

Dried Tree Fruit Fund

2017/18
ANNUAL REPORT



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The projects in this report have been funded by Horticulture Innovation Australia Limited using sources including the dried tree fruit levy, Australian Government contributions and, in some instances, co-contributions from a variety of sources.



SUMMARY BY
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RELATIONSHIP
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HORT INNOVATION

We're for growers

At Hort Innovation it's our job to work with industry to invest the dried tree fruit levy and Australian Government contributions into initiatives to help growers be as productive and profitable as possible.

During 2017/18, Hort Innovation continued to fund a key multi-industry investment on behalf of the industry, working towards the delivery of new varieties of apricots by combining forces and funding with the Australian summerfruit industry. I'm happy to be able to share with you more information on this, along with other key investment insights, in this Hort Innovation Dried Tree Fruit Fund Annual Report.

On a personal note, thank you for welcoming me as your new Relationship Manager. I know that during 2017/18 my predecessor, Will Gordon, enjoyed getting to connect with you about investment in the Dried Tree Fruit Fund, and getting to hear your thoughts and share ideas. During 2018/19 I'm looking forward to doing the same, with opportunities to connect in person and a reminder that you can reach me any time at bradley.mills@horticulture.com.au or on 0408 635 465 if there's something you'd like to ask or discuss around levy investment.

I also encourage you to explore the easy ways you can stay close to what your levy is achieving throughout the year, including...

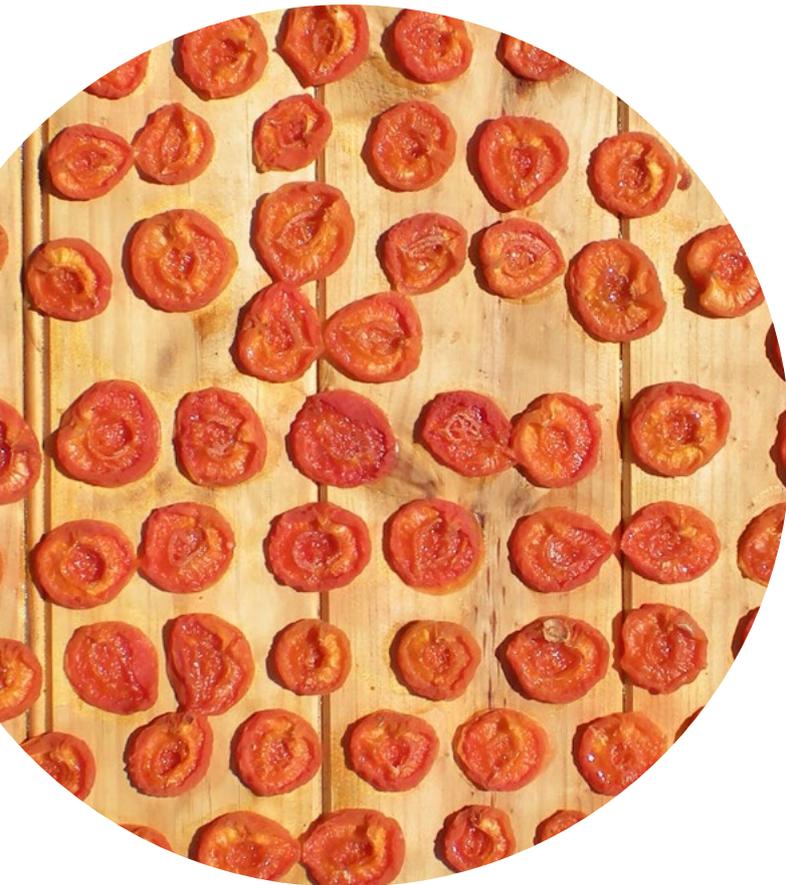
- » **Becoming a member.** Paying a levy doesn't automatically make you a Hort Innovation member, but signing up is free at www.horticulture.com.au/membership. As well as providing the opportunity for voting rights at the organisation's Annual General Meeting, Hort Innovation membership includes exclusive email alerts with industry-specific news and opportunities, direct invitations to explore investment updates and more.
- » **Checking out *Hortlink*.** This digital publication, released three times a year, provides an update on project activities in the Hort Innovation Dried Tree Fruit Fund. The latest edition is always available from the Dried Tree Fruit Fund page at www.horticulture.com.au/dried-tree-fruit, while members have *Hortlink* sent straight to their inboxes.

Here's to a great year of investment and connection in 2018/19,

Brad Mills
Dried Tree Fruit Relationship Manager, Hort Innovation
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Making levy investments

Discover how the dried tree fruit levy and Australian Government contributions are invested through the Hort Innovation Dried Tree Fruit Fund in this quick recap.



Where do investment ideas come from?

Great investments start with great ideas, and Hort Innovation encourages all growers and other industry participants to share their thoughts and suggestions for the research initiatives they want to see.

Ideas can be submitted any time via Hort Innovation's simple Concept Proposal Form. Visit www.horticulture.com.au/innovation-concept-pipeline.

Ideas can be for specific industries – to be funded by that industry's levy and Australian Government contributions – or they can be for Hort Innovation's strategic partnership initiative, Hort Frontiers. Hort Frontiers projects address broader, longer-term and more complex issues facing Australian horticulture as a whole, and are funded through partnerships with co-investors. Visit www.hortfrontiers.com.au for more.

How are levy decisions made?

Future investments specific to the Hort Innovation Dried Tree Fruit Fund will be guided by the industry's Strategic Investment Plan (SIP), which was finalised during 2017.

The SIP outlines key industry priorities for investment and can be found on the Dried Tree Fruit Fund page at www.horticulture.com.au/dried-tree-fruit.

The SIP document is available to be used like a 'roadmap' during industry consultation on potential investment ideas and opportunities. This consultation takes place as required with representatives of Dried Fruits Australia and with dried tree fruit growers.

What happens next?

When a new project is to be established, the industry's advice is used by Hort Innovation to work a suitable investment idea into a project proposal. The proposal is then made public for potential delivery partners to submit responses. Current opportunities are always listed at www.horticulture.com.au/delivery-partners.

At the end of the process the responses are assessed, often with the assistance of industry, and the best delivery partner for the work is chosen. A contract is then issued and the work begins.

How can I keep track of investments?

Newly contracted projects are announced in Hort Innovation's quarterly *Hortlink* publication, with the latest edition emailed directly to members and always available from the Dried Tree Fruit Fund page at www.horticulture.com.au/dried-tree-fruit. *Hortlink* also provides updates on ongoing and recently completed investments.

R&D project list 2017/18

ONGOING INVESTMENTS IN 2017/18

MT12015 Selecting and releasing to industry high quality fresh and dried Australian apricots for export and domestic markets

INVESTMENTS COMPLETED IN 2017/18

MT15032 Monitoring and evaluation framework for the industry Strategic Investment Plan

MT15033 Strategic Investment Plan

During the 2017/18 financial year, all Australian levy paying horticulture industries also contributed to across-industry projects addressing issues that affect horticulture as a whole. Visit www.horticulture.com.au/across-horticulture for financial documents and information on this program.

R&D report

For 2017/18, the key project in the Hort Innovation Dried Tree Fruit Fund was a multi-industry investment with the summerfruit industry. At the time of writing this project was drawing to a close. When available, you'll be able to read up on its findings – and keep up to date with new happenings throughout the 2018/19 financial year – by checking out Hort Innovation's *Hortlink* publication. The latest edition is always available from your grower page, www.horticulture.com.au/dried-tree-fruit.

Selecting and releasing to industry high quality fresh and dried Australian apricots for export and domestic markets (MT12015)

Key research provider: Dried Fruits Australia

This project has been responsible for developing new apricot varieties that are locally adapted, through a partnership with the South Australian Research and Development Institute (SARDI) National Apricot Breeding Program. It has continued to select and evaluate the remaining seedlings from the breeding program, working towards the commercialisation of the best lines. For the dried tree fruit industry, this means the delivery of consistent high-cropping varieties of easily handled and processed apricot. The project has been aiming for fruit with high total soluble solids (TSS) levels and low dry ratios, to produce a high quality, attractive dried product in the traditional Australian cut half style. The work has been funded by the dried tree fruit levy, co-contribution from within the summerfruit industry, and Australian Government support.



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Financial statement

Financial operating statement 2017/18

	R&D (\$)	TOTAL (\$)
	2017/18 July – June	2017/18 July – June
OPENING BALANCE	23,202	23,202
Levies from growers (net of collection costs)	886	886
Australian Government money	1,556	1,556
Other income*	450	450
TOTAL INCOME	2,892	2,892
Project funding	1,331	1,331
Consultation with and advice from growers	482	482
Service delivery – Base	75	75
Service delivery – Shared	113	113
Service delivery – Fund specific	139	139
TOTAL EXPENDITURE	2,139	2,139
Levy contribution to across-industry activity	46	46
CLOSING BALANCE	23,909	23,909
Levy collection costs	679	679

At the end of 2016/17, the industry's pro rata share of levy funds were committed to strategic reserves (\$1860 for R&D), and so have been deducted from the 2017/18 opening balance.

* Interest, royalties

Service delivery costs explained

Base service delivery (flat rate) = keeping the lights on

This figure contributes to the standard fixed costs that are incurred with the running of the business (for example, costs relating to rent, utility bills, equipment). These costs are calculated on a monthly basis and are based on actual program expenditure.

Shared service delivery (flat rate) = related to program delivery

Shared costs are related to program delivery and include costs that are incurred in supporting activities relating to R&D and marketing programs that are not attributable to any one levy industry (for example, costs relating to procurement and information technology activities). These costs are calculated on a monthly basis and are based on actual program expenditure.

Fund specific service delivery (flat rate for 2017/18) = direct servicing costs

These are the actual costs for activities and services that are directly incurred in the administration of levy program expenditure, and which are identifiable and attributable to a specific levy investment fund (for example, costs around direct relationship, marketing and fund management, and logistical costs around industry advisory meetings and activities). From 2018/19 these costs will be charged at cost on a monthly basis.

For more information explaining the costs in the financial summary, visit www.bit.ly/2x7ERLC.

Hort Innovation

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