

Vegetables

NEW ZEALAND Inc.

2025

YEAR ENDED 31 MARCH 2025

ANNUAL REPORT

Contents

CHAIR'S REPORT	2
CHIEF EXECUTIVE'S REPORT	6
OUR BOARD	11
OUR DASHBOARD	12
FINANCIAL REPORT	14
BUDGET	25

CHAIR'S REPORT



What New Zealand needs to feed its people

Our focus over the past year has been enabling our growers to do what they do well – grow fresh, healthy food for New Zealanders. We have supported our growers by doing our part to limit policies that result in unworkable regional regulations and spiraling energy costs for covered crop growers.

We were pleased when in late May 2025, the Government announced that it was proposing to make vegetable growing a permitted activity, as part of its broader resource management reforms. As this report is published, consultation on the proposal is ending. Over the past weeks, we have worked with HortNZ to assure the government that it is making the right decision. Making vegetable growing a permitted activity will provide New Zealand

with food security; ensure New Zealanders have access to fresh, healthy vegetables; and provide the industry with certainty.

Current and future governments will have to deal with these issues and shape the future. We also continue to invest in research to support better practice, and to invest in promotion of our industry to contribute to our social licence.

My sense is that the New Zealand public is on board, but that government officials remain insulated from the realities of growing food to an acceptable standard. Our growers are better than ever at monitoring their inputs, and farming in a responsible and sustainable manner. New Zealand should be proud of its vegetable growers.

Vegetable growers have not prospered over the past year and it is cold comfort that New Zealand growers are not alone. In Australia, a recent sentiment survey showed that 37% of Australian growers are looking to exit the industry in the next 12 months.

Vegetable prices in New Zealand are currently low due to a charmed 2024 growing season. However, our country is still only a single seasonal issue away from a very different picture. For example, when Cyclone Gabrielle struck, it wiped out 10% of the country's greens production, which increased prices for consumers by 200 to 300%.

If we want New Zealanders to have access to fresh, healthy food, we must continue to grow vegetables in New Zealand

Resource Management Act reform must prioritise the production of fresh, healthy food if we want a healthy New Zealand. Our immediate focus has been on ensuring that growing vegetables is a permitted activity in amended resource management legislation. Medium to long-term, our focus is on ensuring New Zealand takes a national approach to vegetable production through the development of a National Environmental Standard for Commercial Vegetable Production.

We also want recognition of robust assurance schemes such as New Zealand Good Agricultural Practice (NZGAP). These schemes ensure the industry operates at best practice, as it provides food for New Zealand while looking after the environment and people.

Greenhouse growers have borne the brunt of escalating energy costs. Outdoor growers are also seeing this issue as a hurdle to the stable production of food. Emissions Trading Scheme (ETS) policies have not helped here. It is outrageous that the New Zealand steel industry was given concessions in ETS policy and that food producers were ignored. We will continue to advocate for sensible industrial allocation to be returned to covered crop growers. Key to this is the fact that food production was specifically excluded from the Paris Agreement on climate change (which came into force almost a decade ago in November 2016). To tax food production in New Zealand via the ETS flies in the face of this agreement.





Vegetables NZ will continue to look for solutions to the energy issues our producers face. Production of fresh healthy food must be a priority in New Zealand’s energy policies.

When I think back on 2024, it was a year in which the growing of fresh, healthy vegetables became no less hard, despite the government’s stated commitments. As government Ministers have privately reflected to us, change within the bureaucracy is harder to effect than most people think.

We are disappointed that more progress has not been made, but acknowledge that steps that have been taken. However, in key growing areas like Levin and Pukekohe, growers have been waiting for central government to act and provide direction for more than a decade.

Improving health by increasing consumption

Vegetables NZ – through vegetables.co.nz, and partnerships with 5+ A Day and others – has continued to invest in initiatives that increase consumption, by pointing out the health benefits and encouraging people to Add One More Vegetable to every main meal.

We decided to support EATucation, a start-up, for an initial trial period in 2025. EATucation provides ready-made food literacy resources for under-fives through to Year 10. We made this decision as we were wanting to find a way to have more impact and EATucation is backed by research, with a focus on measurability.

We have continued the Food Skills for Life programme, with the resources available through the vegetables.co.nz website. Through EATucation, we will maintain our relationships with the health, nutrition and education sectors, but at the same time, we have stepped up our advocacy to ensure increasing the consumption of fresh, healthy vegetables starts in the education system.



Levy vote

The Board was heartened to receive growers’ ongoing support in the levy referendum. More than 90% of fresh vegetable growers by value voted to continue to support the work of the organisation, through the fresh vegetable commodity levy.

The weighted dollar value of those in support of continuing the levy was 92.51%. Furthermore, 38.64% of eligible growers voted, which is more than double the percentage of growers who voted in 2018 (16.5%).

The formal application to the Minister of Agriculture to renew the Levy Order was accepted, and the new Order took effect from 1 April 2025 for six years.

Collaboration

The Vegetables NZ Board was happy to see the vegetable product group collaboration project get underway in early March, with the announcement of the appointment of project manager, James Kuperus. We will support James in his work and look forward to reviewing the options for greater collaboration and the more effective use of growers’ levies.



Biosecurity commitments for 2024-2025

Vegetables NZ commitments	Readiness	Response
Priority pest review	International scan of potential pest biosecurity risks (6-month review) for vegetable crops	
Active response		<ul style="list-style-type: none">• Oriental fruit fly – Auckland• Blackgrass – Canterbury
Active long-term management		<ul style="list-style-type: none">• PepMV – virus testing for covered crops entities• Fall Armyworm – national surveillance
Governance	<ul style="list-style-type: none">• Solanaceae Biosecurity Working Group• Lepidoptera Working Group• Plant Council• Fruit Fly Council• BMSB Council• Deed Governance Group	
Operations	Solanaceae Code of Practice for covered crops	
Accrued response liability		PSTVd – term payment to clear response costs (FYs 23-25)

CHIEF EXECUTIVE'S REPORT



The financial year to 31 March 2025 has been about delivering to our plan – keeping growers at the centre of all our activity.

Key activities:

Commodity levy referendum achieved a more than 100% increase in grower support.

We said farewell to our Energy Engineer, Ellery Peters after two years of setting up energy solutions for covered crop growers.

Our inaugural Research Roadshow reached more than 200 growers in 11 regions.

Implementation of our five-year strategic plan is on track to land all deliverables.

Stakeholder engagement has been ramped up with media, website, e-newsletter, and LinkedIn all revitalised and achieving uptake improvements of between 100 to 300%.

Stakeholder engagement / Advocacy

We stepped up advocacy – working closely with Horticulture New Zealand – around the need for New Zealand to take a national approach to vegetable growing before it is too late to ensure New Zealanders have access to fresh, healthy vegetables at reasonable prices.

Throughout 2024 and into 2025 we advocated for the government to make vegetable growing a permitted activity with a freshwater farm plan, and stop the nonsense associated with a regional approach to what is a nationally important industry which provides New Zealand with fresh food.

We wrote letters to key Members of Parliament requested meetings with them and government officials, appeared at select committees, joined HortNZ in submissions, issued media releases, and posted on social media, highlighting the importance of a sustainable vegetable industry to the country's health and wellbeing, as well as to the economy.

In November 2024 we collated all our points of view in a Vegetable Industry Issues and Solutions pamphlet, which was widely distributed across government.

Also in November 2024, a new report by the New Zealand Institute of Economic Research (NZIER) warned that fresh vegetable prices could increase, possibly dramatically, if the government did not move quickly to provide a clear and workable regulatory pathway for vegetable production.

The report, commissioned by HortNZ, gave the example that the price of broccoli could go as high as \$9 a head if vegetable production was cut by 20% because of proposed regulations aimed at reducing nitrogen run-off.

We also advocated strongly for a better deal for greenhouse growers, although this advocacy fell on deaf ears in government. The changes that the government made to industrial allocation unfairly penalised greenhouse growers, who have been doing the right thing: finding viable alternatives to fossil fuels. It also made no sense for the government to add to the cost of growing food in greenhouses for New Zealanders.

Reducing energy consumption

Throughout 2024, Vegetables NZ worked with greenhouse growers to reduce energy consumption and switch to more sustainable fuel sources. Through workshops and the Vegetables NZ website, growers were provided with tools and advice.

Decarbonisation is difficult for growers because they are price takers, not price setters, meaning they cannot offset rising costs like some other businesses can. Additionally, decarbonising doesn't typically lead to significantly lower operating costs or higher productivity, creating challenges in repaying the large capital investments required for fuel switching.

At the start of 2025 we announced that a new web-based tool was under development to help greenhouse growers switch to geothermal-sourced heating. GNS Science, GeoExchange NZ, Vegetables NZ and TomatoesNZ are collaborating on the development, with funding from the Ministry for Primary Industries and Vegetables NZ.

At the same time, stakeholder engagement in this project was begun through workshops held in the Bay of Plenty and Auckland.





Increasing consumption

Over the course of 2024, we decided that the best way to ensure the best return on investment is to work with 5+ A Day and leverage their quarterly seasonal promotions.

In May 2024, we ran a month-long radio and social media campaign with The Breeze and 5+ A Day. The campaign promoted Add One More Vegetable through radio advertisements and competitions, and was aimed at household shoppers with children from newborn up to the age of 17.

Media interest in the price of vegetables dwindled throughout the year, as prices continued to drop. Attempts to get the media to talk about the great value the low prices offered consumers were not successful, neither were attempts to get the media to think about what the low prices meant for growers facing increased growing costs.

As the 2024 asparagus season got fully underway in late October 2024, we mounted a Queen of Veggies retail display competition. This competition ran for five weeks and encouraged retailers to promote asparagus through creative and eye-catching displays. Each week, the best display won \$500.

Extension

In 2024 the first vegetable Research Roadshow took place around the country. These workshops attracted more than 300 attendees. They were a chance for Vegetables NZ and other vegetable product groups to take growers and their advisers through what the latest research activity is showing the industry.

The roadshow also formed the basis for engagement with growers on the commodity levy proposals. As was pointed out, a Research Roadshow would not happen without growers' support through the commodity levies.

Throughout 2024, the demonstration farm at Cronin Road in Pukekohe was used to run workshops in conjunction with A Lighter Touch on integrated pest management (IPM) – one on brassicas and the other on lettuces. The workshop on lettuces showed that IPM can drop insecticide costs by up to \$50 per hectare.

The demonstration farm was also used to host the Vegetables Big Day Out in February 2025. This two-day event was heralded as the best of this type that the vegetable industry has ever hosted. It attracted more than 300 people and was a mixture of infield and classroom seminars.

In June 2024, a three-person Vegetables NZ delegation attended the Hort Connections conference in Melbourne, with support from AUSVEG. This was an opportunity to learn more about the Australian industry, particularly in Victoria, and how they are approaching their issues, which in the main, are the same issues that New Zealand growers are grappling with: regulation is making it harder to grow, there is no premium for 'sustainable', while demand keeps on falling.

In August 2024, Vegetables NZ hosted a group of Queensland growers as part of developing a closer relationship with grower groups in Australia. Indeed, this trip will bear fruit when a delegation of New Zealand growers visits Gatton as part of a trip to Hort Connections in Brisbane in June 2025.

Vegetables NZ, along with A Lighter Touch and Plant & Food Research, attended the Salinas Biological Summit in California in June 2024. This summit attracts growers, industry, start-ups, technology companies, scientists and government, and is a melting pot for everything to do with biological technology.

In February 2025, Potatoes NZ and Vegetables NZ hosted Australian integrated pest management (IPM) expert, Dr Paul Horne. Paul visited Pukekohe, the Manawatū and Horowhenua, and Canterbury talking with growers about IPM and offering them practical advice. He also addressed Horticulture Society students at Massey University in Palmerston North.

Crop Advisory Groups

Crop Advisory Groups (CAGs) are unique to Vegetables NZ. The Board has been keen to see these develop as they are an excellent reference group to test policy positions and research initiatives. However, like many societies and clubs, CAG members are aging and young members are not coming through the ranks.

To help reinvigorate CAG membership, the Board activated a membership drive in March 2025, focusing on the benefits of CAG membership to people who want careers in horticulture.

Communications

Vegetables NZ's main communication tools are its website, monthly e-newsletter, and new LinkedIn page. Growers also receive information via the NZGrower & Orchardist, which HortNZ publishes and Vegetables NZ continues to subsidise.

The Vegetables NZ monthly e-newsletter goes to all levy paying growers and others with an interest in the industry. It was launched in April 2024 and focuses on what has happened in the past month as well as on upcoming events. Opening rates are consistently between 50 and 60%.

The LinkedIn page was launched in January 2025. By the end of March 2025, the page already had more than 800 followers, thanks to a busy start to the year.

Media relations

As part of its advocacy work, Vegetables NZ has continued to invest in relationships with key media, because Members of Parliament take a big interest in what the media is reporting on.

We frequently suggest subjects for the media to cover and are always ready to respond to enquiries, working with HortNZ and other product groups.

Industry awards

Five vegetable industry stalwarts were recognised at the 2024 Vegetables NZ Annual General Meeting (AGM), held in Pukekohe on 8 August 2024, as part of a grower extension event held jointly with TomatoesNZ, in place of a conference.

LIFE MEMBERSHIP

Life Membership was awarded to Geoff Lewis and Mark O'Connor.

Geoff is an asparagus industry and Recognised Seasonal Employer (RSE) scheme pioneer, with a passion for people as well as for growing. He is also a proponent of sustainable family businesses, and has continued to adapt and expand Lewis Farms, which today grows strawberries under cover in addition to asparagus.

Mark is a man of few words that are carefully chosen. He is to the point and says it how he sees it. Mark is the managing director and a shareholder in the Nelson-based family market gardening business Appleby Fresh Ltd. He is on the board of directors for Waimea Irrigators Ltd, and was very vocal in helping get the dam over the line.

INDUSTRY SERVICE AWARDS

Two growers – Lex Dillon and Graham Walker – received Industry Service Awards.

Lex has been actively involved in the horticulture industry for more than 40 years. He has held a variety of roles with the NZ Hothouse group of companies, was a member of the TomatoesNZ Board for almost 20 years, and was made a Life Member of Horticulture New Zealand in 2021.

Graham is a Senior Plant & Food Research scientist, who has considerable expertise in disease and pest management in New Zealand and overseas.

Graham has played a leading role in developing integrated pest management programmes in outdoor vegetable crops, including lettuce and brassica. His experience overseas has been invaluable in New Zealand’s response to Fall Armyworm. It gave the industry a strong starting point with respect to the identification, lifecycle and biological control of this pest.

INDUSTRY MERIT AWARD

One grower – Doug Nilsson – received an Industry Merit Award.

Doug has been driving force behind the recovery that is the kūmara industry today. After Cyclone Gabrielle, when 99% of his crop was gone, Doug’s chief concern was ‘how do we all get through this?’ If you needed someone to talk to, Doug had cold ones in the fridge, and if you couldn’t get workers, Doug was ready to get a van full of his on the way.

YOUNG GROWER OF THE YEAR

Vegetables NZ continues to support the annual Young Grower of the Year competition – in particular, the Pukekohe regional final.

Jamie Wells, an agronomist with Balle Brothers in Pukekohe, was the Pukekohe Young Grower regional winner in 2024. Jamie then went on to come runner-up in the 2024 Young Grower of the Year national final.

Vegetables NZ is currently working with HortNZ and other vegetable product groups to run a regional final in the South Island.

OUR BOARD

Composition of the Vegetables NZ Board

Emma Lees joined the Vegetables NZ Board in August 2025, following the 2024 director elections. Emma is A S Wilcox & Sons’ general manager of people and culture, and had previously been a Horticulture New Zealand Board Future Director. She replaced Kiran Hari, who did not stand for re-election. Kiran will, however, remain a member of the vegetables.co.nz committee.

John Murphy and Warwick Simpson were re-elected. They both retired by rotation and stood for re-election.

Jasmine Franklin is Vegetables NZ’s new Future Director. She replaced Bobby Lowe, who has taken up the role of secretary with the Dominion Federation of New Zealand Chinese Commercial Growers Inc.

At the Board meeting held directly after the Annual General Meeting (AGM), Warwick Simpson was elected by the Board as deputy chair, replacing Allen Lim; and John Murphy continued as chair.

In January 2025, Nick Pollock resigned from the Board, citing a change in role with his employer.



JOHN MURPHY
Chair
Grower representative
Murphy's NZ Ltd
Blenheim



WARWICK SIMPSON
Vice Chair
Grower representative
Simpson Gardens Ltd
Ruawai



ALLEN LIM
Grower representative
Jade Garden Produce Ltd
Christchurch



BRENDAN BALLE
Grower representative
Balle Bros Growers Ltd
Pukekohe



EMMA LEES
Grower representative
A S Wilcox & Sons Limited
Pukekohe



JAY CLARKE
Grower representative,
Woodhaven Gardens Ltd
Levin



NICK POLLOCK
Grower representative
LeaderBrand Produce Ltd
(to January 2025),
Gisborne



JASMINE FRANKLIN
Future Director
Franklin Farm



ANTONY HEYWOOD
Vegetables New Zealand Inc
General Manager

DASHBOARD

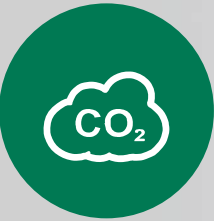
ENERGY



359 ha
of covered crops



64%
of growers use
gas for heating



27,000
tonnes
of CO2 saved

RESEARCH



37
projects under
management



440
attended the Vegetable
Research Roadshows



\$3.8 m
leveraged funds
employed for research

ENGAGEMENT



1,400+
LinkedIn followers



44
advocacy events



50-60%
opening rate for
e-newsletters



40+
media interviews or
mentions

NZGAP

NUMBER OF NZGAP CERTIFIED GROWERS



330
growers Social Practice certified



110 growers
27,497 ha
Environmental Management
System certified



525
growers NZGAP
certified

Vegetables NZ Incorporated

FINANCIAL REPORTS

FOR THE YEAR ENDED 31 MARCH 2025



Vegetables New Zealand Incorporated

Statement of Financial Performance

For the year ended 31 March 2025

	Note	2025	2024
REVENUE		\$	\$
Levy Income	1	1,671,403	1,559,371
Interest	2	103,689	94,817
General Grants		40,000	76,869
Other income		197,675	102,724
Total Revenue		2,012,767	1,833,782
EXPENSES			
Expenses related to employees and contractors		788,554	622,699
Expenses related to service delivery		942,736	771,069
Other expenses		377,575	281,460
Total Expenses	3	2,108,865	1,675,227
Surplus/(Deficit) for the Year Before Tax		(96,099)	158,554
Tax Expense	4	34,461	20,680
Surplus/(Deficit) for the Year After Tax		(130,560)	137,874

Vegetables New Zealand Incorporated

Statement of Financial Position

For the year ended 31 March 2025

	Note	2025	2024
ASSETS		\$	\$
Current Assets			
Bank accounts	5	842,717	1,086,234
Debtors and prepayments	6	240,716	231,865
Investments	7	1,413,145	1,404,177
Tax Receivable	4	280	5,989
GST Receivable		423	-
Total Current Assets		2,497,281	2,728,265
Non-Current Assets			
Property, Plant and Equipment	8	5,531	8,706
Investments in Associates	9	17,096	21,575
Total Non-Current Assets		22,627	30,281
Total Assets		2,519,907	2,758,547
LIABILITIES			
Current Liabilities			
Creditors and accrued expenses		301,709	206,268
Revenue in advance		77,566	241,470
GST Payable		-	39,618
Total Current Liabilities		379,275	487,356
Total Assets less Total Liabilities (Net Assets)		2,140,631	2,271,191
Accumulated Funds			
Accumulated Funds	11	1,841,330	2,086,769
Discretionary Reserve	12	299,301	184,421
Total Accumulated Funds		2,140,631	2,271,191



JOHN MURPHY
Chair
15 July 2025



Warwick Simpson
Vice Chair
15 July 2025

Vegetables New Zealand Incorporated

Statement of Cash Flows

For the year ended 31 March 2025

	Actual 2025	Actual 2024
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts:		
Levy Income	1,662,553	1,747,284
General Grants	40,000	76,869
Other Income	33,771	83,918
Interest	103,689	94,817
Cash payments:		
Payments related to service delivery	1,394,959	985,526
Payment to employees	609,436	573,131
Tax payments	68,794	(4,915)
Net Cash Flows from Operating Activities	(233,176)	449,146
CASH FLOWS FROM OTHER ACTIVITIES		
Cash receipts:		
Decrease in Investments	1,804,177	1,700,000
Cash payments:		
Increase in Investments	1,813,145	1,934,177
Purchase of Property, Plant and Equipment	1,373	1,888
Net Cash Flows from Other Activities	(10,341)	(236,065)
Net Increase/(Decrease) in Cash	(243,517)	213,081
Opening Cash	1,086,234	873,153
Closing Cash	842,717	1,086,234
This is represented by:		
Bank Accounts and Cash	842,717	1,086,234

Vegetables New Zealand Incorporated

Statement of Accounting Policies

For the year ended 31 March 2025

Basis of Preparation

Vegetables New Zealand Incorporated is an Incorporated Society and has elected to prepare Special Purpose Financial Statements. This performance report is prepared in accordance with the XRB's Tier 3 (NFP) Standard except for the preparation of a Statement of Service Performance. The entity is eligible to apply these requirements as it does not have public accountability and has total annual expenses of less than \$5,000,000. All transactions in the Financial Reports are reported using the accrual basis of accounting. The Financial Report is prepared under the assumption that the entity will continue to operate in the foreseeable future. The Financial Reports have been prepared to meet the needs of the members.

All figures are presented in NZD and rounded to the nearest dollar.

Goods and Services Tax (GST)

Vegetables New Zealand Inc is registered for GST. All amounts are recorded exclusive of GST, except for Debtors and Creditors which are stated inclusive of GST.

Income Tax

Income tax is accounted for using the taxes payable method. The income tax expense in profit or loss represents the estimated current obligation payable to Inland Revenue. Taxation expense is accrued in the period to which the obligation arose. Tax is calculated in accordance with IRD rates.

Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

Contract Revenue

Vegetables New Zealand Inc has a memorandum of understanding with Horticulture New Zealand Inc to provide services of benefit to vegetable growers in New Zealand. Funding is provided to Vegetables New Zealand Inc under the memorandum on the basis of being income in advance until the funds have been spent in accordance with the Vegetables New Zealand budget.

Levy Revenue

Levies are non-exchange revenue and accounted for on an accrual basis. Revenue is recognised for produce sold in the year to 31 March for which a growers levy declaration has been received by the society.

Interest Revenue

Interest income is recognised as it is earned and accrued using the effective interest method.

Research and Development Grant Revenue

Research and development grants are recognised in accordance with the funding agreement. Where funding is provided with conditions then income is only recognised when the conditions attached have been fulfilled with the unspent portion being recognised as income in advance. Funding is recognised as income when received if there are no refundable conditions attached.

Debtors

Debtors are stated at estimated realisable value. Bad debts are written off during the period in which they are identified.

Creditors and Accrued Expenditure

Creditors and accrued expenditure includes amounts owing to suppliers and employees. Expenditure is accrued at the amount invoiced.

Investments

Investments are Term Deposits with NZ registered banks for terms of more than 90 days and up to a maximum term of 2 years.

Investment in Associate

Investments in associates are accounted for in accordance with the equity method. The investment in an associate is initially recognised at cost and the carrying amount in the financial statements is increased or decreased to recognise the share of the surplus or deficit of the associate as at balance date.

Vegetables New Zealand Incorporated has opted up to Tier 2 standards for this policy.

Changes in Accounting Policies

There have been no changes in accounting policies during the financial year.

Vegetables New Zealand Incorporated

Notes to the Performance Report

For the year ended 31 March 2025

Note 1: Levy Income	\$ This Year	\$ Last Year
Levy Income collected throughout the year	1,437,166	1,559,371
Biosecurity Levy Income collected throughout the year	234,237	-
	1,671,403	1,559,371

From 1 April 2019 Vegetables New Zealand Incorporated received funding through the Commodity Levies Fresh Vegetables Order 2019.

From 10 August 2020 to 31 March 2023 Vegetables New Zealand Incorporated received funding through the Biosecurity (Readiness and Response - Fresh Vegetables Levy) Order 2020. This levy was reduced to 0.0% from 1 April 2023 to 31 March 2024. From 31 March 2024 Vegetables New Zealand Incorporated will receive funding through the Biosecurity (Readiness and Response - Fresh Vegetables Levy) Order 2020.

Note 2: Interest	\$ This Year	\$ Last Year
BNZ	103,689	94,817
Interest is earned on deposits held with BNZ.		

Note 3: Expenses	\$ This Year	\$ Last Year
Expenses related to employees and contractors		
Employee remuneration	609,436	573,131
Contractor remuneration	66,069	318
Director remuneration	113,048	49,250
	788,554	622,699
Expenses related to service delivery		
Promotions	112,063	62,088
Meetings & Travel	97,183	103,943
Consultants	180,607	118,550
Biosecurity	119,358	140,277
Research & Development	433,526	346,211
	942,736	771,069
Other expenses		
Audit and Accounting	46,055	11,269
Other operating costs	331,520	270,191
	377,575	281,460
Total Expenses	2,108,865	1,675,227

Note 4: Tax Receivable

	\$ This Year	\$ Last Year
Taxable Income	102,684	73,856
Tax is payable at 28%	28,752	20,680
Plus FY24 tax adjustment	5,709	
FY25 income tax expense	34,461	20,680
less FY24 tax adjustment	(5,709)	
less RWT	(29,031)	(26,669)
Tax to pay/(refund)	(280)	(5,989)

Note 5: Bank Accounts and Cash

	\$ This Year	\$ Last Year
BNZ Current Account	257,555	511,185
BNZ Autocall	585,161	575,049
	842,717	1,086,234

Interest is earned at 1.35% - 1.45% per annum in Business First Call Account.

Note 6: Debtors and Prepayments

	\$ This Year	\$ Last Year
Trade Debtors	64,261	181,671
Other receivables	159,463	50,194
Prepayments	16,992	-
	240,716	231,865

Note 7: Investments

	\$ This Year	\$ Last Year
BNZ Term Deposit - 182 days - maturing April 2025	500,000	500,000
BNZ Term Deposit - 270 days - maturing November 2025	400,000	400,000
BNZ Term Deposit - 365 days - maturing Oct 2025	300,000	300,000
BNZ Term Deposit - 365 days - maturing March 2026	213,145	204,177
	1,413,145	1,404,177

Interest is earned at 4.3% - 5.56% per annum on Term Deposits.

Note 8: Property, Plant and Equipment

	\$ This Year	\$ Last Year
IT Equipment at cost	14,192	12,819
Less accumulated depreciation	8,661	4,113
Closing book value	5,531	8,706

Note 9: Investments in Associates

	\$ This Year	\$ Last Year
Investments in Associate	21,575	30,000
Share of Profit/(Loss) in Associate	(4,479)	(8,425)
	17,096	21,575

On 6 December 2023, Vegetables New Zealand Incorporated invested \$30,000 in Horticulture Executive Services Limited, a management services company. In FY24, this was written down by \$8,425 to \$21,575.

Note 10: Related Party Transactions

Horticulture New Zealand Inc

Horticulture New Zealand Inc is a related party by virtue of divisions held within Horticulture NZ Inc, which have been disclosed below. All elected Directors are growers and pay levies through the entities they are associated with.

Transactions Undertaken:	\$ This Year	\$ Last Year
Accounts Receivable Outstanding at Year End	4,867	5,194
Funding Provided to Vegetable Research & Innovation Board	212,820	82,053
Funding Provided to NZ Grower and The Orchardist magazines	24,110	27,350
Funding Provided to District Association Grant	-	2,925
Conference and Administrative Services Provided	63,812	71,457
Accounts Payable Outstanding at Year End	44,843	17,405

Allen Lim is on the NZGAP committee which operates under Horticulture New Zealand Inc and is a director of Horticulture Canterbury Growers Association. There was no grant funding contributed by Vegetables New Zealand to Horticulture Canterbury Growers Association in the 2025 financial year (Last year - \$7,969).

Warwick Simpson is on the board of Northern Wairoa Vegetable Growers Association. There was no grant funding contributed by Vegetables New Zealand to Northern Wairoa Vegetable Growers Association in the 2025 financial year (Last year - \$2,907).

John Murphy is the Chair of Vegetables.co.nz which operates under Horticulture New Zealand Inc.

Nick Pollock is on the board of Vegetables Research and Innovation which operate under Horticulture New Zealand Inc.

Horticulture Executive Services Limited

John Murphy is Chair of Vegetables New Zealand and a member of the Board of Horticulture Executive Services Limited (HESL). Tomatoes NZ, Vegetables NZ, Summerfruit NZ and Onions NZ invested \$30,000 each in HESL and contribute to HESL overhead costs.

Vegetables.co.nz

On 31 March 25, Vegetables New Zealand Incorporated took over the ownership, management and control of Vegetables.co.nz from Horticulture New Zealand Inc.

Note 11: Accumulated Funds

	\$ This Year	\$ Last Year
Opening Balance	2,086,769	1,808,617
Surplus/(Deficit)	(130,560)	137,874
Net Biosecurity income throughout the year	(114,879)	140,277
	1,841,330	2,086,769

Note 12: Discretionary Reserve

	\$ This Year	\$ Last Year
Biosecurity Reserve Opening Balance	184,421	324,698
Biosecurity levy income collected throughout the year	234,237	-
Biosecurity expenses paid throughout the year	(119,358)	(140,277)
	299,301	184,421

Vegetables New Zealand Incorporated (VNZI) represents the commercial vegetable sector under Part 5A of the Biosecurity Act 1993. Part 5A concerns agreements between government and industry organisations to deal with unwanted organisms, including agreements for jointly funding the costs of readiness and response activities.

VNZI receives funding through the Biosecurity (Readiness and Response - Fresh Vegetables Levy) Order 2020. VNZI must spend the levy money to meet its commitments in contributing to the costs of readiness and response activities under the Government Industry Agreement for Biosecurity and Response deed signed by VNZI on 18 November 2016 and any other operational agreement of the kind referred to in Part 5A of the Act that is made between the Director-General and Vegetables New Zealand Inc.

This levy was reduced to 0.0% from 1 April 2023 to 31 March 2024. From 1 April 2024 VNZI will receive funding through the Biosecurity (Readiness and Response - Fresh Vegetables Levy) Order 2020. The Biosecurity Levy was 0.05% in 2025 (2024: 0%).

Note 13: Commitments and Contingencies

Commitments

Vegetables New Zealand Inc signed a subcontract agreement in April 2020 for the 'A Lighter Touch' Sustainable Food and Fibre Futures project to contribute cash of \$195,194 and in-kind \$73,4505 over the next 2 years.

Vegetables New Zealand Inc is committed to \$237,356 for a Vegetable IPM re-set. To date \$152,776 has been spent with a remaining \$84,581 committed.

Vegetables New Zealand Inc is committed to \$20,000 for a Biotremology Project with The New Zealand Institute for Plant and Food Research Limited. To date \$10,000 has been spent with a remaining \$10,000 committed.

There are no other commitments as at balance date (Last Year - nil).

Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at balance date (Last Year - nil).

Note 14: Events after Balance Sheet Date

Vegetables New Zealand Incorporated (VNZI) has taken over the governance and ownership of New Zealand Asparagus Council in FY2025. The financial impact of this will be reflected in the financial statements as at 31 March 2026. These events do not impact the financial position or results as of the date of the balance sheet but are expected to have a positive impact on future operations. No other events requiring disclosure or adjustment to the financial statements have occurred. (Last Year - nil).

In April 25 the board approved that the Reserves balance would be split into Biosecurity Response \$500,000, Business Continuity \$956,000 and Industry Development \$544,000.

INDEPENDENT AUDITOR’S REPORT To the Members of Vegetables New Zealand Incorporated



Opinion

We have audited the financial statements of Vegetables New Zealand Incorporated (“the Society”), which comprise the statement of financial position as at 31 March 2025, and the statement of financial performance, and the statement of cash flows for the year then ended, and notes to the financial statements, including a statement of accounting policies.

In our opinion, the accompanying financial statements of the Society for the year ended 31 March 2025 are prepared, in all material respects, in accordance with the accounting policies specified on page 18 of the financial statements.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (“ISAs (NZ)”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements 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.

Emphasis of Matter – Basis of Accounting and Restriction on Distribution and Use

We draw attention to page 18 of the financial statements, which describes the basis of accounting. The financial statements are prepared solely for the Society’s members, as a body. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Society and the Society’s members, as a body, and should not be distributed to or used by parties other than the Society or the Society’s members. Our opinion is not modified in respect of this matter.

Other Information

The Board are responsible for the other information. The other information obtained at the date of this auditor’s report is information contained in the annual report, but does not include the performance report and our auditor’s report thereon.

Our opinion on the performance report does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the performance report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the performance report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor’s report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board’s Responsibilities for the Financial Statements

The Board is responsible for the preparation of the financial statements in accordance with the accounting policies specified on page 18 of the financial statements and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the Society’s ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Board either intends 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole 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) 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, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Who we Report to

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

BDO Wellington Audit Limited

BDO WELLINGTON AUDIT LIMITED

Wellington, New Zealand
15 July 2025

Entity information

Vegetables New Zealand Incorporated
For the year ended 31 March 2024

Legal Name of Entity

Vegetables New Zealand Incorporated

Type of Entity and Legal Basis

Incorporated Society

Registration Number

2616693

Date of Incorporation

24 December 2014

Entity's Purpose

To represent the interests of all New Zealand fresh vegetable growers

Entity Structure

Incorporated Society

Main Sources of Entity's Cash and Resources

Revenue generated from levies

Main Methods Used by Entity to Raise Funds

Funded through a compulsory commodity levy on the fresh vegetables grown

CONTACT DETAILS

Physical Address

Level 4
Kiwi Wealth House
20 Ballance Street
Wellington 6011

Postal Address

PO Box 10232
Wellington 6140

Phone/Fax

Ph +64 4 472 3795

Email/Website

www.vegetablesnz.co.nz



BUDGET 2025-2026

DESCRIPTION	2024-2025	2025-2026
INCOME		INCOME \$
Levy Income (Domestic - Export - Biosecurity)	1,400,000	1,450,000
	215,000	215,000
On charge income	104,000	118,000
Interest income	132,000	110,000
TOTAL INCOME	\$1,851,000	\$1,893,000

Reserves VNZI - term deposit x 3	1,200,000	1,200,000
Cash in bank	1,190,000	1,140,000
Reserves VRI	84,000	110,301
Reserves Vege.co.nz	320,263	0

LEADERSHIP AND GOVERNANCE		EXPENSES \$
Governance	97,074	97,500
Grower visits	5,000	12,500
International travel	8,000	20,000
Biosecurity costs and response	98,000	32,500
Audit and accounting fees	7,000	12,500
Industry development costs	5,000	5,250
Legal and professional fees	7,000	15,500
Travel costs	8,000	15,500
Office and administration	95,400	97,500
	\$330,474	\$308,750

RESEARCH AND DEVELOPMENT		
International travel	7,000	15,000
Research project costs	420,996	422,000
Biosecurity costs and response	30,000	85,000
Industry development costs	13,220	37,500
Legal and professional fees	222,504	185,000
Travel costs	8,000	16,000
TOTAL	\$701,720	\$760,500

COMMUNICATIONS AND STAKEHOLDER ENGAGEMENT		
Promotion & Sponsorship	315,500	220,000
Grower visits	8,000	5,250
Industry development costs	5,000	25,000
Travel costs	8,000	6,500
AGM & Conference	37,500	56,000
Marketing, media content and materials	28,950	11,500
TOTAL	\$402,950	\$324,250

PEOPLE		
People and staff costs	693,176	537,000
TOTAL	\$693,176	\$537,000
TOTAL EXPENSES	\$2,128,320	\$1,930,500
SURPLUS / DEFICIT	-\$277,320	-\$37,500

BIOSECURITY LEVY		
INCOME		INCOME \$
		\$212,000
PSTVd	50,000.00	
Oriental fruit fly	40,000.00	
TOTAL	\$90,000.00	

NOTES

[illegible]

What Vegetables NZ stands for



INNOVATION

adaptive growing systems to build resilience



MANAGING OUR ENVIRONMENTAL IMPACT

trust in New Zealand Good Agricultural Practice (NZGAP) schemes to manage environmental effects



OUR LABOUR

a viable New Zealand labour force with a top-up of Recognised Seasonal Employer (RSE) workers for key times



OUR INPUTS

inputs that count – land, water and nutrients



FOOD SECURITY

access to healthy food at a reasonable price