of resources received if they are not used in the way stipulated, resulting in the recognition of a liability that is subsequently recognised as non-exchange revenue as and when the 'conditions' are satisfied. Stipulations that are 'restrictions' do not specifically require the Society to return the inflow of resources received if they are not utilised in the way stipulated, and therefore do not result in the recognition of a non-exchange liability, which results in the immediate recognition of non-exchange revenue.

The Society receives grant funding from government and non-government entities to support the Society's objectives. Depending on the stipulations of each grant the Society may or may not have to return unspent funds. If there are conditions attached, revenue in relation to that particular grant is not recognised until the conditions are fulfilled. For grants with restrictions, the revenue is recognised when it is received by the Society.

B. Revenue from exchange transactions

i. Rendering of services

The Society is involved in providing services, including organising events for members. If the services under a single arrangement are rendered in different reporting periods, then the consideration is allocated on a relative fair value basis between the different services. The Society recognises revenue from rendering of services in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed based on percentage of work performed.

ii. Membership fees

Revenue is recognised over the period of the membership (usually 12 months). Amounts received in advance for memberships relating to future periods are recognised as a liability until such time that period covering the membership occurs.



iii. Interest income

Interest income is earned for the use of cash and cash equivalents and term deposits. Interest income is recognised in the statement of comprehensive revenue and expense as it is earned. Interest income is accrued using the effective interest rate method. The effective interest rate exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this rate to the principal outstanding to determine interest revenue each period.

iv. Income received as an agent

If the Society acts in the capacity of an agent rather than as the principal in a transaction, then the revenue recognised is the net amount of fees made by the Society. The Society is acting as an agent when it does not have exposure to the significant risks and rewards associated with the sale of goods or the rendering of services.

8. Expenses

<i>in NZD</i>	2023	2022
Research expenses (A)	2,272,339	2,187,902
Market access	716,157	492,319
Relationships	68,110	19,528
Biosecurity	78,563	68,596
Apple Story	399	-
Knowledge management & communications	668,309	508,197
Capability development	376,396	709,352
RSE scheme	88,004	117,819
New varieties	-	20,000
Sustainability	39,804	33,020
Employee benefit expense (B)	1,692,260	1,428,785
Commodity Levy collection fees & expenses	184,895	187,743
Impairment loss on trade receivables	35,361	-
Depreciation & amortisation	50,435	43,335
Operating lease payments	95,487	88,613
Other operating costs	490,217	622,417
Total operating expenses	6,856,736	6,527,626

Accounting Policies

A. Research expenses

The Society contracts external firms to undertake research on behalf of the pipfruit industry. These costs are expensed as incurred. Invoiced but unpaid research costs are recorded as a payable at balance date. An accrual is made at year end for estimated research work that has been performed but not yet reported on or invoiced at balance date.

B. Employee benefit expense

Short-term employee benefits are expensed as the related service is provided. A current liability is recognised for the amount expected to be paid wholly before 12 months after balance date, if the Society has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. Employee benefit expenses includes 'core' employee expenses, it does not include all employee related costs as some employee benefit expenses are included in other expense categories.



9. Taxes

The Society is a non-profit organisation to which the statutory deduction provisions of section DV 8 of the Income Tax Act 2007 apply. The Society is also a member organisation and is therefore only liable for income tax on any income from transactions to which the mutual association provisions of subpart HE of the Income Tax Act 2007 apply.

<i>in NZD</i>	2023	2022
Amounts recognised in profit or loss		
Current tax expense	-	-
Tax expense/(benefit)	-	-
Reconciliation of effective tax rate		
Total surplus before income tax	186,421	713,421
Income tax at 28%	52,198	199,758
Tax effect of taxation adjustments:		
Exempted income	(1,399,252)	(1,637,682)
Exempted expenses	1,357,198	1,549,751
Equity accounted investee	(62,720)	(131,440)
Current year tax losses not recognised	52,576	19,613
Tax expense/(benefit)	-	-
Income tax refund due		
Prior year refund outstanding	(10,144)	(13,009)
Current year tax expense/(benefit)	-	-
Resident withholding tax deductions	(19,788)	(4,283)
Imputation credits held	(100)	(96)
Refunds received	10,537	7,266
Tax payable/(refundable) on behalf of Administered funds	(443)	(22)
Tax payable/(refundable)	(19,938)	(10,144)

Accounting Policies

A. Income tax expense

Income tax expense represents the sum of the tax currently payable and deferred. The tax currently payable is based on taxable profit for the year. Taxable profit differs from "Surplus before tax" as reported in the statement of comprehensive revenue and expenses because the Society is exempt from tax relating to member's subscriptions and is only subject to tax on non-member related activities and member transactions specifically subject to the mutual association provisions of the Income Tax Act 2007. Current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

B. Deferred taxes

PBE IAS 12 Income taxes requires that the Society recognise a deferred tax liability (or asset) for any assessable (or deductible) temporary differences in the carrying amount of the Society's assets and liabilities recognised on the balance sheet. The majority of the Society's assets and liabilities are derived from non-taxable activities and management have determined that no assessable (or deductible) temporary differences exist. As a result, no deferred tax liabilities (or assets) have been recognised.



10. Cash and Cash Equivalents

<i>in NZD</i>	2023	2022
Cash and cash equivalents	2,357,213	2,983,167

Cash and cash equivalents comprise cash on hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

Cash and cash equivalents include funds administered by the Society on behalf of industry groups. At balance date these totalled \$203,955 (2022: \$198,289).

Cash and cash equivalents include cash received from Biosecurity Levies that have not been invested in term deposits (refer note 12), of \$10,736 (2022: \$2,747). This cash can only be used to pay the Society's share of a GIA response.

The Society has an overdraft facility of \$100,000 (2022: \$100,000). The security for the facility is the Reserve fund, which is invested in term deposits (refer note 12).

Accounting Policy

See Note 17 Financial Instruments.

11. Recoverables from non-exchange transactions and Receivables from exchange transactions

<i>in NZD</i>	2023	2022
Recoverables from non-exchange transactions		
Commodity and biosecurity levies	559,983	403,585
less allowance for credit losses (2022: Allowance for impairment loss)	(40,665)	(20,576)
Research and other grant recoveries	258,368	268,392
Total recoverables from non-exchange transactions	777,686	651,401
Receivables from exchange transactions		
Trade receivables	123,879	94,499
less allowance for credit losses (2022: Allowance for impairment loss)	-	-
Total receivables from exchange transactions	123,879	94,499

Accounting Policy

See Note 7 Revenue and Note 17 Financial Instruments.

12. Other Investments

<i>in NZD</i>	2023	2022
Term deposits	1,712,162	1,700,000

The Society's term deposits are set aside under two funds, \$600,000 for the Reserve fund (2022: \$600,000) and \$1,112,162 for the Government Industry Agreement (GIA) fund (2022: \$1,100,000).

The Reserve fund was created to provide for a shortfall in Commodity Levy income which may seriously impact on the ability of the Society to meet its objectives and obligations.

The GIA fund was created after the Society signed the GIA Agreement. The agreement details the cost sharing mechanism between industry and the government during a Biosecurity response. During the year \$12,162 (2022: \$600,000) was added to the reserve and the Society's contribution to the 2022 Fall Armyworm response was \$8,223 (2022: nil). The remaining funds are included in cash and cash equivalents (refer Note 10).

Accounting Policy

See Note 17 Financial Instruments.



13. Investment in Prevar (Equity-Accounted Investee)

<i>in NZD</i>	2023	2022
Net carrying value		
Equity accounted investment at cost	15,649,264	15,406,755
Accumulated share of deficit	(11,846,888)	(12,070,888)
Net carrying value	3,802,376	3,335,867
Movements in carrying amounts		
Carrying value at the beginning of the year	3,335,867	2,866,439
Share of profit / (deficit) for the year	224,000	469,428
Change in value on adoption of PBE IPSAS 41	242,509	-
Carrying value at the end of the year	3,802,376	3,335,867

A. Capital Payable to Prevar

On 28 February 2019 the Society along with the other shareholders of Prevar Limited ("Prevar") signed a deed of variation to the shareholder agreement. The Society agreed to acquire and Prevar agreed to issue 71,250 shares for \$2,800,000. The fair value of the shares issued and therefore the amount payable by the Society was \$2,456,754. On adoption of PBE IPSAS 41, the amount payable by the Society was derecognised and a new liability recognised, due to the payment terms changing from those originally agreed. The amount payable is recorded as a liability by the Society.

Repayment of Liability to Prevar:

<i>in NZD</i>	2023	2022
Opening balance	1,120,811	1,396,226
Payments during the year	-	(311,842)
Implied interest expense	-	36,427
Change in value on adoption of PBE IPSAS 41	242,509	-
Closing balance	1,363,320	1,120,811

Although no repayments are anticipated during the 2024 financial year, \$900,000 of the loan is payable if demanded within 1 year and has been classified as a current liability at balance date, the remainder of the loan is payable after 1 year and has been classified as a non-current liability (2022: the full loan amount was classified as a non-current liability).

Classification of Liability to Prevar:

<i>in NZD</i>	2023	2022
Current liability	(900,000)	-
Non-current liability	(463,320)	1,120,811
Closing balance	(1,363,320)	1,120,811



B. Prevar's fair value

There were no changes to the Society's shareholding in Prevar during the year. The investment is a joint venture. Prevar is not publicly listed. The following table summarises the fair value of Prevar:

<i>in NZD</i>	2023	2022
Current assets	4,505,852	3,879,760
Non-current assets	14,507,770	14,548,447
Current liabilities	(1,416,406)	(1,488,532)
Non-current liabilities	-	-
Net assets (100%)	17,597,216	16,939,675
Net assets (Society's share)	9,678,469	9,316,821

The difference between Prevar's fair value and carrying value is the value of Prevar's Plant variety rights and associated trademarks (PVR's). The indicative fair value of the PVR's has been estimated using discounted cash flows. Key assumptions used in the estimation of the value were as follows:

<i>in percent</i>	2023	2022
Discount rate	20% - 50%	20% - 50%
Post forecast growth rate	2%	2%

The discount rate was a post-tax measure assessed by reference to typical venture capital required returns on early stage investments as provided by independent advisors. The cash flow projections include specific estimates for 29 years (2022: 29 years), based on estimated revenue and expenses for agreements in place as at the date of the assessment as well as projected operating expenses. A significant estimation uncertainty is the determination of cash flows, being based on assumptions in regard to future plantings of existing PVRs, crop yields and resulting revenue generated by the licensees to determine the future cash flows receivable by Prevar under the PVRs.

C. Prevar's summarised financial statements

Prevar has a balance date of 31 March. The following table summarises the financial information of Prevar as included in its own financial statements adjusted for differences in accounting policies:

<i>in NZD</i>	2023	2022
Current assets	4,505,852	3,879,760
Non-current assets	602,286	458,079
Current liabilities	(1,416,406)	(1,488,532)
Non-current liabilities	-	-
Net assets (100%)	3,691,732	2,849,307
Revenue	6,110,266	5,991,775
Expenses	5,702,993	5,138,270
Total comprehensive income (100%)	407,273	853,505
Total comprehensive income (Society's share)	224,000	469,428

There were no contingent liabilities or assets relating to the Society's interest in Prevar (2022: nil).

Accounting Policy

The Society's interests in equity-accounted investees comprise interests in a jointly-controlled entity, referred to as a joint venture within these financial statements. Joint Ventures are those entities over whose activities the Society has joint control, established by contractual agreement and require unanimous consent for strategic financial and operating decisions.

Interests in the joint venture are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs, from the date that joint control commences. Subsequent to initial recognition, the financial



statements include the Society's share of the surplus or deficit and other comprehensive revenue and expense of equity-accounted investees, until the date on which joint control ceases.

14. Intangible Assets

Reconciliation of carrying amount

<i>in NZD</i>	Website & Online Tools	Total
Cost		
Balance at 1 April 2021	147,103	147,103
Balance at 31 March 2022	170,554	170,554
Purchases	37,351	37,351
Disposals	-	-
Balance at 31 March 2023	207,905	207,905
Accumulated amortisation and impairment losses		
Balance at 1 April 2021	74,145	74,145
Balance at 31 March 2022	20,997	20,997
Amortisation	14,675	14,675
Disposals	-	-
Balance at 31 March 2023	35,672	35,672
Carrying amounts		
At 1 April 2021	72,958	72,958
At 31 March 2022	149,557	149,557
At 31 March 2023	172,233	172,233

Accounting Policy

A. Recognition and measurement

Intangible assets, which comprise website and online tools, are initially measured at cost except for those acquired through non-exchange transactions (which are measured at fair value). Cost includes expenditure that is directly attributable to the acquisition of the asset, and for self-constructed intangible assets includes the cost of materials and direct labour. Subsequent to initial recognition, website and online tools are measured at cost less accumulated amortisation and any accumulated impairment losses.

B. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in surplus or deficit as incurred.

C. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual value using the diminishing value method over their useful lives and is recognised in surplus and deficit, as part of operating expenses.

The estimated useful lives for current and comparative periods are as follows:

- Website and online tools: 2-10 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.



15. Payables from exchange transactions

<i>in NZD</i>	2023	2022
Trade creditors	203,393	371,145
Research contracts	578,436	824,984
Accruals	94,151	53,755
Total Payables from exchange transactions	875,980	1,249,884

Accounting Policy

See Note 8 Expenses and Note 17 Financial instruments.

16. Deferred Income

<i>in NZD</i>	2023	2022
Government grants (A)	220,987	242,562
Non-Government grants	81,433	49,071
Total Deferred income	302,420	291,633

A. Government grants

Government grants have been provided by the Ministry of Social Development and Ministry for Primary Industries and are conditional on the funds being utilised in accordance with the contracts. The grants are recognised as a deferred income and released to the Statement of Comprehensive Revenue and Expense as contracted expenses are incurred.

Accounting Policy

See Note 7 Revenue

17. Financial Instruments

Accounting classifications and fair values:

<i>in NZD</i>	2023	2022
Financial assets at amortised cost (2022: Loans and Receivables)		
Cash and cash equivalents	2,357,213	2,983,167
Recoverables from non-exchange transactions	383,528	375,390
Receivables from exchange transactions	97,443	63,282
Other investments	1,712,162	1,700,000
Total Financial assets at amortised cost	4,550,346	5,121,839
Financial liabilities at amortised cost (2022: Other financial liabilities)		
Trade and other payables	706,151	954,275
Capital payable	1,363,320	1,120,811
Funds held in Trust	203,955	198,289
Total Financial liabilities at amortised cost	2,273,426	2,273,375

Accounting Policy

The Society classifies all its financial assets at amortised cost.

The Society classifies all its financial liabilities at amortised cost.

A. Financial assets and financial liabilities - recognition and derecognition

The Society initially recognises financial assets and financial liabilities on the date that they originated.

The Society derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the



risks and rewards of ownership of the financial asset transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Society is recognised as a separate asset or liability.

The Society derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Society currently has a legally enforceable right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

B. Financial assets at amortised cost - measurement

Financial assets at amortised cost are initially measured at fair value plus any directly attributable transaction cost. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

C. Financial liabilities at amortised cost – measurement

Financial liabilities at amortised cost are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, financial liabilities at amortised cost are measured at amortised cost, and changes therein are recognised in surplus or deficit.

D. Impairment

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL). This allowance is calculated based on lifetime ECL. In measuring ECL, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due. Short-term receivables are written off when there is no reasonable expectation of recovery.

Previous accounting policy for impairment of receivables:

Financial assets at amortised cost, are assessed at each reporting date to determine whether there is any objective evidence of impairment.

Objective evidence that financial assets at amortised cost are impaired includes:

- Default or delinquency by a debtor;
- Restructuring of an amount due to the Society on terms that the Society would not consider otherwise;
- Indications that a debtor or issuer will enter bankruptcy;
- Adverse changes in the payment status of borrowers or issuers;
- The disappearance of an active market for a security because of financial difficulties; or
- Observable data indicating that there is a measurable decrease in the expected cash flows from a group of financial assets.

The Society considers evidence of impairment for these assets at both an individual asset and a collective level. All individual significant assets are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Society uses historical information on the timing of recoveries and the amount of loss incurred and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested historical trends.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in surplus or deficit and reflected in an allowance account. When the Society considers that there are no



realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through surplus or deficit.

18. Commitments

A. Operating leases

<i>in NZD</i>	2023	2022
Less than one year	79,293	100,352
Between one and five years	96,236	177,151
More than five years	-	-
Total Operating lease commitments	175,529	277,503

Operating lease commitments include office space, a vehicle and a photocopier (2022: office space, two vehicles and a photocopier). The lease for the office space is for six years (commenced 1 June 2019), with one right of renewal for four years. Rent reviews are three yearly to CPI or market (whichever is greater).

Accounting Policy

i. Determining whether an arrangement contains a lease

At inception of an arrangement, the Society determines whether the arrangement is or contains a lease. At inception or on reassessment of an arrangement that contains a lease, the Society separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Society concludes for a finance lease that it is impracticable to separate the payments reliably then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Society's incremental borrowing rate.

ii. Finance leases

Leases of property, plant and equipment that transfer to the Society substantially all of the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

iii. Lease payments

Payments made under operating leases are recognised in surplus or deficit on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.



B. Research and development

Research and development commitments

<i>in NZD</i>	2023	2022
Less than one year	1,291,083	1,020,135
Between one and five years	4,451,466	366,666
More than five years	1,050,000	-
Total Research and development commitments	6,792,549	1,386,801

The Society's significant research contracts contain clauses whereby if the Society does not collect sufficient commodity levy income due to an adverse event the contracts may be cancelled.

19. Contingent liabilities

There are no contingent liabilities as at 31 March 2023 (2022: nil).

Accounting Policy

The Society does not recognise contingent liabilities but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

20. Equity and Reserves

Capital management

The Society's capital is its Equity, which comprises accumulated comprehensive revenue and expense. Equity is represented by net assets.

The Society manages its Equity prudently as part of the process of effectively managing its revenues, expenditure, assets, liabilities and all related financial affairs. In order to ensure that the Society achieves all its objectives and purpose, the Society has a Board of Directors that actively controls and monitors progress of plans and activities against financial and other performance indicators.

The Society is not currently subject to any externally imposed capital requirements.

21. Related Parties

A. Associate/Joint Venture

<i>Investee name</i>	<i>Principal place of business</i>	<i>Ownership interest 2023</i>	<i>Ownership interest 2022</i>
Prevar Limited	New Zealand	55%	55%

The Society received income from providing administration support and for cost recoveries during the period. Refer to Note 13, for details of share capital provided to Prevar.

B. Transactions with key management personnel

i. Key management personnel compensation

Key management personnel includes the Directors and Senior management. Senior management consist of the Chief Executive Officer, Chief Financial Officer, Manager Trade Policy and Strategy, Manager Biosecurity, Manager R&D Programmes, Manager Capability Development, Manager Market Access, Manager Crop Protection, Member Engagement Manager, Manager RSE / Seasonal Labour, and International Engagement Manager.



The aggregate level of remuneration paid and number of persons (measured in “full-time-equivalents” (FTEs) for senior management) in each class of key management personnel is presented below:

<i>in NZD</i>	2023		2022	
	<i>Remuneration</i>	<i>Number</i>	<i>Remuneration</i>	<i>Number</i>
Board members	174,050	8	165,000	8
Senior Management	1,369,401	8	1,106,278	8
Total	1,543,451		1,271,278	

ii. Key management personnel transactions

Catherine Wedd was a Director of the Society (resigned January 2023, appointed August 2021) and was also a key management personnel of Bostock New Zealand Ltd. The Society received levies and other minor revenues from the Company during the period. Bostock New Zealand Ltd is owned by Bostock Group Ltd. Companies in which Bostock Group Ltd are a shareholder have entered into commercial agreements with Prevar and Prevar has received commercial income from these Companies during the period.

Cameron Taylor is a Director of the Society and also key management personnel of Taylor Corporation Ltd. The Society received levies, residue testing fees and other minor revenue from the Company during the period. Taylor Corporation Ltd and Golden Del Orchard Ltd are closely related entities. Golden Del Orchard Limited is a shareholder in Next Generation Apples Limited who have entered into commercial agreements with Prevar. Prevar has received commercial income from Next Generation Apples Ltd during the period.

Evan Heywood is a Director of the Society and also a Director of Heywood Orchard Ltd, Golden Bay Fruit Ltd, Golden Bay Fruit 2008 Ltd, Next Generation Apples Ltd and has been appointed by the Society to the Prevar Board of Directors. The Society received levies, residue testing fees, and other minor revenue from Heywood Orchard Ltd and Golden Bay Fruit Ltd during the period. Golden Bay Fruit 2008 Ltd and Next Generation Apples Ltd have entered into commercial agreements with Prevar. Prevar received commercial income from Golden Bay Fruit 2008 Ltd and Next Generation Apples Ltd during the period.

Jackie van der Voort is a Director of the Society and also a Director of CAJ & EM Van der Voort Limited. The Society received levies and other minor revenue from the Company during the period.

John Allen is a Director of the Society (appointed September 2021) and also key management personnel of Mr Apple New Zealand Ltd. Karen Morrish was a Director of the Society (resigned August 2021) and was also key management personnel of Scales Corporation Ltd, who owns Mr Apple New Zealand Ltd. The Society received sponsorship, levies, residue testing fees and other minor revenue from these companies during the period. Companies in which Mr Apple New Zealand Ltd are a shareholder have entered into commercial agreements with Prevar and Prevar has received commercial income from these Companies during the period.

Lesley Wilson is a Director of the Society and also a Director of DN & LR Wilson Limited. The Society received levies and other minor revenues from the Company during the period. Lesley is also a Director of the Horticulture Export Authority.

Craig Betty is a Director of the Society (appointed January 2023) and also key management personnel of T&G Global Limited. Peter Landon-Lane was a Director of the Society (resigned January 2023) and also key management personnel of T&G Global Limited. The Society received sponsorship and levies from the Company and related entities of the Company during the period.

The aggregate value of transactions and outstanding balances related to key management personnel and entities over which they have control or significant influence were as follows:



<i>in NZD</i>	<i>Sales made</i>		<i>Amount receivable</i>	
	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>
Bostock New Zealand Limited	239,700	310,220	13,128	46,427
CAJ and EM Van Der Voort Limited	104,080	124,267	-	-
DN & LR Wilson Limited	9,676	15,652	-	-
Golden Bay Fruit Limited	37,020	1,126	2,921	-
Heywood Orchards Limited	20,145	18,011	-	-
Mr Apple New Zealand Limited	734,979	794,019	426	920
T&G Global Limited (& related entities)	225,107	278,065	-	17,600
Taylor Corporation Limited (& related entities)	113,346	76,583	426	736

Accounting Policy

The Society regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Society, or vice versa. Members of key management are regarded as related parties and comprise the directors and senior management of the Society.

22. Subsequent Events

There are no material subsequent events that affect these financial statements for 31 March 2023, (2022: nil).

23. Comparatives

Comparative figures have been reclassified where necessary to conform to the current year's presentation.



New Zealand Apples and Pears Incorporated

Statement of Service Performance

For the year ended 31 March 2023

Our Purpose:

To promote and champion the New Zealand pipfruit industry for the benefit of all participants and for the overall benefit of New Zealand.

Our Objectives and how we have performed against these:

1. To represent the interests of members both domestically and overseas in matters of political and commercial significance to members and the industry as a whole.

Performance against Objectives	2023	2022
Committees and Working Group involvement/participation	34	40
Submissions/ Advisories submitted	8	10
Government delegations hosted	13	3
Delegations participated in	8	4
Signatory to Biosecurity Agreements	4	2

2. To consider and make recommendations to members and interested parties with respect to the future of the New Zealand pipfruit industry.

Performance against Objectives	2023	2022
Industry Advisory Group meetings to discuss future needs and direction	22	27

3. To provide services to members which will provide benefits to the industry as a whole.

Performance against Objectives	2023	2022
Number of services provided by	23	22
Services Provided	Member website Weather tools Pest and disease tools Random residue Registration USDA programme ICPR database Market Declaration system Master data Export data	Member website Weather tools Pest and disease tools Random residue Registration USDA programme ICPR database Market Declaration system Master data Export data



Performance against Objectives	2023	2022
	Crop Estimate	Crop Estimate
	Maturity Monitoring	Maturity Monitoring
	Registers / OAP's	Registers / OAP's
	PHI /MRL database	PHI /MRL database
	Information resources orchard	Information resources orchard
	Information resources packhouse	Best practice guidelines
	Best practice guidelines	RSE logistic support
	RSE logistic support	Food safety testing kits
	Food safety testing kits	Food safety registration
	Food safety registration	Heavy metal testing
	Heavy metal testing	Audit tools
	Audit tools	Industry market eligibility files
	Industry market eligibility files	

4. To promote, whether directly or indirectly and whether by means of ownership, investment or otherwise, the development and commercial exploitation of new plant varieties for the benefit of Grower Members.

Performance against Objectives	2023	2022
Prevar shareholding	55%	55%
Annual investment (\$)	-	312,000
Cumulative investment (\$)	14.3M	14.3M

5. To identify, undertake, fund, and promote research and development relating to the New Zealand pipfruit industry.

Performance against Objectives	2023	2022
Research programmes/ projects contracted	8	8
Total investment (\$)	2,272,339	2,187,902
Levy investment into Research and Development (\$)	1,126,596	1,194,720
Co-funding investment (\$)	1,145,743	993,182
Research reports commissioned	21	22

6. To develop and promote access to domestic and overseas markets for New Zealand pipfruit.

Performance against Objectives	2023	2022
Markets available for export	83	83



-
7. To initiate, organise, and publicise seminars, workshops, conferences and meetings for the education and development of participants in the pipfruit industry.

Performance against Objectives	2023	2022
Events held	44	39

8. To speak on behalf of the New Zealand pipfruit industry

Performance against Objectives	2023	2022
Number of Members - Grower	240	260
Number of Members - Post harvest	22	22
Number of Members - Associates	64	63
Website hits	114,684	140,315



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