



**Process  
Vegetables NZ**

# Annual Report + AGM Papers

YEAR ENDED 31 MARCH 2024







# Contents

<b>2</b>	<b>ANNUAL GENERAL MEETING (AGM) AGENDA</b>
<b>3</b>	<b>DRAFT MINUTES OF THE 2023 AGM</b>
<b>5</b>	<b>CHAIRMAN'S REPORT</b>
<b>9</b>	<b>BUSINESS MANAGER'S REPORT</b>
<b>11</b>	<b>FINANCIALS (YEAR ENDED 31 MARCH 2024)</b>
<b>13</b>	<b>BUDGET 2025</b>
<b>15</b>	<b>AGM REMITS</b>



# AGM AGENDA

## 2024 ANNUAL GENERAL MEETING

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Thursday 1<sup>st</sup> August 2024  
Dunsandel Community Centre,  
1456 Tramway Road,  
Dunsandel

WELCOME AND INTRODUCTIONS	3
Apologies, Proxies and Meeting Procedures	
Confirmation of 2023 AGM Draft Minutes and Matters Arising	
CHAIRMAN’S ANNUAL REPORT	5
FINANCIAL STATEMENTS 2023-2024	11
BUDGET 2024-2025	14
REMITTS	16
CONFIRM NEWLY ELECTED DIRECTORS	
GENERAL BUSINESS	
Matters arising from the meeting	





# DRAFT MINUTES

## 2023 ANNUAL GENERAL MEETING

Wednesday 2<sup>nd</sup> August 2023  
Te Pae Convention Centre  
Christchurch

Chairman, David Hadfield, presided over 13 attendees and confirmed the quorum of nine members had been met (Clause 6(n) of the PVNZ Operational Rules & Procedures).

### WELCOME AND INTRODUCTIONS

The Chair acknowledged everyone in the meeting and declared the 2023 Process Vegetables New Zealand (PVNZ) meeting open.

There were no other matters for General Business.

### APOLOGIES

Apologies received from:

- Owen Gedye (Award of Merit holder)
- Hugh Ritchie (PVNZ Board)

**IT WAS RESOLVED** that the apologies be accepted.

**John Evans / Calvin Gedye**

### OBITUARIES

Tony Gedye (brother, business partner of Owen Gedye and uncle of Calvin Gedye).

As a mark of respect there was a minute's silence to remember Tony.

### PROXIES

Chair confirmed one proxy had been received.

### MEETING PROCEDURES

The Chair outlined the meeting procedures:

- Growers have speaking rights
- Guests speak with the permission of the Chair; [Note: guest speakers are non-members of PVNZ]
- Three minutes for movers, two minutes for seconders and two minutes for others
- Voting on Remits will be by 'show of hands'

### CONFIRMATION OF 2022 PVNZ AGM DRAFT MINUTES & MATTERS ARISING

**Remit 1:** That the draft Minutes of the Process Vegetables NZ AGM, held on Thursday 4 August 2022, be taken as a true and correct record of that meeting.

**IT WAS RESOLVED** that the Minutes from the AGM held on Thursday 4 August be taken as true and correct.

**PVNZ Board / Bruce Mackay**  
**CARRIED**

There were no matters arising.

### CHAIR'S 2023 ANNUAL REPORT

**Remit 2:** That the Chair's report for the year ended 31 March 2023, as published in the 2023 Process Vegetables NZ AGM papers, be taken as read and adopted.

**IT WAS RESOLVED** that the Chair's Report be accepted.

**PVNZ Board / Andre de Bruin**  
**CARRIED**

### PVNZ FINANCIAL STATEMENTS 2022-2023

**Remit 3:** That the audited Process Vegetables NZ financial statements for the year ended 31 March 2023 be adopted.

**IT WAS RESOLVED** that the audited Process Vegetables NZ financial statements be adopted.

**PVNZ Board / Nigel Rowe-Lucas**  
**CARRIED**



#### PVNZ COMMODITY LEVY 2023-2024

**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).

**IT WAS RESOLVED** that the Commodity Levy rate be accepted.

**PVNZ Board / Murray Stephens  
CARRIED**

#### PVNZ BIOSECURITY LEVY 2023-2024

**Remit 5:** That the Process Vegetables Biosecurity Levy for the current levy year, starting 1 April 2023 and ending on 31 March 2024 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.

**IT WAS RESOLVED** that the Process Vegetables Biosecurity Commodity Levy rate for the current year be set at 0% for the year starting 1 April 2023 and ending on 31 March 2024.

**PVNZ Board / Andre de Bruin  
CARRIED**

#### PVNZ BUDGET 2023-2024

**Remit 6:** That the Budget for the year ended 31 March 2024 be endorsed.

**IT WAS RESOLVED** that the Budget for the year ended 31 March 2024 be endorsed.

**PVNZ Board / Gareth Holder  
CARRIED**

#### PVNZ APPOINTMENT OF AUDITORS FOR YEAR ENDED 31 MARCH 2024

**Remit 7:** That BDO Wellington be appointed auditors for the financial year ended 31 March 2024.

**IT WAS RESOLVED** that BDO Wellington be appointed auditors for the financial year ending 31 March 2024.

**PVNZ Board / Bruce Mackay  
CARRIED**

#### BOARD ELECTIONS, NOMINATIONS AND CONFIRMATION OF DIRECTORS

- There were five vacancies available for election this year.
- PVNZ Board director nomination process opened on 14 June and closed on 5 July. There were no nominations received.
- This year four directors retired by rotation, and were all available for re-election:
  - Dean Davies, Gisborne
  - Calvin Gedye, Gisborne
  - David Hadfield, Canterbury
  - Simon Lochhead, Canterbury
- As there were no opposing candidates Dean Davies, David Hadfield, Calvin Gedye and Simon Lochhead were declared re-elected as PVNZ Board directors.
- As per Clause 3a&b of the PVNZ Operational Rules and Procedures there will be a brief director meeting at the conclusion of this AGM for the election of the PVNZ Chair and Vice Chair for 2024-2025.

#### 2023 LIFE MEMBERSHIP AWARDS

Murray Stephens and Alan Newton were award PVNZ Life Membership Awards.

#### GENERAL BUSINESS

Vegetable product group collaboration project - growers and stakeholders have been consulted for feedback. For more information contact Hugh Ritchie ph 027 444 1224 [hugh@drumpeelfarms.co.nz](mailto:hugh@drumpeelfarms.co.nz)

As there was no further business the 2023 Process Vegetables NZ Annual General meeting closed at 5:35pm.



David Hadfield  
**Chairman, Process Vegetables NZ**  
**10 July 2024**





## CHAIRMAN'S REPORT

“The 2023–24 season as always provided challenges, but overall yields were good, our decision to carry on with our research was the correct one, and **financially we are in a stronger position to carry on the research workstreams on behalf of growers.**”

Overall the Process Vegetable sector has seen higher yields and pricing. Canterbury rainfall shortages from January to mid-June placed significant pressure on irrigation systems to meet crop water demands. Peas achieved excellent yields and quality, surpassing production plans by 10 percent in a robust season, despite the risk of bypass due to higher-than-expected yields and warm temperatures experienced in January and February. Beans benefitted from the drier conditions, resulting in slightly higher yields and excellent quality despite initial overly dry planting conditions. Corn yield was excellent.

There were lower yields on carrots in Hawke's Bay due to late plantings, but in the South Island carrots maintained consistent yield and quality, benefitting from uninterrupted harvesting during the dry season which concluded with an outstanding harvest in mid-June. Overall the sector bounced back from a difficult 2022–23 season.

While domestic demand for frozen peas remained strong, international demand showed volatility, influencing expectations for the 2024–25 crop.





## Research

### PEA SEED VARIABILITY

We are continuing to have discussions with the arable sector on the results of our research. There are ways to improve the vigour and chemical make-up of the seed we sow for processing. However, there is also a cost to doing this. It has still not been determined if the net result will benefit the process grower.

### COLD TOLERANT RHIZOBIA

Last season's work focused on some field survey work with crops of two different varieties. The results showed that the pea plant is producing large stored quantities of nitrogen in the range from 235 to 329 kg N ha, with the vine after harvest retaining nitrogen in the range of 172 to 221 kg N ha. Growers need to think seriously about the value of the nitrogen before selling pea vine off farm and consider using that pool of nitrogen to start the next crop.

We have also found some associations with other bacteria within the nodules that help nodule production and potentially nitrogen fixation. In this upcoming season we will be looking to confirm our findings and also do a literature review into the chemical elements that help nodule production.

### A LIGHTER TOUCH

This is a \$27 million dollar programme run over seven years. We are now in year five.

The plan is to integrate biological and ecological processes into New Zealand food production, along with achieving a lighter touch on the environment and meeting consumer demands.

The workstream is jointly funded by government and industry and in the case of process vegetables, amounts to about \$35,000.00 per year excluding our pea and bean work. There are 15 other industry partners varying in size from the kiwifruit sector (Zespri) and the Foundation for Arable Research (FAR) down to the NZ Feijoa Growers Association. A lot of generic work is carried out within the project and all results are shared between members, as they are collated well in advance of anything going public. In our case FAR, the NZ Buttercup Squash Council and Vegetables NZ are using our work in their programmes.

[www.a-lighter-touch.co.nz](http://www.a-lighter-touch.co.nz)







## A LIGHTER TOUCH – PEA AND BEAN BIOLOGICAL CONTROLS

I have been asked over the past year why we are doing this work, we have chemistry that deals with the issues the biologicals are trying to solve. Biologicals are not going to be as easy to use and do not work as efficiently.

This is true at present, however overseas markets are demanding that we stop using, or at least reduce the use of much of the chemistry we have access to. By going down this path we are ensuring that the Process Vegetable sector will continue to have market access and social licence to produce. We have in recent weeks received the full Year One results, and Year Two is being statistically analysed at present. We have found some promising candidates to showcase this coming summer.

The plan is to have two demonstration sites (in Canterbury and Hawke's Bay) to show growers and agronomists where we have got to so far. We are in the process of applying to A Lighter Touch for further funding to do more product testing in the next two years. Some products are reacting differently in different seasons and in combination. We have also had approaches from multinational companies that want to be part of the work going forward. There will be a discussion on this project at the Annual General Meeting.

## VEGETABLE RESEARCH & INNOVATION (VR&I)

### Sustainable Vegetable Systems

This project has now wrapped up the research phase but still has some extension activities to go. It has a website [www.svstool.co.nz](http://www.svstool.co.nz) where you are able to calculate nitrogen use for different vegetable and arable crops.

### Tile Drains

This is a Hawke's Bay project looking at the nutrient content of the water flowing out of tile drain networks into local streams.

### Monitoring Biosecurity Risk

We receive the Ministry for Primary Industry's data from their border interceptions and analyse it for risks to New Zealand vegetable crops.

### Herbicide Resistance

The vegetable sector will be working with FAR in this area and a Sustainable Food & Fibre Futures application has been made by FAR.

### Crop Stacking

A Pukekohe based project working on ways to under sow vegetable crops, with cereals for example, to reduce leaching.

### Food Safety Initiative

This is a New Zealand and Australia combined project looking at the gaps in food safety for vegetable crops. The result will be a stocktake of what is in place and what areas need work to fill the gaps.

### VR&I Roadshow

VR&I along with the Vegetable product groups ran a series of Research Roadshows in nine locations around the country during April and May. This was a showcase of the work being done and results from research projects undertaken. VR&I are looking to make this an annual event.

[www.vri.org.nz](http://www.vri.org.nz)





## Biosecurity

We continue our partnership with GIA (the Government Industry Agreement). GIA operates as a partnership between primary industry and government to manage pests and diseases that could badly damage New Zealand's primary industries, economy, and environment.

Under GIA, signatories share the decision-making, responsibilities and costs of preparing for – and responding to – biosecurity incursions. By working in partnership, industry and government can achieve better biosecurity outcomes.

At the moment we have a formal GIA agreement for brown marmorated stink bug and fruit fly, and an agreement with FAR for fall armyworm monitoring.

## Promotion

As in previous years we have continued to support Vegetables.co.nz. Calvin Gedye is on the Executive Committee representing our interests. The highlight for us this year was when we organised a visit for home economics teachers in senior school and those teaching cooking for Year 7 and 8 students to attend a field trip out to the Kraft Heinz Wattie's factory at Hornby.

The educators were shown around the factory and the pea harvesters, and had an education session with the Hornby agronomy team. The benefits of frozen vegetables were explained to them, as well as the growing process. The educators left with an expanded knowledge of process vegetables and were surprised at the amount of work that goes into a package of peas, beans or carrots in the chiller in the supermarket, and at such a reasonable cost to the consumer.

## PVNZ Management

Matt Thorn continues in the role of business manager and I would like to thank him for his work. He has kept us on track and looked after the back office end of the organisation that is not seen but is important.



David Hadfield

**Chairman, Process Vegetables NZ**

**Email:** crops@xtra.co.nz **Mobile:** 027 226 2856





# BUSINESS MANAGER'S REPORT

“Having now completed **my first year as** Process Vegetables General Manager, I can say that one of the most enjoyable aspects of my role is the satisfaction of seeing better growing conditions, greater yields and better pricing for growers.”

This has been really encouraging following the devastation caused by Cyclone Gabrielle and it is testament to the dedication, hard work and expertise of process vegetable growers.

We are in the vegetable business but to me it all about people, logistics, machinery and engineering for the time critical nature of process vegetable crops. Working 24/7 for months at a time is a massive undertaking in itself. Achieving that while also carrying out restoration work on your land is an exceptional accomplishment.

Another part of my role that I particularly enjoy is getting out to meet growers. So a highlight was in March when we held a board meeting with a difference, in the form of a field and factory tour around Hawke's Bay.



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I joined 16 growers from around the country, together with processor representatives. We visited a number of growers, including Hugh Ritchie at Drumpeel Farms at Ōtāne to see the flourishing crops and great progress that had been made after the property was severely damaged during the cyclone.

We also toured the McCain Foods factory and visited Tasman Harvesting where growers, processors and harvesting companies got together for a workshop, with one of the huge harvesting machines, to hear about the capital investment in machinery and infrastructure.

While the processors are in direct competition on a commercial level, it was very good to get everyone together and see them sharing resources and knowledge.

Another very important sharing of resources is through Process Vegetables NZ's participation in the A Lighter Touch programme, the major Sustainable Food & Fibre Futures collaboration of 15 product groups.

It includes a major extension programme focused on the implementation of agroecological crop protection through the development of specific extension tools, model farms and focus groups to ensure grower uptake of new crop protection practices and integration into everyday practice.

**A substantial part of our budget is in research for process vegetables, and an important aspect of the programme for us has been the trials undertaken in Canterbury around biological sprays for peas and beans.**

This work, undertaken by Plant & Food Research, aims to identify bio-fungicides and bio-stimulants which are effective against *Sclerotinia* and *Fusarium*, two of the key diseases in peas and dwarf beans.

These trials are now complete and the results around biological sprays will be available within the next couple of months. We are also in the process of planning another two years of biological trial work and on-farm experiments.

Our role in the programme will support the sector moving faster towards its goals of improving yield and productivity, while promoting good crop management processes.

A further opportunity to meet with growers came through the Process Vegetables team travelling around the country to discuss our work programmes, ahead of the commodity levy vote.

This was a good opportunity to share first-hand details of our research work, to ask growers for their views and ideas and what their priorities are for their levies.

The referendum resulted in a strong mandate to continue our work with 86 percent voting in favour, with the weighted result at 96 percent in favour.

Thank you to all who engaged in the process. We very much appreciate and welcome ongoing feedback and I encourage growers to contact me at any time.



Matt Thorn  
**Business Manager, Process Vegetables NZ**  
**Mobile:** 027 553 7848  
**Email:** Matt.thorn@hortnz.co.nz





PROCESS VEGETABLES NZ

SUMMARY FINANCIAL STATEMENTS

Statement of Changes in Net Assets

For the Year Ended 31 March 2024

Accumulated Funds 2024	Notes	Opening Balance	Surplus/(Deficit)	Movements in Reserves	Closing Balance
Process Vegetables NZ	23	617,529	217,976	(25,827)	809,678
Total Accumulated Funds		617,528	217,976	(25,827)	809,678

Accumulated Funds 2023	Notes	Opening Balance	Surplus/(Deficit)	Movements in Reserves	Closing Balance
Process Vegetables NZ		646,753	52,679	(81,903)	617,529
Total Accumulated Funds		646,752	52,679	(81,903)	617,529

This statement to be read in conjunction with the Notes to the Financial Statements.

Notes to the Summary Financial Statements

For the Year Ended 31 March 2024

23. Statement of Financial Performance by Nature

The following page is the Statement of Financial Position by Nature which shows revenue, expenditure and surplus included in the financial statements. The surplus/(deficit) is shown in the Statement of Changes in Net Assets.





## Statement of Financial Performance by Nature

For the Year Ended 31 March 2024

	2024 (\$)	2023 (\$)
<b>REVENUES</b>		
<b>Levy Revenue</b>		
Levies	780,252	427,173
<b>Non-Levy Revenue</b>		
Grant Income & Project Funding	45,229	99,711
Interest Income	17,669	14,944
<b>Total Revenues</b>	<b>843,150</b>	<b>541,828</b>
<b>EXPENSES</b>		
<b>Levy Funded Expenses</b>		
People costs	103,969	128,267
Governance	58,987	16,000
Conferences & meetings	12,384	41,252
Travel & accommodation	12,176	66,327
Professional services including research	446,267	272,752
Office & administration	17,218	46,454
<b>Total Expenses</b>	<b>651,000</b>	<b>571,052</b>
<b>SURPLUS/DEFICIT FOR THE YEAR</b>	<b>192,150</b>	<b>(29,224)</b>





# BUDGET 2025

1 April 2024 - 31 March 2025

BUDGET 2025	
REVENUE	\$
Levies	520,000.00
<b>Total Revenue</b>	<b>520,000.00</b>
EXPENSES	
<b>People Costs</b>	
Salaries	112,000.00
Kiwisaver	3,360.00
Annual leave	1,120.00
Contractors (staff roles)	19,000.00
<b>Total People Costs</b>	<b>135,480.00</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	229,108.00
<b>Total Leadership</b>	<b>229,108.00</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>
Overhead allocation	23,752.00
<b>TOTAL EXPENSES</b>	<b>520,000.00</b>
<b>FINAL POSITION</b>	<b>0.00</b>



# FINANCIAL STATEMENTS & BUDGET SUMMARY

## FINANCIAL STATEMENTS

### INCOME

Our overall levy income is considerably up on last year as there were no cyclones or other weather events to damage or destroy crops. This leaves us in a strong financial position to undertake research to improve crop yield and mitigate regulatory changes.

Interest income reflects the higher interest rate and also the size of the reserves.

### EXPENDITURE

Our people costs have reduced with only Matt Thorn working for the product group, and other services like minute taking being outsourced to a contractor.

Research is our main focus and where our largest expenditure occurs. Expenditure in this area would normally be a higher percentage of the levy take, but with the uncertainty following Cyclone Gabrielle we did not start 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 NZ presentation.

The net result for Process Vegetables NZ was a surplus of \$192,150, which gives Accumulated Funds of \$809,678.

## Budget

### INCOME

We have based our budget on a conservative estimate of \$65m 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 2024 and will be used again in 2025 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.

David Hadfield  
**Chairman, Process Vegetables NZ**  
10 July 2024







# AGM REMITS

## 2024 ANNUAL GENERAL MEETING

The following Remits proposed by the Process Vegetables NZ Board, will be considered at the Process Vegetables NZ AGM being held on **Thursday 1 August** at Dunsandel Community Centre, Dunsandel.

### REMIT 1

That the draft minutes of the 2023 Process Vegetables NZ AGM, held on Thursday 2<sup>nd</sup> August, 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 2024 Process Vegetables NZ AGM papers, circulated to all members and available at [www.processvegetables.co.nz](http://www.processvegetables.co.nz).*

### REMIT 2

That the Chair's report for the year ended 31 March 2024, as published in the 2024 Process Vegetables NZ AGM papers, be taken as read and adopted.

**Proposed by the Process Vegetables NZ Board**

#### **Explanatory Note**

*The Chair's report is included with the 2024 Process Vegetables NZ AGM papers, circulated to all members and available at [www.processvegetables.co.nz](http://www.processvegetables.co.nz).*

### REMIT 3

That the audited Process Vegetables NZ financial statements for the year ended 31 March 2024 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 2024 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 2020 was approved at the last Commodity Levy Referendum. The levy is used for Research & Development and Biosecurity activities for PVNZ on issues that are specific to process growers. The Commodity Levies (Process Vegetables) Order 2019 came into effect on 1 April 2019 and remains in place until 2025.*

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#### REMIT 5

That the Process Vegetables Biosecurity Levy for the current levy year, 1 April 2024 and ending on 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.

**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 2025 be endorsed.

**Proposed by the Process Vegetables NZ Board**

#### **Explanatory Note**

*A copy of the Budget for the year ended 31 March 2025 that has been prepared and approved by the PVNZ Board is included with the 2024 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

Adopt the updated Process Vegetables New Zealand Operational Rules & Procedures date 1<sup>st</sup> August 2024.

**Proposed by the Process Vegetables NZ Board**

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