

**GROWING A STRONGER
KIWIFRUIT INDUSTRY**

Servicing the needs of a diverse grower base will continue to be a challenge, but we must continue to work towards industry unity and the preservation of the Single Point of Entry (SPE) as it continues to underpin our profitability.

Doug Brown, NZKGI Chairman

2,600 Kiwifruit Growers

17 Regional Representatives

10 Grower Entity Representatives

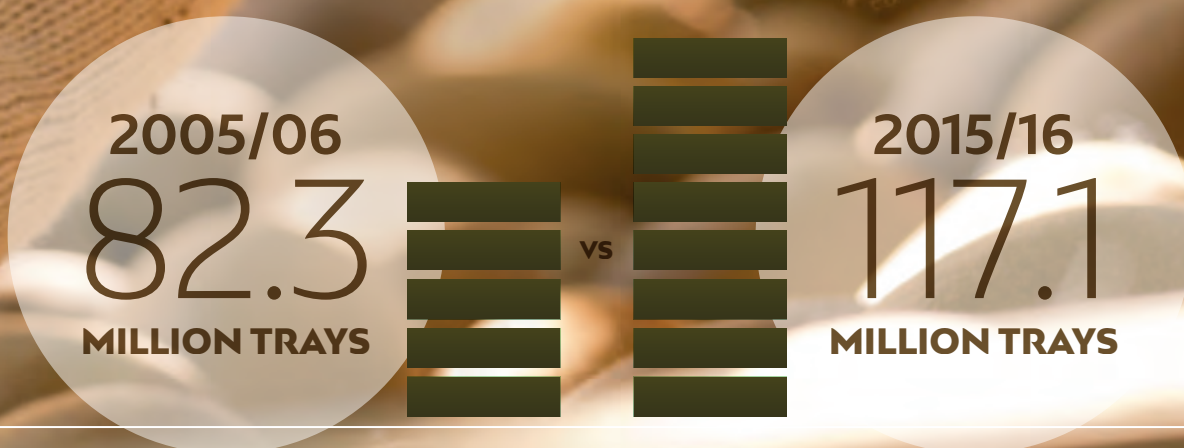
6 Portfolios

3 Staff

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INDUSTRY GROWTH



INDUSTRY PRODUCTION GROWTH OVER 10 YEARS

NZKGI was established in 1993 to enhance the commercial and political interests of New Zealand kiwifruit growers and works on the industry's behalf to lobby change in policy, whilst retaining and building government relationships. NZKGI is committed to leading kiwifruit growers through industry growth and change.

CHAIRMAN'S REPORT

DOUG BROWN

It is my pleasure to deliver this report to growers in my capacity as the new Chairman of NZKGI. In many ways it has been a year of records and undoubtedly, a year of change.

This season, growers delivered record volumes of Hayward and Gold3 volumes continued to track on estimate. However, this was complicated by a late start to harvest and a low Dry Matter (DM) year.

The entire supply chain was under pressure from the get-go. From harvest capacity, to packing and cool storage and transport logistics, it was a challenge for everyone as record volumes were processed and delivered to ship side. What was once considered a record load out week, became the norm as the industry swung into harvest mode and the pressure remained on throughout the season. As volumes continue to rise, the supply side of the business will need to adapt to this growth and new, innovative ways of meeting the challenge will be required in the future.

Orchard values continue to rise, and optimism and demand for Gold3 license was evident in the recent license release and the tender price achieved by the successful bidders. Servicing the needs of a diverse grower base will continue to be a challenge, but we must continue to work towards industry unity and the preservation of the Single Point of Entry (SPE) as it continues to underpin our profitability.

It was a year that saw much change at NZKGI. We said goodbye to long standing Chief Executive Mike Chapman after 12 years of sterling efforts for growers. We also had President Neil Trebilco retire, again after many years of service. There was also a changing of the guard in the Forum members following the endorsement



Doug Brown with biosecurity beagle.

of the KISP recommendations which saw numbers reduce from 37 to 27 members.

I'd like to take this opportunity to thank Mike, Neil and outgoing Forum members for their efforts on behalf of growers, which is often a thankless task and is seldom acknowledged. I must also take this opportunity to thank staff member Kate Longman who stepped into the breach as acting Chief Executive while the search for Mike's replacement was underway.

On this note, it's my pleasure to welcome incoming Chief Executive Nikki Johnson to the role. Nikki comes to us from Wellington where she ran her own business in market access and managed New Zealand Citrus Growers Incorporated for over ten years. Nikki has great networks within the Ministry for Primary Industries and a large skill base and work ethic. But more importantly, Nikki brings a new set of eyes to the industry issues and

a passion for improving outcomes for both growers and NZKGI.

I'm excited to be leading the new Executive team of Mark Mayston, Simon Cook, Andre Hickson, Tony Leister and Mike Smith; and the new Forum brings a wealth of experience and a good mix of new young talent. This gives me great confidence for the future.

My vision for NZKGI going forward is to raise the bar and become a more professional organisation delivering value to its grower stakeholders, as outlined in our Key Strategic Objectives. NZKGI needs to cement its position as the key industry body for growers through improved communication and engagement, more visibility and by lifting the performance of everything we do. As a part of this drive, we are re-branding the organisation and refreshing our website. Growers can look forward to an improved level of engagement and service from my team.

The future looks good for New Zealand's kiwifruit growers. Continuing growth in production aligned to market growth in demand will continue to deliver long term, sustainable returns. That doesn't mean there won't be challenges along the way. We are a primary production industry and that brings risk with it – be it weather events, pests and diseases, challenges to the SPE or currency or interest rate fluctuations. Growers need to remember that no one owes us a living. We have to be reactive to change, and be prepared to accept that change is a part of living in the global market we live and trade in. What has and will continue to give us an edge over our competitors is our industry unity. Our unity is our strength.



Doug Brown, NZKGI Chairman



My vision for NZKGI going forward is to raise the bar and become a more professional organisation delivering value to its grower stakeholders, as outlined in our Key Strategic Objectives. NZKGI needs to cement its position as the key industry body for growers through improved communication and engagement, more visibility and by lifting the performance of everything we do.

This year we have reviewed our strategic work-plan and introduced six key portfolios which are outlined in this Annual Report.

CHIEF EXECUTIVE'S REPORT

NIKKI JOHNSON

I started in the role of Chief Executive for New Zealand Kiwifruit Growers Incorporated in April 2016. The past four months have been a very busy and challenging start to the role with issues like minimum taste standards, Gold3 license release and crop management to keep me occupied. During this time our team has also been making progress on an ongoing range of projects, so there is never a dull moment in the NZKGI office.

I hope you find the revamped Annual Report a useful reference for the activities that NZKGI has undertaken in 2015 and will continue to undertake in 2016. The Annual Report is part of a new communications strategy for NZKGI and we are keen to get grower's input on how you would like to receive information and on what topics. Another important part of this strategy is the development of a new website and a fresh, new logo for NZKGI – both very exciting projects for this year.

This year we have reviewed our strategic work-plan and introduced six key portfolios which are outlined in this Annual Report. These will become more familiar to you as we report on them into the future. To further support this approach, we have also restructured the financial reporting system for NZKGI starting with the budget for 2017. The financial structure is now activity based and will make it easier for us, and you, to track our investment in each portfolio area. The 2015 accounts are reported as audited in the old format, but at the conclusion of 2016, we intend to be reporting using the new format.

NZKGI is a small organisation which has achieved an outstanding range of outputs over the past year and the dedicated staff have been well supported by an equally dedicated group of kiwifruit growers. I am thrilled to be leading the organisation into implementation of our new strategic plan and count on your input and support as we aim to maximise grower value. On behalf of all kiwifruit growers, current and past, I would also like to thank Mike Chapman for his dedication to the organisation. And on a personal note, I thank him for his support as I take over the role. We will continue to work closely with Mike in his new role as CEO at Horticulture NZ and we wish him all the very best.

INDUSTRY STABILITY

NZKGI works with all industry players to understand the different operational and cultural dynamics to help establish and maintain important industry relationships.

The purpose of the Industry Stability portfolio is to maintain a focus on the stability of the marketing structure and to retain and build upon government relationships.

Kiwifruit Industry Strategy Project (KISP) Implementation

A key outcome of the KISP process was the support from growers for changes to Zespri share ownership which would allow for alignment of shareholders and producing growers.

Key to obtaining the desired outcome was a change to the Kiwifruit Regulations. NZKGI along with Zespri requested several changes to the regulations. A discussion paper on proposed changes was released by the Ministry for Primary Industries (MPI) in early 2016 and NZKGI made a detailed submission alongside over 700 grower submissions. NZKGI has continued to work with MPI to obtain the desired outcome, and a change in the Kiwifruit Regulations is expected before the end of the year. NZKGI has also been involved in changes to core business and Kiwifruit NZ board appointments during the process.

Also as an outcome of the KISP process, the NZKGI Forum reduced from 37 to 27 members from December 2015.

Government Policy

NZKGI makes submissions to Government on a range of proposed regulatory and policy changes. In the last year, submissions have been made either directly by NZKGI or supporting Horticulture New Zealand. NZKGI also presented to the Primary Production Select Committee on the Trans Pacific Partnership (TPP) Free Trade Agreement (FTA).

With the appointment of a new Chairman and a new Chief Executive, NZKGI is working hard to develop strong relationships with both government ministers and officials, ensuring the role of NZKGI is well understood and recognised in Wellington.

Maori Forum

The KISP process identified the importance of representation from across the industry. As a result, a Maori representative was included in the new Forum structure. NZKGI is working with Zespri and Maori to ensure the Maori representative is well supported by Iwi groups from across the country and can provide a Maori perspective to discussions. NZKGI is also interested to speak with other groups who would like to see greater representation.

Commodity Levy Order

The Kiwifruit Commodity Levy Order is the funding mechanism for NZKGI and needs to be renewed in 2017. Over the next 12 months NZKGI will be communicating with growers on the achievements over the last five years and plans for the coming five years and asking for support from growers in a referendum vote.



NZKGI PORTFOLIO

PERFORMANCE

NZKGI monitors Zespri and industry performance to ensure they operate in the best interests of all kiwifruit growers. We work with all industry players to understand the operational and cultural dynamics to help establish and maintain important industry relationships.

The target of the performance portfolio is to increase independent monitoring of Zespri, supply chain performance, equity between growers and ongoing research and development, whilst maintaining relationships with industry related bodies.

Kiwifruit Industry Strategy Project (KISP)

IMPLEMENTATION

KISP Zespri Funding

Following the successful KISP Referendum in March 2015, a 'Margin Implementation Working Group' was established to work through the margin model and focus on achieving simplicity, transparency and a fair allocation of costs between Zespri and the NZ grower pools.

In 2016, NZKGI commissioned an expert to assist in review of the margin proposal. Agreement on the basis for margin calculation was achieved in June and monitoring and reporting will now commence.

Supply Agreement Working Group

NZKGI has formed a 'Supply Agreement Working Group' involving both grower and supply entity representatives from the Forum. An independent Learning & Development Facilitator will be appointed to upskill working group members on the Supply Agreement. The training programme will be made available to all growers in future if there is sufficient demand.

PROJECTS

Supply Entity Training

Supply Entity Training aims to increase the governance and oversight skills of growers on supply entities. To achieve this, sessions on governance, directors' responsibility, running meetings, understanding financial reports and Supply Entity structures were made available.

Zespri Monitoring

Monitoring of Zespri has been ongoing through regular meetings between Zespri's Senior Executive and supply team and NZKGI's Executive and Forum members to review current issues and relevant topics. This includes Zespri's five-year plan, performance in the market, forecasts and grower payments.

Supply and Payment Oversight

NZKGI monitors industry supply and payment issues through the year, particularly through Forum meetings. Two grower representatives participate in the Industry Supply Group (ISG) meetings and five grower representatives participate in the Industry Advisory Council (IAC), ensuring equitable outcomes for all growers around supply and payment issues.

For almost quarter of a century, **NZKGI has been the voice for New Zealand's kiwifruit growers**, helping to make key decisions within the industry and acting as an advocate for the industry at government level.

NZKGI proactively and regularly communicates core business news within the kiwifruit grower community ensuring key information and decisions are made available in a way that is easily understood, accurate and timely.

However, a review of the strategic plan has identified there is always room for improvement. As an industry poised for significant growth and change over the coming years, and with a new Forum and Executive Committee in place, now is the perfect time to review and refresh the way NZKGI communicates to its growers and other industry audiences.

Our new communications strategy aims to have a truly engaged grower database who receive clear, transparent and efficient communications from NZKGI. We want growers to have a much better understanding of their own industry and the ability to make better decisions based on their knowledge.

It's also important that growers are clear about the role NZKGI plays in the industry and what we can do to support them with their commercial interests and by providing wellbeing support during industry adverse events.

To achieve this, NZKGI will continue with activities that benefit and support growers and identify and resolve areas that need improving. Some key areas are outlined below.

- NZKGI will continue to have a significant level of **engagement with government and key industry stakeholders**. As the key contact for important matters that affect kiwifruit growers such as policy, governance, payments, supply chain, the Single Point of Entry (SPE) and research and

development, NZKGI will ensure growers' best interests are communicated and considered during the decision-making process, and outcomes are communicated to growers in a way that is easily understood.

- NZKGI will continue to **communicate regularly** through familiar grower channels such as the NZKGI Weekly Update. This is emailed to more than 2,000 industry subscribers each Friday and allows growers to receive relevant and topical news and information directly into their inbox. We also contribute to industry publications including the Kiwiflier, Zespri's Up-2-Date, the Kiwifruit Journal and The Orchardist.
- **Meeting growers** face to face is an important focus, and for this reason NZKGI is always present at key industry road shows, field days and grower meetings, giving growers an opportunity to meet with NZKGI representatives and develop relationships with the new team. This year we plan to facilitate meetings between growers and NZKGI representatives at a regional level.
- NZKGI is in the process of a **re-branding**, including the replacement of the NZKGI logo, as launched in this Annual Report.

NZKGI PORTFOLIO COMMUNICATIONS



Ian Greaves

This new branding aligns with our new communications strategy and will promote visibility of NZKGI members through branded clothing worn at grower events.

- The **NZKGI website** has been identified as a communications tool in need of significant improvement. The current website is undergoing a thorough review and will soon be upgraded to serve as an easily accessible hub of information for NZ kiwifruit growers. The new website will have a fresh, new look in line with the new organisation re-brand and will be more user-friendly and much easier to navigate.
- **Grower welfare and support** remains a big focus for NZKGI and a significant support network is available for growers dealing with anxiety and depression associated with industry and crisis events. Kiwifruit grower, Ian Greaves, has addressed several primary industry functions about coping with stress during difficult times, drawing on kiwifruit growers' experience with Psa. NZKGI has been a leader in the development of primary industry support material.

LABOUR & EDUCATION

It is estimated the industry will need another 2,000 permanent employees and 4,000 seasonal employees. This future growth is dependent on the ability to attract and retain young people who are highly skilled and enthusiastic and develop them to become our industry's future leaders.

NZKGI has several initiatives in place to support this goal; including educational programmes in schools to encourage young kiwis into this growing industry and collaborative industry activities.



Cultivate Your Career

Cultivate Your Career brings together the industry and secondary schools to expose Year 11, 12 and 13 students to the many diverse horticultural career opportunities available to them. This year's event, which runs parallel to the Bay of Plenty Young Fruit Grower Competition, attracted 224 students from returning Western Bay schools, and drew new schools from the Eastern Bay and Waikato regions.

Massey University Partnership

NZKGI, Horticulture New Zealand and Massey University have formed a partnership in an effort to increase the numbers of students studying horticulture at university. As a result, twenty Year 12 and 13 students from the Bay of Plenty recently took part in a trip to Massey University to participate in an Experience Day. NZKGI also hosted 16 students from the Massey University Horticulture Society who were given presentations by a range of industry players.

Future Leaders

Future Leaders is a dynamic group of people from within, or associated with the horticultural industry who take part in opportunities to learn, share, gain new experiences and network through organised social events and education workshops.

Over the reporting period, the Future Leaders member base has grown to almost 160 people and events for 2015/2016 included:

- A tour of the Port of Tauranga and company overview
- A site visit to Jenkins Freshpack and Ag First
- An update and discussion with Zespri's chief executive Lain Jager
- A lunch with Minister for Primary Industries, Nathan Guy
- A talk on governance from Horticulture NZ

The Kiwifruit Book

In 2015, Acorn Foundation funded the development of the Kiwifruit Book to provide teachers with a resource that can be used to teach kiwifruit context across a range of subjects. It was trialled by eight secondary school teachers around New Zealand.

In 2016, a section on sprays and an overview of how to manage orchard accounts was added to the Kiwifruit Book. The updated book will be available on the ME Programme website and sent electronically to schools across New Zealand. Further, the book is also useful for new growers and will become part of the grower communications portfolio.



Young Grower™
of the year
Bay of Plenty Young Fruit Grower



The Bay of Plenty Young Fruit Grower Competition and Cultivate Your Career were held on 22 June 2016 at Mills Reef Winery.



Chris Clement
Winner of the 2016
Bay of Plenty Young Fruit Grower competition.

The ME Programme

NZKGI announced the ME Programme earlier this year following industry consultation. While still in the early stages of development, the ME Programme aims to create a model for the horticultural industry and secondary schools to work together and equip students with the skills that employers need when transitioning to the workforce.

NZKGI has collaborated with Priority One, the Ministry of Education and Katikati College; and has been liaising with Ministers of Parliament, MPI officials and the CEO of the Education Council.

Resources and a business case have been developed and the next step is to finalise the details of the pilot being run at Katikati College in 2017, which has been supported with funding from Bay Trust. A ME Programme website will also be launched with the help of funding from Priority One.

Horticulture Capability Group (HCG) and Career Expos

The Horticulture Capability Group is made up of NZKGI, Horticulture NZ, Pipfruit NZ, Hawke's Bay Fruit Growers Association and Vegetables NZ and aims to boost horticultural opportunities and visibility of careers across New Zealand.

To support this initiative, a coordinated events calendar and a shared collateral inventory have been created as a way to reduce the high amount of resources spent by each organisation to create new collateral. Collaborators identify the expos they will lead and have access to a shared library of collateral that is updated annually.

Over the reporting period, NZKGI participated in a range of careers expos including the Western Bay at Work, University of Waikato Expo, Eastern Bay of Plenty Expo and the National Horticultural Field Day.

Bay of Plenty Young Fruit Grower Competition

This annual competition is coordinated by NZKGI as part of its mission to acknowledge, develop and retain young people employed in the fruit sector in the Bay of Plenty. It does this by showcasing competitors' horticultural skills through a series of theoretical and practical competitive events.

With the addition of horticultural trade stands and a dedicated 'grower area' for presentations relevant to growers, this year's event was significantly bigger than previous years. There was more exposure for sponsors and supporters and more spectators. This year's gala dinner attracted 410 people—a 30% increase from the previous year.

LABOUR & EDUCATION



The kiwifruit industry is New Zealand's biggest fresh horticulture player, earning in excess of \$1.3 billion annually and employing around 10,000 permanent employees and 8,000 seasonal employees at the peak of harvest.

NZKGI undertakes significant projects in the Labour portfolio focussing on long term skilled labour, seasonal labour and upskilling growers.

Seasonal Labour

NZKGI is the coordinator for the Bay of Plenty Labour Governance Group which is responsible for determining seasonal labour needs and advising the government of the requirement for Recognised Seasonal Employer (RSE) workers. These workers come to New Zealand generally from the Pacific Islands and provide much needed supplement to New Zealanders and people on working holidays during the harvest and pruning season.

NZKGI provides feedback on schemes that focus on utilising New Zealanders, such as the Seasonal Work Scheme which brings New Zealanders from other regions to kiwifruit areas in peak times to provide the necessary labour force.

Long term Labour

NZKGI is involved in several projects focussing on ensuring the kiwifruit industry has permanent labour available as needed, and that the industry is operating in accordance with employment best practice. These projects include:

- **Pipeline project** – funded by the Ministry for Social Development (MSD), this project focusses on identifying unemployed people and assisting them into permanent work placement in the industry. Potential workers are pre-screened for suitability by the project coordinator, Ian Fryer, then provided with training and pastoral care and placed with an employer in a permanent role. The project has been very successful with 65% of workers under the project remaining in full time work.
- **Contractor ID scheme** – also funded by MSD, this project has developed a worker ID card for contractors that proves a worker is eligible for work in New Zealand and has an IRD number. Growers utilising contractors can ask to see the ID cards as proof of eligibility to work when workers are on their orchards. In association with Master Contractors Inc., the project has issued more than 500 cards so far with more to come.
- **Global GAP GRASP (Risk Assessment on Social Practice) pilot scheme** – working with Master Contractors Association and Zespri, this project is a pilot of the new employment requirements under the Global GAP scheme. The pilot will set up systems and identify issues prior to the requirements coming into force later this year.

Succession planning

NZKGI is focussed on ensuring the industry continues to attract new people and provides opportunities for growers to become involved in industry leadership. The skills of individual Forum members are utilised across a range of industry subcommittees and training is provided where possible.

EXTERNAL RELATIONS

NZKGI was established to enhance the commercial and political interests of New Zealand kiwifruit growers and works on the industry's behalf to lobby change in policy, whilst retaining and building community and local government relationships.

The target of the external relations portfolio is to build on community and local government relationships whilst being the advocate for kiwifruit growers on wider issues such as health and safety and resource management.

NZKGI works with a number of key players in the growing regions who have the ability to enhance the value of the kiwifruit industry in their communities and support growers' right to farm.

Community and local government representation means advocating for the kiwifruit industry in forums such as regional growth studies and smart growth, as well as maintaining participation in the Bay of Plenty Regional Council water groups, running the agrichemical action group and undertaking district plan submissions and mediation to ensure there is minimal impact to growers from legislation changes.

In late 2015, a partnership was formed with the Bay of Plenty Regional Council and NZ Avocado to engage growers in consenting their water takes. This partnership enabled growers without consents to come forward to get clarification around the council's requirements for taking ground or surface water, and confidentially register their water take without the Council requiring the orchardist to stop using water for the 2015/16 season. Approximately 200 people attended the open days and 113 people registered their water take.

As in previous years, NZKGI ran a coordinated spray complaints service with a particular focus on the spraying of Hydrogen Cyanamide—more commonly known as Hi-Cane. This included the supply of yellow letter box covers to help rural posties identify properties where spraying was taking place and protect them from spray drift. The majority of spray complaints were for non-notification. Ongoing liaison meetings with the Bay of Plenty Regional Council and spray groups were

held to ensure the industry's position and need for sprays was understood.

In the reporting period, NZKGI developed submissions and/or provided information for kiwifruit growers to assist them with their own submissions. These included:

- Submissions were made on the Western Bay of Plenty 10-year plan.
- Information was made available to growers making submissions against the Whakatane District Councils application to extract 10,000m³ of water from Paul's Road in Awakeri.
- NZKGI gave evidence against a resource consent application by Z Energy Limited to establish a highway service centre on rural designated land beside kiwifruit properties in Paeangaroa.
- Joint submissions were made with Horticulture NZ on the Draft Opotiki District Plan, the Draft Whakatane District Plan and the Draft Whangarei District Plan.

NZKGI PORTFOLIO

ORGANISATIONAL MANAGEMENT

NZKGI's Executive Committee ensures the organisation is professional and well run, with maximum benefit for the levy investment received.



Doug Brown
Chairperson



Mark Mayston
Vice Chairperson



Tony Leicester
Member



Simon Cook
Member



Mike Smith
Member



Andre Hickson
Member



Nikki Johnson
Chief Executive



Kate Longman
Business Analyst



Renee Fritchley
Project Coordinator

In the past year, NZKGI has embarked on a strategic review which has seen a revision of high level strategy including a vision, mission statement and objectives. Guiding principles have been established to assist when considering specific projects. The rules of NZKGI have also been updated to reflect the outcomes of the KISP process including the restructure of the NZKGI Forum.

NZKGI started 2016 with a new Chairman, Executive Committee and revised Forum and was joined by a new Chief Executive in April. With this new leadership structure in place, the organisation is developing a Strategic Workplan under six portfolio headings. The financial structure of the organisation is being revised to budget for, and report under these activity headings.



NZKGI

NEW ZEALAND KIWIFRUIT GROWERS

• MISSION • STATEMENT •

To advocate, protect and enhance the commercial and political interests of New Zealand kiwifruit growers.

• OBJECTIVES •

To develop an active and engaged membership base of growers across New Zealand.

LABOUR & EDUCATION

To facilitate effective communication between NZKGI and the wider industry and community.

EXTERNAL RELATIONS

To be the voice and credible advocate of New Zealand kiwifruit growers.

COMMUNICATIONS

To actively support and protect the single point of entry.

INDUSTRY STABILITY

To act responsibly and ethically on all economic, environmental, social, and regulatory issues to the benefit of NZKGI and the wider community.

ORGANISATIONAL MANAGEMENT

To be accountable for increasing transparency, robust KPI's, and reporting on Zespri and postharvest performance.

PERFORMANCE

• VISION •

A strong grower advocacy organisation that leads growers and engages with industry partners.

NEW ZEALAND KIWIFRUIT GROWERS INCORPORATED

SUMMARY OF 2015 FINANCIAL STATEMENTS

For the twelve months ended 31 December 2015

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PROFIT & LOSS

	YEAR 2015 \$	YEAR 2014 \$
Income		
Commodity Levy	1,077,546	855,824
Kiwifruit Employment Co-ordinator Funding	42,882	29,070
Grower Support Funding	-	13,546
Total Funding	1,120,428	898,441
Plus Other Income		
Interest Received	8,896	9,452
Miscellaneous Income	6,906	5,000
Donations	-	2,609
KVH Board Secretary Fee	11,200	24,522
BOP Polytechnic Councillor Fee	9,762	-
Employee Training Funding	38,256	-
KVH Director Fee	-	13,750
Total Income	1,195,449	953,774
Departmental Expenses		
Executive Committee & Forum Members	(277,916)	(238,242)
Operations	(109,465)	(69,110)
Staff Costs	(365,083)	(322,540)
Industry Good	(86,776)	(57,165)
Kiwifruit Employment Co-ordinator Costs	(87,694)	(29,070)
Grower Support Costs	-	(13,561)
Employee Training	(36,508)	-
Total Departmental Income (Expenses)	(963,441)	(729,687)
Less Overhead Expenses	(116,652)	(79,286)
Net Surplus/(Deficit) Before Tax	115,356	144,800
Taxation	(2,211)	(2,367)
Net Surplus/(Deficit)	113,145	142,434

These summary financial statements must be read in conjunction with the Full Financial Statements including the accompany Notes to the Accounts and the Audit Report.

BALANCE SHEET

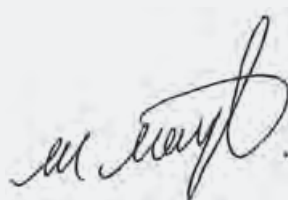
As at 31 December 2014

	YEAR 2015 \$	YEAR 2014 \$
Current Assets		
ANZ Cheque Account	35,615	133,939
ANZ Online Account	308,436	184,677
Commodity Levy Accrual	401,352	260,121
Accounts Receivable	93,459	166,074
	838,862	744,811
Fixed Assets		
Per Schedule	7,573	9,035
Total Non Current Assets	7,573	9,035
Total Assets	846,435	753,845
Current Liabilities		
Income in Advance	16,803	20,601
Accruals and Provisions	54,649	86,886
GST Payable	3,482	18,584
ANZ Business Credit Card	1,324	1,625
Taxation Provision	1,280	626
Accounts Payable	42,221	11,991
Total Current Liabilities	119,759	140,313
Total Liabilities	119,759	140,313
Net Assets	726,677	613,532
Accumulated Funds		
Total Accumulated Funds/(Deficit)	726,677	613,532

For and on behalf of the Society:



Doug Brown – Chairman



Mark Mayston – Vice Chairman

These summary financial statements must be read in conjunction with the Full Financial Statements including the accompany Notes to the Accounts and the Audit Report.

BUDGET

	2015 ACTUAL	2016 AGM APPROVED BUDGET	2016 REVISED BUDGET	2017 BUDGET
Income				
Commodity Levy	\$1,077,546	\$1,080,000	\$1,260,000	\$1,500,000
Interest Income	\$8,896	\$10,000	\$8,000	\$8,000
Misc Income	\$6,906	\$33,477	\$-	\$-
Project Income	\$81,138	\$-	\$200,000	\$-
KVH	\$11,200	\$-	\$-	\$-
BOP Polytech	\$9,762	\$-	\$-	\$-
TOTAL INCOME	\$1,195,448	\$1,123,477	\$1,468,000	\$1,508,000
Expenses				
Executive Committee & Forum Members	\$277,916	\$404,590	\$406,540	\$371,688
Operations	\$109,465	\$149,425	\$130,675	
Executive Expenses	\$365,083	\$445,208	\$517,002	
Staff				\$638,460
Industry Good	\$86,776	\$99,000	\$183,000	
KF Labour Co-ordinator	\$87,694	\$98,400	\$200,000	
Industry Stability				\$29,275
Communications				\$75,075
Performance				\$82,600
Labour/Education				\$48,095
External Relations				\$46,591
Organisational Management				\$43,625
Employee Training	\$36,508	\$-	\$-	\$-
Overhead Expenses	\$116,652	\$98,340	\$133,755	\$170,593
TOTAL EXPENSES	\$1,080,092	\$1,294,963	\$1,570,973	\$1,506,002
Net Surplus / (Deficit)	\$115,356	-\$171,486	-\$102,973	\$1,998
Prior Year Retained Earnings	\$613,532	\$726,677	\$726,677	\$623,704
Retained Earnings Year End	\$726,677	\$555,191	\$623,704	\$625,702

