

Prune Fund

2017/18
ANNUAL REPORT



Content

Welcome	1
Making levy investments	2
R&D project list 2017/18	3
R&D report	4
Financial statement	7

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SUMMARY BY
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We're for growers

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

In light of low crop volumes affecting the amount of industry levy funds available, 2017/18 saw pared back investment in the Hort Innovation Prune Fund compared to the previous financial period. Decisions around investments were made in close consultation with industry, with key insights from the year available in the following pages of this Hort Innovation Prune Fund Annual Report.

Hort Innovation is committed to continuing to seek advice from industry and to invest in small-scale interim projects into the 2018/19 financial year, while the financial position of the Prune Fund improves.

On a personal note, thank you for welcoming me as your new Relationship Manager. Like my predecessor, Will Gordon, during 2018/19 I'm looking forward to embracing opportunities to connect in person, and remind you 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 Prune Fund. The latest edition is always available from the Prune Fund page at www.horticulture.com.au/prune, while members have *Hortlink* sent straight to their inboxes.

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

Brad Mills
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Making levy investments

Discover how the prune levy and Australian Government contributions are invested through the Hort Innovation Prune 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 and marketing 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 your specific industry – to be funded by the industry 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?

Let's talk 'SIPs' and 'SIAPs'!

Investments specific to the Hort Innovation Prune Fund are guided by the industry's Strategic Investment Plan (SIP), which was finalised by Hort Innovation in April 2017 after close consultation with growers and other industry stakeholders.

The SIP outlines key industry priorities for investment and can be found on the Prune Fund page at www.horticulture.com.au/prune.

The SIP document is used like a 'roadmap' by the prune Strategic Investment Advisory Panel (SIAP) – a panel made up of growers and other industry representatives, which has a key role to play in the investment process. The SIAP discusses investment ideas at consultation meetings, with the SIP guiding them, in order to provide advice to Hort Innovation on potential levy investments.

Details of the SIAP panellists and summaries of the SIAP's meetings can be found at www.horticulture.com.au/prune.

What happens next?

The SIAP's advice is used by Hort Innovation to work suitable ideas into project proposals. The proposals are 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 *Hortlink* publication, with the latest edition emailed directly to members three times a year and always available from the Prune Fund page at www.horticulture.com.au/prune. *Hortlink* also provides updates on ongoing and recently completed investments.



R&D project list 2017/18

ONGOING INVESTMENTS IN 2017/18

MT16005 Enhanced National Bee Pest Surveillance Program

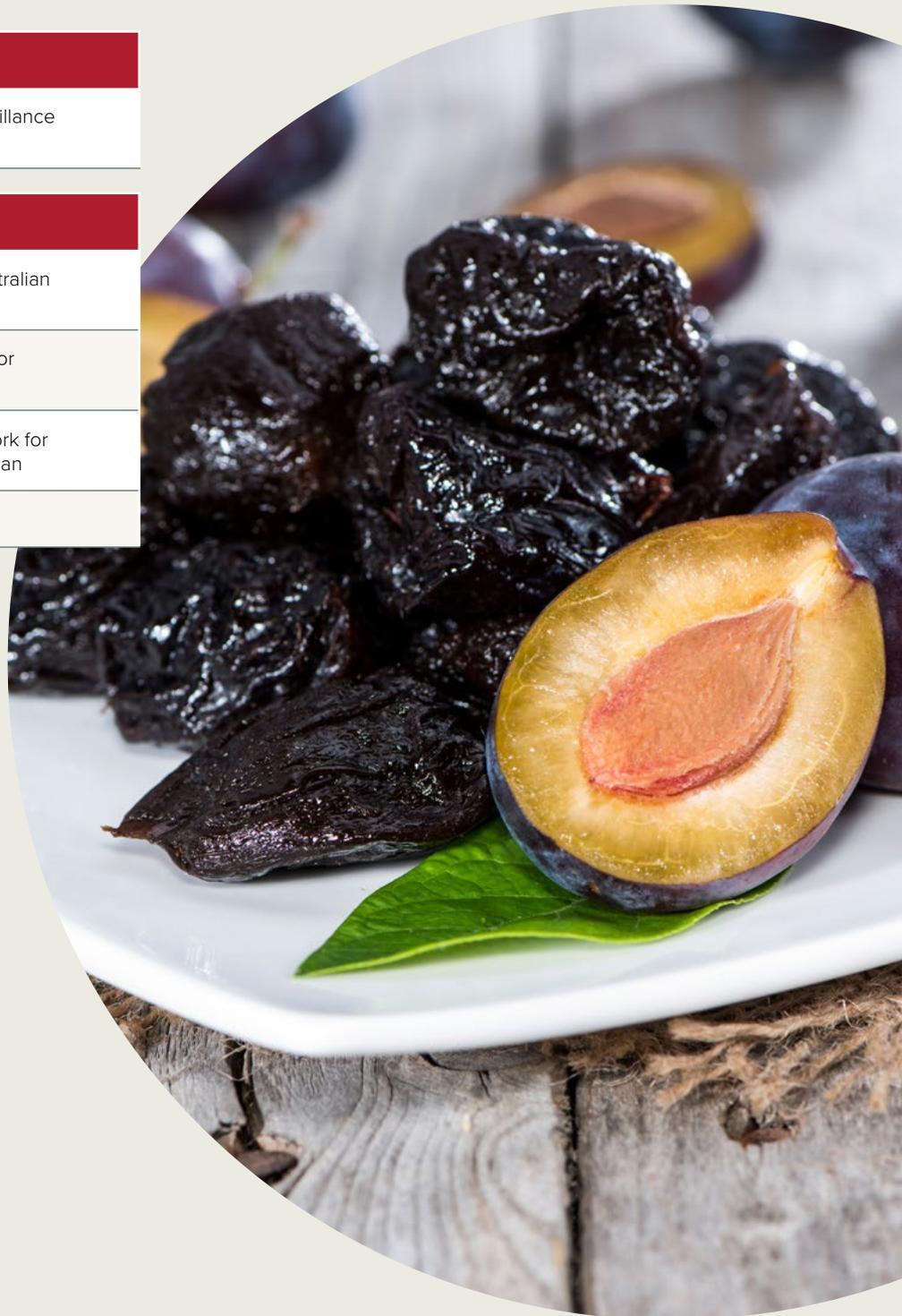
INVESTMENTS COMPLETED IN 2017/18

DP14000 Technical development for the Australian prune industry – stage 2

DP15002 Innovation and adoption program for the Australian prune industry

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

Take a closer look at two of the investments in the Hort Innovation Prune Fund during 2017/18. Any resources from these and other levy-funded projects – such as fact sheets, guides and more – are published on your grower page at www.horticulture.com.au/prune as they become available.

Innovation and adoption for the Australian prune industry (DP15002)

NOW COMPLETE

Key research provider: Ann Furner

This investment began in late 2016 to take over from the completed *Technical development for the Australian prune industry – stage 2* (DP14000). It funded a dedicated industry development officer (IDO), Ann Furner, to provide Australian prune growers and other industry stakeholders with information and know-how on R&D, new technologies and best-practice management. The goal of the project was to drive the adoption of new technologies and practices, and to support decision-making within businesses. The IDO was also involved in the evaluation of new prune varieties and work into prune quality assurance.

Specific work of the IDO included, but wasn't limited to...

- » Communication activities, from production and distribution of the *Aus Prunes E-News* digital newsletter, to creation of prune content delivered through *The Vine* magazine and use of SMS alerts to growers for relevant news, including about industry events.
- » Continued liaison with and availability for prune growers and other industry participants to understand industry concerns and needs, and to provide information and discuss issues.

- » Organisation and delivery of information sessions, training, field days and other extension activities for growers, dehydrators and other industry participants. This included implementation of the Dry Right Quality Assurance Program (the Dry Right guide remains available for dehydrators online, behind the log-in section at www.ausprunes.org.au).
- » Work towards initiatives including Prune Planting and Production Surveys.
- » Continuation of trials, including evaluation of trees as part of varietal trial sites, as well as collection of chill data for the Australian Prune Industry Association's chill hour monitoring program.

In June 2018, the prune industry, Hort Innovation and the project's research provider agreed to bring this investment to an early close in consideration of the current industry levy funds available, which were affected by the very low crop in 2018.

At the time of writing this annual report, Hort Innovation was working with the industry's Strategic Investment Advisory Panel to invest in a small-scale interim communication and extension project, aimed at maintaining a minimum level of activity until the financial position of the Prune Fund improves.

Want to keep up to date with the latest information on new, ongoing and recently completed R&D investments throughout the year? Check out Hort Innovation's **Hortlink** publication – the latest edition is always available from your grower page, www.horticulture.com.au/prune.



Enhanced National Bee Pest Surveillance Program (MT16005)

HORT FRONTIERS

Key research provider: Plant Health Australia

This investment is delivering a nationally coordinated bee-pest surveillance program to help safeguard honey-bee and pollinator-dependent industries in Australia. It builds upon the previous *National Bee Pest Surveillance Program (MT12011)* and includes upgrading sentinel hive arrays, strengthening relationships with surveillance operators, the introduction of new elements such as Asian hornet screening and more. The surveillance is designed to enable the early detection of high-priority pest incursions that can impact on honey bees, providing the best opportunity for successful pest eradication. The prune industry is one of several contributors to the work, with the program now part of the Hort Frontiers Pollination Fund.

Full details of completed research can be found in project final reports which, when finalised, are available to order at www.horticulture.com.au/final-report-order-form. Final reports are free to Australian horticulture levy payers, registered Hort Innovation members and industry representative bodies.

Connect with
Hort Innovation!
Become a member
at **www.horticulture.com.au/membership**



Financial statement

Financial operating statement 2017/18

	R&D (\$)	TOTAL (\$)
	2017/18 July – June	2017/18 July – June
OPENING BALANCE	-14,970	-14,970
Levies from growers (net of collection costs)	39,911	39,911
Australian Government money	45,381	45,381
Other income*	-336	-336
TOTAL INCOME	84,956	84,956
Project funding	19,216	19,216
Consultation with and advice from growers	5,023	5,023
Service delivery – Base	1,002	1,002
Service delivery – Shared	1,517	1,517
Service delivery – Fund specific	1,860	1,860
TOTAL EXPENDITURE	28,617	28,617
Levy contribution to across-industry activity	612	612
CLOSING BALANCE	40,756	40,756
Levy collection costs	5,537	5,537

At the end of 2016/17, the industry's pro rata share of levy funds were committed to strategic reserves (\$9205 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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