



Potatoes
NEW ZEALAND

Annual Report

2024





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Growing Together

Potatoes New Zealand is delighted to present our Annual Report for the fiscal year 2024. This report provides a comprehensive overview of our achievements, challenges, and progress over the past year. It highlights our commitment to innovation, sustainability, and the continuous improvement of our services for growers.

As we reflect on the year gone by, we are proud of the milestones we have reached and the growth we have achieved. Our success is a testament to the hard work and dedication of our team, the trust and support of our growers, and the invaluable contributions of our partners.

In this report, you will find insights into our financial performance, strategic initiatives, and future outlook. We believe that transparency and accountability are key to building strong relationships with our stakeholders, and we are committed to maintaining open lines of communication.

We extend our heartfelt gratitude to everyone who has been part of our journey. Your unwavering support and confidence has been and will continue to be instrumental in our success. We look forward to another year of growth, innovation, and shared achievements.

Chair's Report

Paul Olsen



Welcome to the 2024 Annual Report.

It would be fair to say I had a lot to learn stepping up to the role of Potatoes NZ Board Chair, and I would like to start by thanking our Growers and Board Members for their guidance and support over the past year.

We welcomed Bhupen Master to the board during the year and he has already made a great contribution with his diverse skillset.

Potatoes NZ has undertaken a successful referendum for the continuation of its levy order under the Commodities Levy Act in the past year with a very clear mandate of support from our levy payers. This is something we do not take lightly and will endeavour to continue working for growers over the next six years.

A key priority on the back of the levy referendum, and with a refresh of our strategy, is to do a better job with grower engagement. For me personally this has been a real focus and I have enjoyed getting out and seeing some of you on farm and at events.

We have also been concentrating on and will be working on our four priorities:

1. Leadership in the field
2. Growing great people
3. United voice
4. Working together

Looking to the future as an organisation we will be exploring what collaboration with other product groups could look like to help reduce duplication in the horticulture sector. As an example, a highlight last month was the new Sustainable Vegetable Systems tool being launched. This was a pan-sector piece of work and in my opinion will benefit a large number of growers.

Another highlight of the last year was seeing a large group from New Zealand attend the World Potato Congress in Adelaide. I was very encouraged to see so many young people attending with the passion and desire to upskill, and were willing to engage with what the industry has to offer.

During the Potato Congress the International Potato Collaboration was officially launched which will enable alliances to be developed in areas of common interest, such as research and development. This is currently being Chaired Iain Kirkwood and will be a piece of work conducted remotely from New Zealand.

I would also like to make special thanks to Kate, who has now been in the role of CEO for a year and has been working hard in many areas of the organisation. It has been really pleasing to see the positive and vibrant culture she has created amongst her team.

Thank you also to all of the Potatoes NZ Staff, Technical Panel and all Members of the Sub Committees which contribute to the overall success of Potatoes NZ. Often a lot of this work is not visible but it certainly goes a long way towards driving our organisation forward.

Lastly, I would like to continue to encourage Growers and Producers to pick up the phone and connect with myself and the Board. We can't help what we don't know, and always value your perspective as ultimately this gives us as a Board a more considered point of view.

All the best for the upcoming growing season,

Paul Olsen



Chief Executive's Report

Kate Truffitt



The 2023/2024 year has been a transformative period for Potatoes New Zealand. Since stepping into the role of CEO in August 2023, my team and I have undertaken a rigorous review of our strategy, setting the stage for a new era of growth and innovation. We set the challenge to completely evaluate our strategy involving all growers and stakeholders. Following many months of engagement activity across the regions listening, developing the new strategy, and refining, I am confident that we have a robust framework to build on.

Our Vision, 'End to End Value Creation for Potatoes in New Zealand,' reflects our commitment to enhancing every aspect of the potato value chain.

Our key priorities include Leadership in the Field — ensuring industry-leading practices; Growing Great People — fostering talent and skills; United Voice — advocating for our collective interests; and Working Together — collaborating across the sector.

Recognizing the complexity of the potato value chain has been crucial in shaping our strategy. We have meticulously mapped out the industry's various segments to ensure comprehensive engagement and support for all growers and stakeholders.

In early 2024 we welcomed Sheree Phillips to our team; her swift adaptation was instrumental as we navigated the complex six yearly Levy round. I thank all those growers that took the time to vote and attend the meetings and other roadshow events. With an improvement in our communications, it has been fantastic to be able to show growers and stakeholders the activities we undertake on their behalf.

In 2023/2024 season we produced approximately 460,230MT of potatoes with an average yield of 49,600kg per hectare.

With a total average export value up 25.1% on the previous year's the initial export pricing was good throughout 2023 however the market softened, and prices have come back. Volume of Frozen Fries was down 13.6% however the value was up 24.4%, Fresh Potatoes volumes was up 6.2% and value was up 30.7%, overall, the fresh export market has been tough in later stages of the season.

Growers farmgate value has risen over the past five years with a dip in 2021, we now sit at \$259,158,000 however we understand that value across industry in the 2023/24 season have been cut back which will affect this.

I am pleased to report that Potatoes New Zealand concludes the financial year in a solid position. A comprehensive breakdown of our financial performance is available on our website. Potatoes New Zealand Inc. has finished the year with a surplus of \$331,430 and Levy reserves of \$1,185,932.

Potatoes New Zealand collected in the year ending April 2024 \$2.1 million in levy spending \$1.5 million on RD&E continuing our focus and commitment to industry resilience when it comes to pest and disease management and tools. Under the umbrella of RD&E our Technical panel committee keeps us on track to ensure we meet the key needs as directed by industry.

Looking ahead, we are committed to building on our successes and continuously improving our operations. Our revamped processes and strategic focus will drive us towards achieving our goals. I am sure the team get sick of me saying "and the value to the grower is?" We know that everything we do has to add value to the industry in some form. We have a business plan that will challenge us, but I make no apology for being ambitious and ensuring that we achieve outcomes for our growers and stakeholders.

Our small team, ably supported by the PNZ Board has refocused and are in a strong position for the coming year, I would like to thank my team, the industry, and our strategic partners for their active support.

A handwritten signature in black ink, appearing to read 'K Truffitt', written over a light grey circular background.

Kate Truffitt
CEO



**"It is an honour
to work in this
industry, I love
every day of it."**

Tony Hendrikse,
Eurogrow Potatoes Ltd.



Overview

Potatoes New Zealand is the industry association representing the interests of the New Zealand potato industry.

Becoming incorporated in 2012 (Incorporated Society Number 2559200), previously Potatoes New Zealand had been operating as a product group within Horticulture New Zealand.

Potatoes New Zealand works as a trusted partner and leader, promoting initiatives.

Mission: Listen, enable and promote better outcomes for the New Zealand potato industry.

Vision: End to end value creation for potatoes in New Zealand

Priorities: Leadership in the field, Growing great people, United industry voice, Working together.

Strategy:



Our Strategy 2028

Vision End to end value creation for potatoes in New Zealand.

Purpose Listen, enable and promote better outcomes for the New Zealand potato industry.

Priorities



Leadership in the field

- Growing practices
- Future focused science, innovation and technologies
- Biosecurity and crop protection



Growing great people

- Pathways to support our young growers
- Training opportunities for industry
- Building sector capability



United industry voice

- Strengthened advocacy
- Strategic communications and industry engagement
- Promotions of the wider New Zealand potato story
- Market Intelligence



Working together

- Industry engagement to reflect our diversity
- Trusted partnerships and collaborations
- Potatoes as part of the growing system

Context The potato industry has a complex value chain; we recognise the diverse needs of all parts of the sector.

Potatoes New Zealand works as a trusted partner and leader, promoting initiatives and innovates to add value to your value chain and continuously seeks improvement for our industry.

Leadership

Potatoes New Zealand Board



Paul Olsen
Olsen Agri
Chair



Michelle Pye
Pye Group



James Bowan
Heartland Potato
Chips Ltd



Dacey Balle
Balle Bros



Jon Davison
Independent Director



Bhupen Master
Masters Produce

Potatoes New Zealand Staff



Kate Trufitt
Chief Executive
Officer



Bobby Hall
Finance Manager



Iain Kirkwood
Technical
Manager



Paula Lleras
R&D Assistant and
Seed Inspector



Cyril Hickman
NZ Potato Seed
Scheme manager
and Seed Inspector



Tristan Hickman
Biosecurity and
Seed Officer



Sheree Phillips
Engagement and
Communications
Officer

Organisation Overview

Board of Directors

Potatoes New Zealand is governed by a Board of Directors and led by the Chief Executive. The Board is comprised of up to eight members, five are Grower Members, two Trade Members and one appointed Independent Director. Board members may be appointed for up to three terms, of up to three years each. Elections are held prior to the Annual General Meeting each year.

Subcommittee membership (as needed)

The subcommittees are formal subcommittees of the Board, made up of Potatoes New Zealand Board representatives or PNZ staff representatives, industry representatives (grower and trade members) and expert advisors as appointed by the board.

Subcommittee Responsibilities and Roles:

- Providing potato industry member input, advice, feedback and guidance to the Potatoes New Zealand Board, staff and/or external consultants.
- Acting as an industry forum to support the Potatoes New Zealand Board and staff in their operational duties.
- Working within the defined boundaries set by the Potatoes New Zealand Strategy.
- Responding to specific requests for information from the Potatoes New Zealand Board and/or staff.
- Formally recording the subcommittee meetings and making the papers and/or minutes available to the Potatoes New Zealand Board for review.

Seed Certification Authority

Certification of seed potatoes is provided by the New Zealand Seed Potato Certification Authority, a subcommittee of the Board, which runs a national quality assurance programme. The Authority establishes the seed potato certification rules, including disease tolerances, and has the task of ensuring seed potatoes are true-to-type. This is done by Potato New Zealand specialised inspectors with international quality assurance qualifications to visually inspect crops in the field as well as tubers after harvesting.

Research Development and Extension

Led by the Potatoes New Zealand Technical Manager, Potatoes New Zealand Research and Development may also involve a Technical Panel who can advise on the Research and Development strategy and activities. Potatoes New Zealand runs a comprehensive research, development and extension programme that covers pan-industry and potato industry specific research. Potatoes New Zealand members can gain insights through Field Walks, Grower Talks and Technical Bulletins.

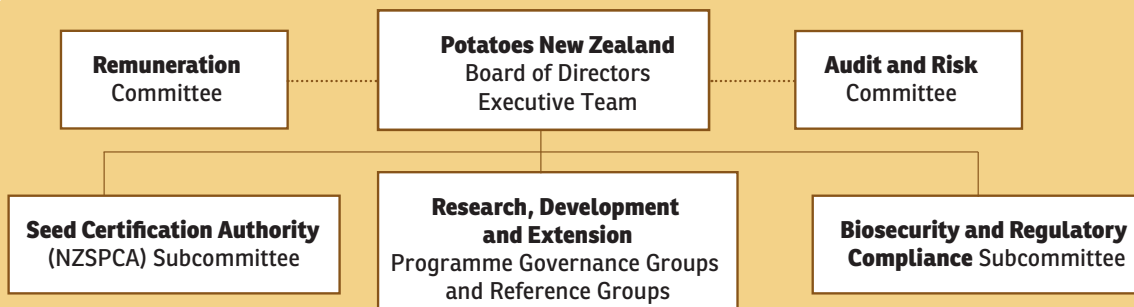
Technical Panel Membership

Membership of the technical panel of PNZ is by invitation only and is comprised of Potatoes New Zealand representatives, industry representatives (grower and trade members) and expert advisors.

Biosecurity and Regulatory Subcommittee

This subcommittee of the Board reviews market access arrangements and works to ensure access compliance costs are kept to a minimum. This subcommittee also advises on Potatoes New Zealand's Biosecurity Readiness and Response activities and commitments.

Aligned to our strategy, the industry governance and management structure is:



2024 Insights

Potatoes are grown across Aotearoa and harvested year round.

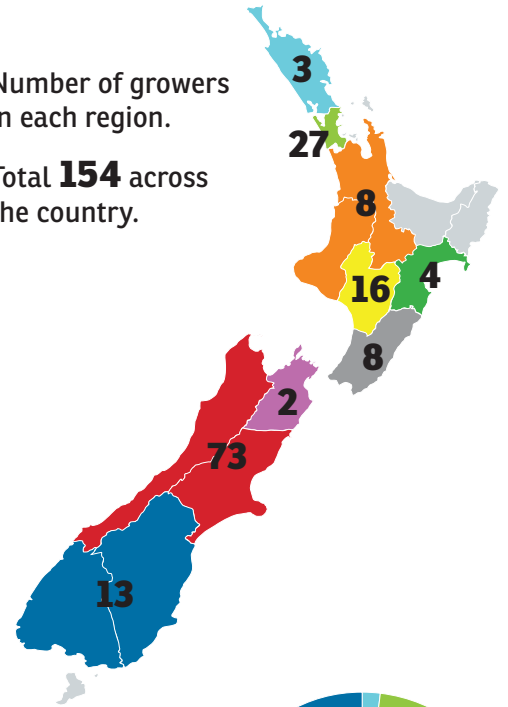
Values

- Estimates **9,266 hectares** planted in 2023
- Farmgate value = **\$259,158,000**
- Total **Export volume** = **76,724 tonnes**
- Total **Export value** = **\$134,500,000**
- Total **Domestic Retail volume** = **34,940,000**
- Total **Domestic Retail value** = **\$124,098,208**
- **Export:Import Ratio – Volume** **2.2**
- CPI increase for **Table potatoes** = **3.30**
- CPI increase for **Frozen Fries** = **4.75**
- CPI increase for **Crisps** = **2.24**

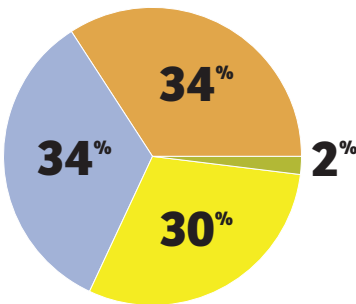
Regions

Number of growers in each region.

Total **154** across the country.

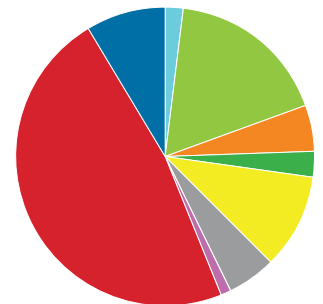


% of total industry value



- Seed
- Crisps
- Processed frozen
- Fresh/ware

- Northland
- Auckland
- Taranaki/Waikato
- Hawkes Bay
- Wairarapa/Central
- Manawatu
- Nelson/Marlborough
- Canterbury/Westland
- Otago/Southland





Commodity Levy

Referendum closed on 10 May, with **94.74%** support from **54.68%** of growers.

30 May – International Day of Potato

150 countries cultivate potato

5,000 potato varieties worldwide

8,000 years of potatoes and going strong!

Social Media Followers

2,600 on X formerly Twitter

1,700 on Facebook

1,500 on Instagram

1,300 on LinkedIn

2024 Insights

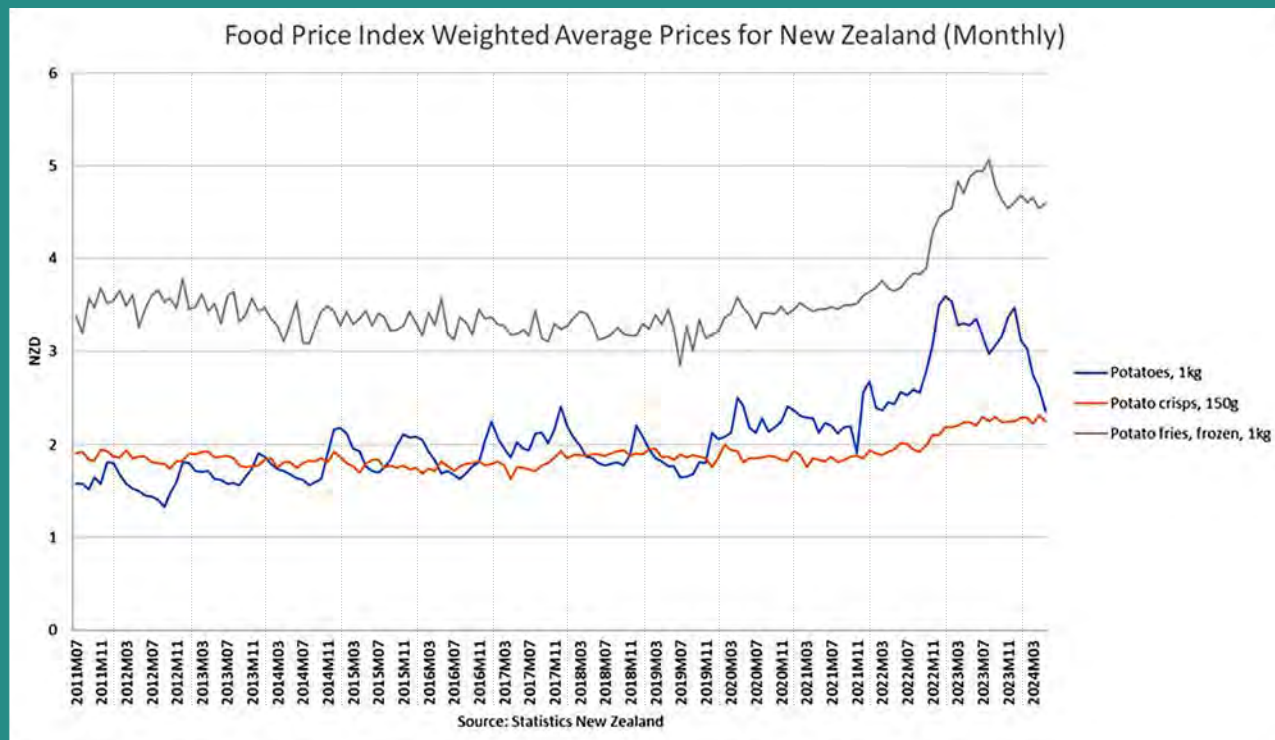
Area Planted (year Ending June)

	2017-C	2018	2019	2020	2021	2022-C	2023
Seed	1,123	1,160	1,117	1,075	908	697	961
Brushed/Table/Processed	8,327	8,579	8,911	9,242	9,993	7,727	8,305
Total (ha) planted	9,450	9,739	10,028	10,317	10,901	8,424	9,266

Value \$000

	2017-C	2018	2019	2020	2021	2022-C	2023
Levy income - Annual report \$000	\$1,400	\$1,368	\$1,573	\$1,555	\$1,519	\$1,703	\$2,118
Farmgate value - \$000	\$171,294	\$167,379	\$192,461	\$190,200	\$185,861	\$208,391	\$259,158
\$/Hectare	\$18,126	\$17,186	\$19,192	\$18,436	\$17,050	\$24,738	\$27,968

Food Price Index Weighted Average Prices for New Zealand (Monthly)



Supermarket Retail Sales

	2017	2018	2019	2020	2021	2022	2023	% Change
VOLUME 000 kg								
Frozen Potatoes	25,306	26,343	19,280	22,815	22,867	23,389	24,712	5.7
Fresh Potatoes	0	0	23,506	21,916	20,539	19,549	20,605	5.4
Crisps	15,983	11,967	12,910	14,012	14,264	13,792	14,096	2.2
VALUE (\$000)								
Frozen Potatoes	71,029	75,176	78,300	97,495	102,111	111,493	137,548	23.4
Fresh Potatoes	0	0	61,230	60,537	56,985	62,088	72,958	17.5
Crisps Units	163,372	177,575	192,527	215,828	226,780	242,157	281,014	16.0
\$/kg								
Frozen Potatoes (kg)	\$2.81	\$2.85	\$4.06	\$4.27	\$4.47	\$4.77	\$5.57	16.8
Fresh Potatoes (kg)			\$2.60	\$2.76	\$2.77	\$3.18	\$3.54	11.5
Crisps Units	\$10.22	\$14.84	\$14.91	\$15.40	\$15.90	\$17.56	\$19.94	13.5
CONSUMER PRICE INDEX								
Calendar Year Average								
Potatoes, 1kg	2.08	1.92	1.83	2.23	2.23	2.66	3.30	23.8
Potato fries, frozen, 1kg	3.24	3.25	3.23	3.40	3.48	3.85	4.75	23.4
Potato crisps, 150g	1.78	1.90	1.88	1.88	1.85	1.98	2.24	13.4

Exports/Imports

Export Quantity (tonnes)

	2017	2018	2019	2020	2021	2022	2023	%Change
Frozen Fries	66,379	72,916	77,045	61,135	55,034	58,448	50,473	-13.6
Fresh Potatoes	26,977	26,808	26,741	25,516	24,099	22,994	24,411	6.2
Crisps	1,275	586	837	851	841	933	1,018	9.0
Potato Starch	3,263	3,015	2,792	2,873	1,883	1,173	581	-50.5
Seed Potatoes (Fresh)	21	26	73	18	59	465	205	-56.0
Other	74	98	67	237	34	60	36	-38.8
Total	97989	103450	107554	90630	81949	84074	76724	-8.7

Export Value (\$/kg FOB)

	2017	2018	2019	2020	2021	2022	2023	%Change
Frozen Fries	\$1.37	\$1.38	\$1.32	\$1.32	\$1.38	\$1.40	\$1.74	24.4
Fresh Potatoes	\$0.95	\$0.92	\$0.78	\$0.80	\$0.79	\$1.13	\$1.48	30.7
Crisps	\$6.53	\$7.99	\$6.91	\$8.06	\$8.18	\$8.51	\$9.52	11.9
Potato Starch	\$1.04	\$1.07	\$1.08	\$1.12	\$1.13	\$1.40	\$1.61	15.2
Seed Potatoes (Fresh)	\$1.40	\$1.10	\$0.35	\$1.46	\$0.68	\$1.14	\$1.49	30.6
Other	\$7.01	\$5.33	\$6.69	\$2.44	\$9.46	\$8.84	\$11.54	30.5
Total	\$1.32	\$1.29	\$1.22	\$1.23	\$1.27	\$1.41	\$1.77	25.1

Import Quantity (tonnes)

	2017	2018	2019	2020	2021	2022	2023	%Change
Frozen Fries	18,875	18,804	18,269	17,905	21,024	19,766	28,823	45.8
Fresh Potatoes	2,343	3,007	2,224	2,765	3,943	2,603	2,323	-10.8
Crisps	1,492	1,068	1,634	2,122	2,097	1,991	2,020	1.4
Potato Starch	329	319	337	253	185	190	133	-29.8
Seed Potatoes (Fresh)	0	0	0	11	0	14	9	-35.0
Total	24,570	24,460	23,958	24,405	28,066	25,898	34,940	34.9

Import Value (\$/kg)

	2017	2018	2019	2020	2021	2022	2023	%Change
Frozen Fries	\$1.66	\$1.84	\$1.89	\$2.02	\$2.01	\$2.30	\$2.72	18.4
Fresh Potatoes	\$1.30	\$1.34	\$1.67	\$1.55	\$1.55	\$1.85	\$2.48	34.0
Crisps	\$9.30	\$8.16	\$9.84	\$8.95	\$10.77	\$12.80	\$15.86	23.9
Potato Starch	\$1.68	\$1.64	\$1.83	\$2.08	\$1.74	\$2.24	\$2.18	-3.0
Seed Potatoes (Fresh)	\$0.30	\$1.50	-	\$1.19	-	\$2.82	\$2.29	-18.7
Total	\$2.13	\$2.08	\$2.46	\$2.60	\$2.61	\$3.12	\$3.55	13.9

Export:Import Ratio

	2017	2018	2019	2020	2021	2022	2023	%Change
Volume	3.99	4.23	4.49	3.71	2.92	3.25	2.20	-32.4
Value	2.47	2.64	2.23	1.76	1.42	1.47	1.09	-25.7

Highlights

1. Commodity Levy

Potatoes New Zealand successfully achieved a positive Commodity Levy vote of 94.74% voting yes.

2. New Strategy

Potatoes New Zealand produced an updated strategy and business plan, which was communicated and endorsed by industry.

3. Engagement with Industry

39 events held over the 2023/24 year.

4. Improved Communication

Potatoes New Zealand increased its social media presence and produced improved newsletter communications.

5. Leadership

This year Potatoes New Zealand welcomed new chief executive, Kate Truffitt.

6. Biosecurity Readiness and Response

Risk monitoring for sector risk organisms being completed and plans for readiness in place.

- Solanaceae OA for readiness in place through GIA partnership.
- FAW materials developed for growers and packhouses.
- Powdery Scab (PS) workshop established a collaboration between international partners to further PS research globally.

7. Grower Representation

Meetings held with government representatives and ministers to put forward Potatoes New Zealand's views.

8. Research and Development

- \$4.7 million Sustainable Vegetable Systems (SVS) project was officially launched by Hon. Minister Nicola Grigg.
- Vegetable Research Roadshows throughout New Zealand, Potatoes New Zealand joined to talk about projects and key focus areas.

9. World Potato Congress

Potatoes New Zealand had strong representation at the World Potato Congress in Adelaide. International contacts were made and relationships to benefit New Zealand potato growing.

10. Collaborative Partnership

The International Potato Partnership was announced at the World Potato Congress with various countries and stakeholders collaborating for the betterment of the industry.

11. International Day of Potato

The United Nations announced the inaugural International Day of Potato to be celebrated on 30 May.

12. Collaboration Approach

Working together with industry and other vegetable groups for better industry outcomes

13. Export Activities

Potatoes New Zealand worked with industry on market access with Fiji to maintain relationship and to reduce additional compliance requirements.

Where does the Levy go?

Potatoes New Zealand staff deliver and administer the core services and strategic business plan. They aim to ensure costs are consolidated and to provide benefits back to the industry. Delivery of the business plan and core services are essential to the growth of potatoes industry.

Some of the benefits to growers are listed below:

Advocacy (Working Together)

- Working closely with Horticulture New Zealand on policy submissions and delivering PNZ submissions.
- Building relationships with various government ministries and local regulators to ensure growers' best interests are represented.

Biosecurity (Leadership in the Field)

- Potatoes New Zealand have active Biosecurity Readiness and Response activities and plans.
- Member of GIA.
- We have a seat at the table to talk directly to MPI regarding export and import pathway risks, and when dealing with incursions.

Conferences and Field Days/Walks (United Voice)

- Opportunities to learn from industry experts, share best practice and network with peers.
- Field days/walks allowing members to view field trials and projects first-hand.
- International experts available to give their expertise.

Market Development – Promotion (United Voice)

- Working with strategic partners to raise the profile of potatoes and encourage consumption.
- Export market assistance.

Quality Assurance work (Leadership in the Field)

- Ongoing work on export standards.

Representation (United Voice/Working together)

- GIA Deed Governance Group, Plant Market Access Council (PMAC), Horticulture Industry Forum (HIF) and Vegetable Chairs Forum and many others.

Seed Certification Authority (NZSPCA) (Leadership in the Field)

- Administration of national quality assurance programme for seed potatoes.

Attract workers to the industry (Grow Great People)

- Collaborating with others on attracting people into horticulture
- Supporting Young Grower Competition



Special Purpose Annual Report

POTATOES NEW ZEALAND INCORPORATED
For the year ended 31 March 2024

Directory

POTATOES NEW ZEALAND INCORPORATED
For the year ended 31 March 2024

Nature of Business

The principal object of the society is to provide benefits to the potato industry in New Zealand by creating a positive industry profile and business environment for members.

Registered Office

Potatoes New Zealand Incorporated
Kiwi Wealth House
20 Ballance Street
Wellington 6011

Society Number

2559200

Directors

Stuart Wright*
John Jackson*
Paul Olsen
Dacey Balle
Jon Davison
Michelle Pye
James Bowan
Bhupen Master

* Stuart Wright and John Jackson retired on 22 August 2023 at the AGM.

Chartered Accountant

Connected Accountants Limited

Bankers

Bank of New Zealand

Auditor

BDO Wellington Audit Limited

Directors Report

POTATOES NEW ZEALAND INCORPORATED
For the year ended 31 March 2024

The Directors are pleased to present the approved special purpose financial report including the special purpose historical financial statements of POTATOES NEW ZEALAND INCORPORATED for year ended 31 March 2024.

APPROVED
For and on behalf of the Board of Directors



Paul Olsen

26th July 2024

Special Purpose Profit and Loss

POTATOES NEW ZEALAND INCORPORATED

For the year ended 31 March 2024

	Notes	2024	2023
Income			
Commodity Order Levy		2,118,121	1,703,198
Fees			
Associate Member Fees		0	1,000
Trade Membership Fees		45,000	45,000
Total Fees		45,000	46,000
Grants & Contributions Received		900,334	1,416,221
Sales			
Conference Income		33,772	0
Export Access Income		139,938	117,276
Seed Certification		228,457	199,295
Total Sales		402,167	316,571
Other Income			
Interest Income		32,878	18,077
Profit/(Loss) on Disposal of Fixed Assets		0	(4,488)
Total Other Income		32,878	13,589
Total Income		3,498,500	3,495,579
Expenses			
Biosecurity			
Biosecurity Responses		6,285	0
GIA		57,826	16,763
Total Biosecurity		64,111	16,763
Conference & Meetings			
AGM & Conference		118,786	9,275
Meeting Costs		45,348	34,619
Total Conference & Meetings		164,134	43,894
Consultants/External Providers			
Accounting Fees		3,300	5,825
Audit Fees		18,712	10,010
Consultants		162,030	138,337
Legal Fees		6,208	10,096
Total Consultants/External Providers		190,250	164,267
Communication & Industry Engagement			
General Media & Communications		6,739	6,943
Grower Magazine Support		17,004	17,004
Industry Liaison		17,380	25,667
Promotion		5,000	1,798
Website		5,836	2,987
Total Communication		51,959	54,398

These Special Purpose Financial Statements should be read in conjunction with the attached Notes to the Special Purpose Financial Statements.

Special Purpose Profit and Loss

POTATOES NEW ZEALAND INCORPORATED

For the year ended 31 March 2024

	Notes	2024	2023
Office Administration			
Bad Debts		0	62,975
Depreciation		10,672	13,202
General Expenses		12,943	5,072
Insurance		19,056	20,934
Overheads & IT Services		60,802	50,486
Print, Postage & Stationery		11,532	27,574
Total Office Administration		115,005	180,243
Governance			
Chairmans Honoraria		34,650	40,150
Directors Fees		20,000	20,350
Total Governance		54,650	60,500
Research & Development			
Research & Development		1,515,765	1,652,273
Total Research & Development		1,515,765	1,652,273
Seed Certification			
Certified Seed Field Consultants		0	5,723
Seed Certification Scheme		0	11,658
Total Seed Certification		0	17,380
Staff Costs			
Other Staff Costs		38,239	2,832
Professional Development		1,927	7,854
Provision for Annual Leave		13,298	6,488
Salaries		791,782	861,736
Total Staff Costs		845,246	878,909
Travel			
Travel – Accommodation		22,152	32,227
Travel – Airfares		57,446	53,214
Travel – Other		79,857	83,813
Total Travel		159,455	169,254
Total Expenses		3,160,575	3,237,882
Net Profit (Loss) before Taxation		337,925	257,697
Taxation			
Tax Expense	3	6,495	118
Total Taxation		6,495	118
Net Profit (Loss) for the Year		331,430	257,579

These Special Purpose Financial Statements should be read in conjunction with the attached Notes to the Special Purpose Financial Statements.

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Special Purpose Balance Sheet

POTATOES NEW ZEALAND INCORPORATED

As at 31 March 2024

Account	Notes	31-Mar-24	31-Mar-23
Equity			
Reserves			
Commodity Order Levy Reserves	12	1,185,932	983,760
Non-Levy Reserves	12	672,984	543,726
Total Reserves		1,858,916	1,527,486
Total Equity		1,858,916	1,527,486
Assets			
Current Assets			
Cash and Bank	5	710,407	184,024
Trade and Other Receivables		769,863	1,030,972
Accrued Interest		23,788	15,108
Income Tax Receivable	4	1,490	2,435
Term Deposits	6	640,689	624,477
Total Current Assets		2,146,237	1,857,016
Non-Current Assets			
Property, Plant and Equipment	7	20,076	23,027
Potatoes New Zealand Charitable Trust		82,579	4,968
Total Non-Current Assets		102,655	27,995
Total Assets		2,248,891	1,885,010
Liabilities			
Current Liabilities			
Accrued Annual Leave		44,777	31,479
GST Payable		96,150	78,851
Income Received in Advance		53,825	69,148
Credit Cards Payable		14,146	3,802
Trade and Other Payables		181,078	174,244
Total Current Liabilities		389,976	357,524
Total Liabilities		389,976	357,524
Net Assets		1,858,916	1,527,486

Signed by



Paul Olsen

These Special Purpose Financial Statements should be read in conjunction with the attached Notes to the Special Purpose Financial Statements.

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Special Purpose Statement of Changes in Equity

POTATOES NEW ZEALAND INCORPORATED

For the year ended 31 March 2024

Account	Notes	2024	2023
Equity			
General Reserves			
Opening Balance		0	0
Current Year Earnings		331,430	257,579
Transfer to Commodity Levy Reserve		202,172	125,994
Transfer to Non-Levy Reserve		129,258	131,585
Closing Balance		0	0
Commodity Order Levy Reserve			
Opening Balance		983,760	857,766
Transfer from General Reserves		202,172	125,994
Closing Balance	12	1,185,932	983,760
Non-Commodity Order Levy Reserves			
Opening Balance		543,726	412,142
Transfer from General Reserves		129,258	131,585
Closing Balance	12	672,984	543,726
Closing Reserves Total		1,858,916	1,527,486

These Special Purpose Financial Statements should be read in conjunction with the attached Notes to the Special Purpose Financial Statements.



Notes to the Special Purpose Financial Statements

POTATOES NEW ZEALAND INCORPORATED

For the year ended 31 March 2024

1. Reporting Entity

POTATOES NEW ZEALAND INCORPORATED was registered under the Incorporated Societies Act 1908 in March 2010. The Society began trading in May 2012.

This special purpose financial report was authorised for issue in accordance with a resolution of directors dated as per the Approval of Financial Report.

Nature of Operations

The principal object of the society is to provide benefits to the potato industry in New Zealand by creating a positive industry profile and business environment for members.

2. Statement of Accounting Policies

Basis of Preparation

These special purpose financial statements have been prepared in accordance with the Special Purpose Financial Reporting Framework for use by For-Profit Entities (SPFR for FPEs) published by Chartered Accountants Australia and New Zealand.

Historical Cost

These special purpose financial statements have been prepared on a historical cost basis, (except for certain assets which have been revalued as identified in specific accounting policies below). The special purpose financial statements are presented in New Zealand dollars (NZ\$) and all values are truncated, so the line items may not agree to the total.

Revenue

Commodity Order Levies are accounted for on an accrual basis. Revenue is recognised for produce sold in the year ended 31 March where known or where a growers declaration has been received.

Grants and Contributions Received are recognised in accordance with the agreements. 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.

Expenses

Expenses have been classified on their business function.

Income Tax

Income tax is payable on non-member income after deduction of tax deductible expenses. Any amount payable is provided for using the taxes payable method.

Tax is payable only on non-member income received in excess of \$1,000. This deduction is available pursuant to section DV8 of the Income Tax Act 2007.

Goods and Services Tax

These special purpose financial statements are prepared on a GST exclusive basis with the exception of Accounts Receivable and Accounts Payable.

Trade Receivables

Trade Receivables are recognised at estimated realisable value. Individual debts that are known to be uncollectable are written off in the period that they are identified.

All Financial instruments Cash and Bank, Term Deposits, Trade and Other Receivables, Trade and Other Payables are initially recognised at fair value and then subsequently recognised at amortised cost.

Changes in Accounting Policies

There have been no changes in accounting policies since the previous financial year. All policies have been applied on basis consistent with those used in previous years.

Income Received in Advance

Registered exporters pay a \$5,000 deposit per annum towards their export levies at the beginning of the season. Throughout the season, levies are charged against the income received in advance. The income in advance figure represents the balance of the initial deposit remaining at balance date.

Notes to the Special Purpose Financial Statements

POTATOES NEW ZEALAND INCORPORATED

For the year ended 31 March 2024

	2024	2023
3. Income Tax Reconciliation		
Net profit before tax	337,925	257,697
Adjustments to Accounting Income		
Non-Member Income Exemption	(1,000)	(1,000)
Non-Taxable Profit relating to Member Activities	(313,728)	(249,957)
Total Adjustments to Accounting Income	(314,728)	(250,957)
Assessable Income	23,197	6,740
Tax Losses		
Tax Losses Bought Forward	0	6,317
Total Tax Losses	0	6,317
Tax Loss to Carry Forward	0	0
Taxable Income	23,197	423
Tax at 28%	6,495	118
4. Taxation		
Opening Balance	2,436	4,432
Increases		
Tax Refund	(2,436)	(4,432)
Decreases		
Tax Expense	(6,495)	(118)
RWT Paid	7,985	2,554
Total Decreases	1,490	2,436
Total Taxation	1,490	2,436
5. Cash and Bank		
Bank of New Zealand – Current Account	710,407	184,024
Total Cash and Bank	710,407	184,024

The Bank of New Zealand Current Account and the Bank of New Zealand Auto call account earns interest at floating rates on daily deposit balances.

Notes to the Special Purpose Financial Statements

POTATOES NEW ZEALAND INCORPORATED

For the year ended 31 March 2024

	2024	2023
6. Investments		
Bank of New Zealand - Term Deposit 010	320,580	312,009
Bank of New Zealand - Term Deposit 013	320,109	312,467
Total Investments	640,689	624,476

7. Property, Plant & Equipment

Property, Plant & Equipment is stated at cost less accumulated depreciation and any impairment loss.

Depreciation rates are as stated below.

Computer Equipment depreciated at a rate of 20%-67%. Assets acquired before 10 May 2018 are on the Straight Line method and subsequent purchases are on the Diminishing Value method.

Promotional Material depreciated at a rate of 40% using the Diminishing Value method.

	2024	2023
Depreciation Schedule		
Original Cost	100,155	108,660
Additions	6,113	3,255
Disposals	0	(4,488)
Accumulated Depreciation	(86,192)	(84,400)
Net Book Value	20,076	23,027

8. Related Parties

Potatoes New Zealand Charitable Trust is a related party to Potatoes New Zealand Incorporated, by virtue that a Director is also a Trustee of the Trust. The Trust made \$0 in grants to Potatoes New Zealand in 2024 (2023:\$187,197).

The Directors are also growers and/or trade members and pay levies at rates consistent with all other growers and/or a trade membership fee.

	2024	2023
Directors & Meeting Fees	20,000	20,350
Chairmans Honoraria	34,350	40,150

Stuart Wright retired at the AGM on 22 August 2023 and Paul Olsen became the Chair.

Full day meeting rate for Director Fees is \$1,000.

Notes to the Special Purpose Financial Statements

POTATOES NEW ZEALAND INCORPORATED

For the year ended 31 March 2024

9. Capital Expenditure Commitments

There are no liabilities in respect of capital expenditure at balance date other than those provided for in the accounts (2023: \$Nil).

10. Contingent Liabilities

There are no contingent liabilities at balance date. (2023: \$Nil).

11. Subsequent Events

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

12. Reserves

The Commodity Order Levy Reserve, is for funds that are restricted to be used for the purpose allowed by the Commodity Order Levy (potatoes) Order 2013, all other funds that are not included in the Commodity Order Levy reserve are transferred to the Non-Levy Reserve.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF POTATOES NEW ZEALAND INCORPORATED**

Opinion

We have audited the financial statements of Potatoes New Zealand Incorporated ("the Society"), which comprise the statement of financial position as at 31 March 2024, and the statement of financial performance for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Society for the year ended 31 March 2024 are prepared, in all material respects, in accordance with the accounting policies specified in the statement of accounting policies in 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 (Revised) *Code of Ethics for Assurance Practitioners* 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.

Other Information

The directors 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 financial statements and our auditor's report thereon.

Our opinion on the financial statements 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, 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.

Directors' Responsibilities for the Financial Statements

The directors are responsible for the preparation of the financial statements in accordance with the accounting policies specified in the statement of accounting policies in the financial statements and for such internal control as the directors determine 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 directors are 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 directors either intend to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the 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 directors.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the directors 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 directors 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.



BDO Wellington Audit Limited

Who we Report to

This 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
26-July-2024



WHEN IT ALL BOILS DOWN
How to enjoy nutrient-rich potatoes without the guilt
MORNING SHOW

Honorary Recognition



Allan Pye

Unassuming and humble would be the best way to describe Allan Pye. He loved nothing more than to drive a header or tractor on the farm. Known both in New Zealand and Australia as the 'Spud King', Allan Pye grew up on a small farm near Temuka. While at school, he started picking potatoes for two local farmers and instead of wages, one of them offered him seed potatoes.

A determined self-taught farmer who gained early success and kept building on his accomplishments. Allan understood what good quality spuds meant to run over the fry line at the processor, this quality and being able to grow it was key to his success.

Thank you to all potato growers in New Zealand for driving our industry and growing great New Zealand potatoes. Thank you also to all Potatoes New Zealand employees, partners, stakeholders, and industry representatives for supporting the industry. We look forward to continuing working together with you in the future.



Potatoes
NEW ZEALAND

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