



**Process  
Vegetables NZ**

# Annual Report + AGM Papers

YEAR ENDED 31 MARCH 2025







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# AGM AGENDA

## 2025 ANNUAL GENERAL MEETING

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5:30pm, Thursday 14<sup>th</sup> August  
Havelock North Function Centre  
30 Te Mata Road  
Havelock North

|   |           |
|---|-----------|
| <b>WELCOME</b>  | <b>2</b>  |
| Apologies, Proxies, Confirmation of 2024 AGM Draft Minutes and<br>Matters Arising |           |
| <b>CHAIRMAN &amp; BUSINESS MANAGER'S REPORT</b>                                   | <b>4</b>  |
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| <b>REMITTS</b>  | <b>12</b> |
| <b>CONFIRM NEWLY ELECTED DIRECTORS</b>  |           |
| <b>GENERAL BUSINESS</b>   |           |
| Matters arising from the meeting  |           |



# DRAFT MINUTES

## 2024 ANNUAL GENERAL MEETING

8:38pm - 9:08pm, 1 August 2024  
Dunsandel Community Centre,  
Dunsandel

### WELCOME

David Hadfield (Chair).  
Heidi Hitchman (Executive Services – Online)

### APOLOGIES

Apologies were received from Robin Oakley,  
Hamish McFarlane, Hugh Ritchie, Mike Arnold &  
Joel Hughson.

**Moved: Calvin Gedye/Dean Davis**

**That:** The apologies be accepted.

### OBITUARIES

No obituaries were advised.

### PROXIES

A proxy was received from Joel Hughson.

### 2023 AGM MINUTES

**Moved: David Hadfield/John Evans**

**That:** The Minutes of the 2023 Process Vegetables  
NZ AGM, held on Thursday 2nd August 2023, be  
**accepted** as a true and correct record of that meeting.

**CARRIED**

### CHAIRMAN'S 2024 REPORT

The Chairman's Report for 2024 was **taken as** read.  
The Chair, David Hadfield presented the Chairman's  
report for the 2023/24 year.

**Moved: David Hadfield / John Evans**

**That:** The Chair's report for the year ended 31 March  
2024 be **accepted**.

**CARRIED**





### ANNUAL ACCOUNTS TO 31 MARCH 2024

The Annual Accounts for the year ending 31 March 2024 were **taken as read**.

General Manager, Matt Thorn spoke to the Annual Accounts for the year ending 31 March 2024, noting that PVNZ accounts are a subsection of Horticulture New Zealand as we are not our own entity. Financial year 2024 was a good growing season, which was surprising given the cyclone the previous financial year.

The Processed Vegetables NZ Board proposed that the audited Process Vegetables NZ Annual Accounts for the year ended 31 March 2024 be **adopted**.

**Seconded: Michelle Pye**  
**CARRIED**

### 2024-2005 LEVIES

The Process Vegetables NZ Board proposed that the current Commodity Levy rate for process vegetables of 0.80% (80c per \$100 at the first point of sale for all process vegetables) be **adopted**.

**Seconded: Leighton Pye**  
**CARRIED**

The Process Vegetables NZ Board proposed that the Process Vegetables Biosecurity Levy for the current levy year, 1 April 2024 to 31 March 2025 be set at 0% or until such time as the Process Vegetables NZ Board vary the levy rate to meet its commitments to readiness or response costs.

**Seconded: Murray Shipley**  
**CARRIED**

### BUDGET 2025

The General Manager Matt Thorn presented the budget for FY2025, noting that there is \$809,000 currently available in the bank, and where the funds are directed and why or for what purpose.

The Processed Vegetables NZ Board proposed that the budget for the year ending 31 March 2025 be **approved**.

**Seconded: Andrew Flanders**  
**CARRIED**

### PVNZ OPERATIONAL RULES & PROCEDURES

General Manager, Matt Thorn spoke to the proposed changes to rules and procedures that were circulated prior to the meeting and why changes were needed.

The Process Vegetables NZ Board proposed that the updated Process Vegetables New Zealand Operational Rules & Procedures dated 1st August 2024 be **approved**.

**Seconded: Greg Noller**

### CONFIRM PVNZ ELECTION

Matt Thorn advised that a Director needs to be a current grower.

The following grower was available for election and deemed elected as there are no opposing candidates.

- Alan Machakaire (Hawke's Bay)

### GENERAL BUSINESS

David Hadfield advised that Dean Davis is retiring from the Board. Dean has been a Director on the PVNZ Board for over nine years. David Hadfield thanked Dean for his contribution to the Process Vegetable NZ board.

The Accident Compensation Corporation (ACC) gave Horticulture New Zealand funding towards industry Health & Safety. Matt Thorn encouraged the growers to attend the 5<sup>th</sup> September 2025 Health & Safety course at the Ashburton Hotel.





# CHAIRMAN & BUSINESS MANAGER'S REPORT

The 2025 growing season for process vegetables has been a season of two halves, with challenging weather patterns **significantly impacting crop development and harvest outcomes.**



DAVID HADFIELD  
CHAIRMAN



MATT THORN  
BUSINESS MANAGER

## Seasonal Overview

Early-season conditions in November and December were unseasonably hot and dry, which accelerated pea maturity beyond planned timelines. This led to a significant area being bypassed and affected pollination success, ultimately reducing yields. While the early harvested peas were of high quality, small-grade peas experienced blemishes due to heat stress. Later in the season, pea development became irregular, with crops fluctuating between vegetative and reproductive stages. This resulted in inconsistent pod fill and further yield decline. Additionally, quality was impacted by *Ascochyta* blemishes and *Fusarium* late in the season.

In contrast, broad bean yields were strong, with above-average quality. The bean harvest was completed successfully despite early concerns around cool, wet conditions. The baby carrot harvest went well and overall carrot crops have performed solidly with yields and quality similar to 2024, showing resilience against seasonal variability.





## Research & Development Highlights

A major initiative currently underway is the biologicals project in collaboration with A Lighter Touch, Process Vegetables NZ, Heinz-Wattie's (Kraft-Heinz), McCain Foods and Plant & Food Research (a group within the newly created Bioeconomy Science Institute). This multi-year trial seeks alternatives to synthetic fungicides for managing *Fusarium* in peas and *Sclerotinia* in dwarf beans—two major disease threats. It responds to increasing regulatory restrictions, market demands for chemical-free produce, and the growing need for sustainable pest and disease control.

Initial trial results are promising, with several biological products showing consistent performance. While environmental variability has impacted results season-to-season, the project has already identified optimal timing for application—particularly the critical flowering window for *Sclerotinia* infection. The project is entering its fourth year, with expanded trials in Hawke's Bay and plans for national demonstration sites to engage growers and industry representatives. Field walks and trial access are planned for seasons four and five to support adoption.

In parallel, a cold-tolerant rhizobia trial has been launched to improve nitrogen fixation and productivity in winter-sown pea varieties ('Ashton' and '0893'). The study is investigating the relationship between rhizobia inoculation, crop variety response, nodule formation, nitrogen partitioning, and the effect of elevated soil nitrogen from fertiliser at sowing. Early objectives include determining whether these elite rhizobia strains can improve both yield and quality through better nitrogen efficiency and understanding varietal differences.

Together, these research projects not only support improved sustainability and productivity, but also aim to position New Zealand process growers as early adopters in next-generation crop protection practices.





## Vegetable Research & Innovation (VR&I)

As one of the four member groups (Fresh Vegetables, Onions NZ, NZ Buttercup Squash Council and Process Vegetables) along with Potatoes NZ, Foundation for Arable Research (FAR) and the Bioeconomy Science Institute we have a number of research projects currently underway or near completion. These include The SVS (Sustainable Vegetable Systems) Nitrogen support tool, Crop Stacking in Pukekohe, Cyclone Gabrielle grower recovery hubs and soil recovery work, food safety work with Australia filling the gaps and working with FAR on an integrated weed management Sustainable Food & Fibre Futures project (now the Primary Sector Growth Fund).

VR&I also funded and ran the Vegetable Research Roadshows around the country in ten locations.

## Option of Consolidation of Vegetable Product Groups

Following extensive grower feedback, sector workshops and structural analysis, a business case has been developed recommending the consolidation of Vegetables NZ, Potatoes NZ, Tomatoes NZ, Onions NZ, and Process Vegetables NZ into a single industry-good organisation with the working name VegeCo. The purpose of this consolidation is to improve strategic leadership and operational efficiency, and ensure the long-term sustainability and capability of the vegetable sector.







At present, \$5.5 million in grower levies and \$7.7 million in total income support 15 staff working across five separate organisations. While each product group has delivered value to its members, the current structure results in duplicated effort, rising operating costs, fragmented advocacy and limitations in scaling up strategic capability. Although there is no single critical failure prompting this review, the combination of strategic and operational inefficiencies presents a compelling case for change.

The business case proposes a two-phase transition. In the first phase, VegeCo would be established as a new incorporated society, with a unified board and consolidated staff drawn from across the vegetable sector. Existing product group boards, levies and crop-specific funding arrangements would remain in place temporarily. This approach allows continuity of crop-level focus while enabling shared investment into pan-sector activities and building confidence in the new entity's capacity to deliver.

In the second phase, subject to member support and confidence in the new structure, governance and levies would be fully integrated under VegeCo. Existing product group entities would be formally disestablished, and a new commodity levy order established to streamline funding into a single, more effective model. Crop-specific advice and engagement would be retained through advisory groups and dedicated staff roles within the new structure. Levies will be tracked and allocated to the advisory groups for crop specific work so that for example, Process Vegetables can continue the research we are currently doing.

The consolidation is expected to deliver direct operational savings of over \$500,000 annually, which can be reinvested into grower-benefit projects. More significantly, it creates opportunities for stronger advocacy with government, improved access to technical expertise, greater project delivery capacity and a reduction in succession risk across governance and staff. Members would also benefit from simplified communication and a single point of contact for pan-sector issues, trade, biosecurity and environmental priorities.

Subject to endorsement by the five Boards, member consultation will begin during the winter of 2025, with a vote planned for November 2025 to determine whether the industry proceeds with full consolidation.



## Outlook

Looking ahead, a reduction in contracted area is expected across several crops in 2025–26 due to subdued retail demand and softer forward sales. This will require careful planning to maintain continuity of supply while managing grower engagement and input requirements.

DAVID HADFIELD

CHAIRMAN

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MATT THORN

BUSINESS MANAGER

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## PROCESS VEGETABLES NZ

## SUMMARY FINANCIAL STATEMENTS

## Statement of Financial Performance

For the Year Ended 31 March 2025

|  | NOTES | 2025 (\$)        | 2024 (\$)      |
|--|-------|------------------|----------------|
| INCOME                                     |       |                  |                |
| Interest                                   | 2     | 25,541           | 17,669         |
| Other Income                               |       | 65,851           | -5,456         |
| Grant Income                               |       | -                | 50,685         |
| Levy Income                                |       | 492,380          | 780,252        |
| <b>Total Income</b>                        |       | <b>583,772</b>   | <b>843,150</b> |
| EXPENDITURE                                |       |                  |                |
| <b>Research &amp; Development</b>          |       |                  |                |
| PGP Admin and Projects                     |       | -                | -              |
| Research Projects                          |       | 453,882          | 392,430        |
| Research Other                             |       | -                | -              |
| <b>Total Research &amp; Development</b>    |       | <b>453,882</b>   | <b>392,430</b> |
| <b>GIA/Biosecurity</b>                     |       |                  |                |
| GIA & Biosecurity Meetings                 |       | 5,258            | 12,384         |
| GIA Incursion/Response                     |       | 16,654           | 35,129         |
| GIA Readiness                              |       | -                | -              |
| <b>Total GIA/Biosecurity</b>               |       | <b>21,912</b>    | <b>47,513</b>  |
| <b>Product Group Meetings &amp; Travel</b> |       |                  |                |
| Conference Expenses                        |       | 9,824            | -              |
| Meeting Fees                               |       | 64,185           | 33,402         |
| <b>Total Meetings &amp; Travel</b>         |       | <b>74,009</b>    | <b>71,162</b>  |
| <b>Office &amp; Communications</b>         |       |                  |                |
| Consultancy - Website                      |       | -                | -              |
| General Expenses                           |       | 3,639            | 877            |
| NZGrower Magazine Support                  |       | -                | -              |
| Office Overheads                           |       | 23,753           | 16,341         |
| Print, Postage & Phones                    |       | -                | -              |
| Promotion                                  |       | 15,091           | 18,708         |
| Salaries                                   |       | 105,998          | 103,969        |
| <b>Total Office &amp; Communications</b>   |       | <b>148,481</b>   | <b>139,895</b> |
| <b>TOTAL EXPENDITURE</b>                   |       | <b>698,284</b>   | <b>651,001</b> |
| <b>SURPLUS / DEFICIT TO BE TRANSFERRED</b> |       | <b>(114,512)</b> | <b>192,150</b> |





## Statement of Movement in Equity

For the Year Ended 31 March 2025

| ACCUMULATED FUNDS                        | 2025 (\$)      | 2024 (\$)      |
|--|----------------|----------------|
| Opening Balance                          | 809,679        | 617,529        |
| Surplus/(Deficit)                        | (-114,512)     | 192,150        |
| <b>CLOSING BALANCE ACCUMULATED FUNDS</b> | <b>695,167</b> | <b>809,679</b> |

## Statement of Financial Performance by Nature

For the Year Ended 31 March 2025

|  | 2025 (\$)         | 2024 (\$)      |
|--|-------------------|----------------|
| <b>REVENUES</b>                          |                   |                |
| <b>Levy Revenue</b>                      |                   |                |
| Levies                                   | 492,380           | 780,252        |
| <b>Non-Levy Revenue</b>                  |                   |                |
| Grant Income & Project Funding           | 65,851            | 45,229         |
| Interest Income                          | 25,541            | 17,669         |
| <b>Total Revenues</b>                    | <b>583,772</b>    | <b>843,150</b> |
| <b>EXPENSES</b>                          |                   |                |
| <b>Levy Funded Expenses</b>              |                   |                |
| People costs                             | 105,998           | 103,969        |
| Governance                               | 93,247            | 58,987         |
| Conferences & meetings                   | 5,258             | 12,384         |
| Travel & accommodation                   | 9,824             | 12,176         |
| Professional services including research | 485,627           | 446,267        |
| Office & administration                  | 27,392            | 17,218         |
| <b>Total Expenses</b>                    | <b>727,346</b>    | <b>651,001</b> |
| <b>SURPLUS/(DEFICIT) FOR THE YEAR</b>    | <b>(-143,574)</b> | <b>192,149</b> |



# BUDGET 2026

1 April 2025 - 31 March 2026

|   | BUDGET 2026         |
|---|---------------------|
| <b>REVENUE</b>                            | \$                  |
| Levies                                    | 500,000.00          |
| Other revenue                             | 0.00                |
| <b>Total Revenue</b>                      | <b>500,000.00</b>   |
| <b>EXPENSES</b>                           |                     |
| <b>People Costs</b>                       |                     |
| Salaries                                  | 100,000.00          |
| Kiwisaver                                 | 3,360.00            |
| Annual leave                              | 1,120.00            |
| Contractors (staff roles)                 | 19,000.00           |
| <b>Total People Costs</b>                 | <b>123,480.00</b>   |
| <b>Governance</b>                         |                     |
| Board and committee fees                  | 43,400.00           |
| Board travel and accommodation            | 33,260.00           |
| <b>Total Governance</b>                   | <b>76,660.00</b>    |
| <b>Leadership</b>                         |                     |
| Research contribution                     | 321,108.00          |
| Meeting costs                             | 0.00                |
| <b>Total Leadership</b>                   | <b>321,108.00</b>   |
| <b>Travel</b>                             |                     |
| Travel (air, transfers and parking)       | 10,000.00           |
| Travel accommodation                      | 2,000.00            |
| Travel meals and entertainment            | 2,000.00            |
| <b>Total Travel</b>                       | <b>14,000.00</b>    |
| <b>Marketing &amp; Publications</b>       |                     |
| Promotions                                | 18,000.00           |
| <b>Total Marketing &amp; Publications</b> | <b>18,000.00</b>    |
| <b>Professional Services</b>              |                     |
| Legal                                     | 3,000.00            |
| Consultancy                               | 20,000.00           |
| <b>Total Professional Services</b>        | <b>23,000.00</b>    |
| <b>Office &amp; Administration</b>        |                     |
| General expenses                          | 0.00                |
| <b>Total Office &amp; Administration</b>  | <b>0.00</b>         |
| Overhead allocation                       | 23,752.00           |
| <b>TOTAL EXPENSES</b>                     | <b>600,000.00</b>   |
| <b>TOTAL PROCESS VEGETABLES</b>           | <b>(100,000.00)</b> |



## FINANCIAL STATEMENTS & BUDGET SUMMARY

### FINANCIAL STATEMENTS

#### INCOME

Our overall levy income is considerably down on last season due to hot dry weather before Christmas in Canterbury and then a very wet early 2025.

We are still in a strong financial position to undertake research to improve crop yield and mitigate regulatory changes.

#### EXPENDITURE

Our people costs are similar to last season. These staff are Daniel Sutton for research, Anna Bloxham for biosecurity, Heidi Hitchman for administration and Matt Thorn business manager. Research is our main focus and where our largest expenditure occurs. With uncertainty on customer demand and contracted volumes we haven't started any new projects, although we carried on the ones already underway.

GIA (Government Industry Agreement) costs dropped back to a base level as we had no new incursions to combat. The format of the accounts differs from previous years to reflect income and expenditure by nature and to be consistent with Horticulture New Zealand presentation.

The net result for Process Vegetables NZ was a loss of \$143,574, which gives Accumulated Funds of \$695,167.

### BUDGET

#### INCOME

We have based our budget on a conservative estimate of \$62.5m in farm gate sales. Most of our income arrives in the last two months before balance date, which makes budgeting a challenge.

#### EXPENDITURE

We have contracted staff time from Vegetables NZ for research extension. This was used in April and May 2025 and will be used again in 2026 for Research Roadshow updates and other extension activities.

The Board has one meeting in Wellington and another in a growing region each year as well as the Annual General Meeting. The research figure is an estimate for the projects we currently have commitments to. Any further project funding would need to come from cash reserves initially.

We have a GIA biosecurity levy in place which is currently set at zero. This would not be invoked unless a major pest incursion takes place.





# AGM REMITS

## 2025 ANNUAL GENERAL MEETING

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The following Remits proposed by the Process Vegetables NZ Board, will be considered at the Process Vegetables NZ AGM being held on Thursday 14<sup>th</sup> August 2025, 5.30pm, Havelock North Function Centre, 30 Te Mata Road, Havelock North

### REMIT 1

That the draft Minutes of the Process Vegetables NZ AGM, 1<sup>st</sup> August 2024, be taken as a true and correct record of that meeting.

**Proposed by the Process Vegetables NZ Board**

#### **Explanatory Note**

*The draft minutes are included with the 2025 Process Vegetables NZ AGM papers, circulated to all members and available at [www.processvegetables.co.nz](http://www.processvegetables.co.nz).*

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### REMIT 2

That the Chairman and Business Manager's report for the year ended 31 March 2025, as published in the 2025 Process Vegetables NZ AGM papers, be taken as read and adopted.

**Proposed by the Process Vegetables NZ Board**

#### **Explanatory Note**

*The Chairman and Business Manager's report is included with the 2025 Process Vegetables NZ AGM papers, circulated to all members and available at [www.processvegetables.co.nz](http://www.processvegetables.co.nz).*

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### REMIT 3

That the audited Process Vegetables NZ financial statements for the year ended 31 March 2025 be adopted.

**Proposed by the Process Vegetables NZ Board**

#### **Explanatory Note**

*The audited Process Vegetables NZ component of the Horticulture New Zealand financial statements are included with the 2025 Process Vegetables NZ AGM papers, circulated to all members and available at [www.processvegetables.co.nz](http://www.processvegetables.co.nz).*

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#### REMIT 4

That the Commodity Levy rate for process vegetables remains at 0.80% (80 cents per \$100 at the first point of sale for all process vegetables).

**Proposed by the Process Vegetables NZ Board**

#### Explanatory Note

*The levy rate of 0.80% effective from 1 April 2025 was approved at the last Commodity Levy Referendum. The Commodity Levies (Process Vegetables) Order 2025 came into effect on 1 April 2025 and remains in place until March 2030.*

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#### REMIT 5

That the Process Vegetables Biosecurity Levy for the levy year, 1 April 2025 to 31 March 2026 be set at 0% or until such time as the Process Vegetables NZ Board vary the levy rate to meet its commitments to readiness or response costs.

**Proposed by the Process Vegetables NZ Board**

#### Explanatory Note

*The Biosecurity (Readiness and Response – Process Vegetables Levy) Order 2020 came into force on 10 August 2020. On 23 November 2017 members agreed to a separate biosecurity levy being initially set at 0% with a maximum rate of 0.50% of gate sales value. It was agreed any adjustment to the Biosecurity Levy rate would be set at the discretion of the Process Vegetables NZ Board.*

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#### REMIT 6

That the Budget for the year ended 31 March 2026 be endorsed.

**Proposed by the Process Vegetables NZ Board**

#### Explanatory Note

*A copy of the Budget for the year ended 31 March 2026 that has been prepared and approved by the Process Vegetables NZ Board is included with the 2023 Process Vegetables NZ AGM papers, circulated to all members and available at [www.processvegetables.co.nz](http://www.processvegetables.co.nz).*

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#### REMIT 7

That BDO Wellington be appointed auditors for the financial year ending 31 March 2026.

**Proposed by the Process Vegetables NZ Board**

#### Explanatory Note

*BDO Wellington were awarded the contract to complete the audit for Horticulture New Zealand and its contracted organisations (including Process Vegetables NZ) for the 2025-26 year. Process Vegetables NZ and Horticulture New Zealand intend to continue that arrangement.*

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