

Persimmon Fund

2017/18
ANNUAL REPORT



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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 persimmon levy and Australian Government contributions into initiatives to help growers be as productive and profitable as possible – and 2017/18 was another fantastic year of growing better, together.

With more than \$171,000 invested by Hort Innovation into R&D for the persimmon industry during 2017/18, including into a number of new projects, I'm happy to be able to share with you all the key insights in this Hort Innovation Persimmon Fund Annual Report.

You'll find a top-level list of all R&D investments from the year on p3, and can explore the research projects in more detail from p4. Just some of the highlights include research to deliver new varieties and rootstocks, new insights into potential export markets, and work to help growers access and implement best practice, new knowledge and current technologies.

Meanwhile in marketing, the Persimmon Fund program saw some \$40,000 invested during the year to raise the profile and consumption of Australian persimmons. Find an overview of this activity from p10.

On a personal note, thank you for welcoming me as your new Relationship Manager at the tail-end of the financial year. Both I and your previous contact, Astrid Hughes, enjoyed getting to connect with you about everything going on in the Persimmon Fund, to hear your thoughts, and to share ideas. During 2018/19 I'm looking forward to even more opportunities to connect in person, and I remind you that you can reach me any time at christian.patterson@horticulture.com.au or on 0433 896 753 if there's something you'd like to ask or discuss around levy investments.

I also encourage you to explore the easy ways you can stay close to all of the good things your levy is achieving throughout the year...

- » **Become 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.
- » **Check out *Hortlink*.** This digital publication provides an update on all new, ongoing and recently completed investments in the Hort Innovation Persimmon Fund. The latest edition is always available from the Persimmon Fund page at www.horticulture.com.au/persimmon, while members have *Hortlink* sent straight to their inboxes.
- » **Engage with your industry communications program.** The *Persimmon industry extension and communication program* (PR16001) is dedicated to bringing the latest information and advice to growers, including news, outcomes and resources related to levy investments (look for the Hort Innovation Persimmon Fund logo to easily identify work related to your levy). The communications program is funded through the Hort Innovation Persimmon Fund and delivered by Persimmons Australia, with more info available on p5.

Here's to another great year of investments and connection in 2018/19,

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Making levy investments

Discover how the persimmon levy and Australian Government contributions are invested through the Hort Innovation Persimmon 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, in the case of R&D, 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 Persimmon 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 Persimmon Fund page at www.horticulture.com.au/persimmon.

The SIP document is used like a 'roadmap' by the persimmon 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/persimmon.

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 Persimmon Fund page at www.horticulture.com.au/persimmon. *Hortlink* also provides updates on ongoing and recently completed investments.

The industry communications program, run through the investment *Persimmon industry extension and communication program* (PR16001), also provides regular information on levy-funded activity. See **p5** for more.



R&D project list 2017/18

NEW INVESTMENTS IN 2017/18

PR17000	National persimmon varietal evaluation program 2018-2023
MT17002	Tropical fruit export strategy
ST16008	AgVet collaborative forum
ST17000	Generation of data for pesticide applications in horticulture crops 2018

ONGOING INVESTMENTS IN 2017/18

PR16000	Persimmon industry minor use program
PR16001	Persimmon industry extension and communication program
ST16006	Generation of residue, efficacy and crop safety data for pesticide applications in horticulture crops

INVESTMENTS COMPLETED IN 2017/18

PR13007	Australian sweet persimmon industry development project – phase 4
MT15032	Monitoring and evaluation framework for the industry Strategic Investment Plan
MT15033	Strategic Investment Plan
ST15028	Generation of residue data for pesticide minor use permit applications in horticulture crops



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 some of the key investments in the Hort Innovation Persimmon 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/persimmon as they become available.

National persimmon varietal evaluation program 2018-2023 (PR17000)

NEW IN 2017/18

Key research provider: NSW Department of Primary Industries

This investment is tasked with delivering superior and locally-adapted rootstocks for the Australian persimmon industry – suited to mainstay and new commercial varieties – and for the continued import and evaluation of new persimmon varieties. The project also aims to develop a standard clonal propagation technique for rootstocks, with guidelines on this and other persimmon management information to be produced for growers to adopt.



Tropical fruit export strategy (MT17002)

NEW IN 2017/18 & NOW COMPLETE

Key research provider: McKINNA et al

This investment was tasked with developing individual export strategies for a range of tropical commodities including persimmon, papaya, passionfruit, lychee and banana, feeding into an overarching export strategy for Australian tropical fruit.

The Persimmon Industry Export Market Development Strategy was finalised during May 2018, with its top-level overview of trade opportunities and considerations available from Hort Innovation at www.bit.ly/2LkZTjd in a brief market mapping report.

Some quick takeaways:

- » Based on the project's market analysis, Australia could potentially export 450 tonnes, or around 17 per cent of current total persimmon production, by 2023 – an increase of 307 tonnes.
- » Persimmons have cultural status in the north Asian markets of China, South Korea, Japan and Taiwan as an icon of the autumn festival, reflected in loyalty to domestically produced product and seasonal consumption. By comparison, demand in the counter-season market when Australia can supply is much more limited.
- » The best prospects for Australian persimmon exports appear to be in Southeast Asia and the Middle East. The market mapping report identifies the prime prospect markets as Hong Kong, Singapore, Malaysia, Saudi Arabia, the United Arab Emirates, Qatar and Thailand.

Following the market mapping findings, the next steps involve Hort Innovation working with industry to determine the appetite for levy investment in the export space and to subsequently roll out any trade-related R&D activities.

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/persimmon.



Generation of data for pesticide applications in horticulture crops 2018 (ST17000)

NEW IN 2017/18

Key research provider: Peracto

The generation of pesticide residue, efficacy and crop safety data is required to support label registration and minor use permit applications made to the Australian Pesticides and Veterinary Medicines Authority which, when approved, provide access to safe and effective chemicals for the management of pests, weeds and diseases.

In May 2018, Hort Innovation announced the securing of more than \$1 million in assistance grants under the Australian Government's Access to Industry Uses of Agricultural and Veterinary (AgVet) Chemicals program. Through this project, the grant funding is being used, along with levy contributions, to generate the data required for a range of registration and minor use applications across a variety of horticulture crops, including for the persimmon industry.

Similarly, there is ongoing data generation project *Generation of residue, efficacy and crop safety data for pesticide applications in horticulture crops* (ST16006), which involves grant funds from an earlier round of the AgVet program, plus some levy contributions.

Meanwhile, during 2017/18, data from the now-completed *Generation of residue data for pesticide minor use permit applications in horticulture crops* (ST15028) was used to support a range of permits, with further details on [p8](#).

Persimmon industry minor use program (PR16000)

Key research provider: Hort Innovation

Through this project, levy funds and Australian Government contributions are used to submit renewals and applications for new minor use permits for the persimmon industry, as required. These submissions are prepared and submitted to the Australian Pesticides and Veterinary Medicines Authority.

For more on minor use permits, including a list of permits, see [p8](#).

All current permits for the industry remain searchable at portal.apvma.gov.au/permits, while permit updates are also circulated in Hort Innovation's *Growing Innovation* e-newsletter, which levy-paying members receive monthly. Not a member? Sign up to the Hort Innovation membership program for free at www.horticulture.com.au/membership.

Persimmon industry extension and communication program (PR16001)

Key research provider: Persimmons Australia Inc

Beginning in early 2017, this investment is responsible for driving the awareness and adoption of R&D outcomes within the Australian persimmon industry. Its strong communication and extension initiatives are designed to keep growers and other industry stakeholders up-to-date with the latest research activity, marketing initiatives and other news and issues.

The outputs and responsibilities of the project include...

- » Production of the bi-annual *Persimmon Press* e-newsletter
- » Facilitation of industry field days and conferences
- » Management of the Persimmons Australia website, now featuring a log-in area available to Australian persimmon levy payers (www.persimmonsaustralia.com.au/login) that hosts industry resources including handbooks and guides developed through levy-funded projects, issues of *Persimmon Press* and more. Fill out the registration form on the website if you do not currently have a log-in.

Australian sweet persimmon industry development project – phase 4 (PR13007)

NOW COMPLETE

Key research provider: The Queensland Department of Agriculture and Fisheries

Established in 2014 and concluding during 2017, this project was tasked with developing new technologies and management strategies for the industry. Some of its work and findings involved...

- » **Developing effective practices for the management of mealybug.**
 - The industry now has new options for the control of mealybug, with the project looking at the effectiveness of systemic insecticides clothianidin and sulfoxaflor.
 - The project team noted that systemic insecticides are more compatible with integrated pest management programs where growers are using predators to assist in the control of mealybug, and when used at the correct time and concentration can significantly reduce mealybug populations at harvest.
 - For monitoring mealybug, the researchers noted this can be challenging, but a promising approach is to monitor fruit calyx in early December for the best indication of mealybug infestation.
 - Management strategies from the research were presented to growers through the life of the project at various industry meetings.
- » **Developing effective practices for the management of clearwing moth,** with the project investigating the use of mating-disruption pheromones. These were found to significantly reduce the damage caused by this pest where they were studied in south east Queensland.
- » **Looking at improved cool-storage practices to extend the storage life of persimmons,** to enable the industry to extend the supply season and moderate supply fluctuations in the market. The project found that treatment with SmartFresh (1-MCP) prior to cold storage at 0°C can increase the storage life of persimmons, with fruit able to be stored for up to eight weeks. The researchers noted this also makes export trade to distant markets feasible.
- » **Looking at rootstocks,** with this work now being continued through the *National persimmon varietal evaluation program 2018-2023* (PR17000) – described earlier in this R&D report. There was and will be a particular focus on identifying suitable rootstocks for both Fuyu and Jiro persimmon varieties. The research indicated persimmon orchard productivity could be improved by moving from the use of seedling rootstocks to vegetatively propagated ones, though long-term trials are required in this space to establish the most productive rootstock selections.
- » **Evaluating new persimmon varieties from international persimmon breeding programs,** though during the project's course, no varieties were found commercially suitable to the Australian sweet persimmon industry yet. Variety Rojo Brillante did, however, perform well in trials at Nambour in south east Queensland, with trees in other growing regions now needing to be monitored.
- » **Looking at removing astringency.** The research suggested that treating currently-available astringent varieties with carbon dioxide at 95 per cent for 24 hours can remove astringency while retaining acceptable flesh texture, though larger scale trials are needed to establish an official protocol for industry.

This investment also delivered the latest *Persimmon Postharvest Manual*, which is available to download from the Hort Innovation Persimmon Fund page at www.horticulture.com.au/persimmon.

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.

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com.au/membership](http://www.horticulture.com.au/membership)

Minor use permits

Why minor use permits?

While the use of pesticides and other chemicals in the horticulture industry is being modified through the increasing uptake of integrated pest management approaches, there remains a need for the strategic use of specific chemicals.

Chemical companies submit use patterns for product label registrations to the Australian Pesticides and Veterinary Medicines Authority (APVMA) – however the persimmon industry is generally provided with limited label registrations because of its ‘minor’ crop status in this area (meaning the chemical companies can consider the market size too small to generate adequate commercial returns, based on the R&D investment required). This is where minor use permits come into play. The APVMA’s national permit system adds some flexibility to the approval process and provides a legal framework that can allow access to products for minor use purposes.

Permits in 2017/18

During the 2017/18 financial year, a successful application for new permit PER85550 and successful renewals for permits PER14779, PER14548 and PER13932 were prepared by Hort Innovation and submitted to the APVMA, facilitated through the *Persimmon industry minor use program* (PR16000). All but PER13932 were also supported by data from the project *Generation of residue data for pesticide minor use permit applications in horticulture crops 2015/16* (ST15028).

Meanwhile, a renewal for PER1694 was also issued during 2017/18, with the application submitted through the industry minor use program in the previous financial year. See details for all of these permits in the table below.

Current permits

Below is a list of minor use permits for the persimmon industry, current as of September 1, 2018.

PERMIT ID	DESCRIPTION (CHEMICAL/CROP/PEST OR USE)	ORIGINAL DATE OF ISSUE	EXPIRY DATE	PERMIT HOLDER
PER12450 version 6	Trichlorfon / Specified fruit crops / Fruit fly	06-Oct-11	31-Jan-21	Growcom
PER12488 version 2	Mancozeb / Persimmon / Cercospora leaf spot or angular leaf spot	27-Oct-10	31-Mar-20	Growcom
PER12591 version 2	Methoxyfenozide (Prodigy) / Persimmon / Leaf roller, yellow peach moth, light brown apple moth and orange fruitborer	29-Jun-11	30-Sep-21	Growcom
PER80374 version 2	Bulldock (beta-cyfluthrin) / Custard apple, lychee, mango, persimmon / Various insect pests	01-Oct-15	31-Aug-22	Australian Lychee Growers Association
PER13176 version 2	Shin Etsu MD Carmenta Pheromone / Persimmon / Clearwing borer	30-Nov-12	30-Sep-20	Growcom
PER13445 version 2	Chlorothalonil / Persimmon / Cercospora leaf spot	22-Aug-12	30-Sep-20	Growcom
PER13694 version 2	Methidathion / Persimmon / Various insect pests (NB: This product currently has supply issues)	01-Oct-12	30-Sep-22	Hort Innovation

[Continues >>](#)



PERMIT ID	DESCRIPTION (CHEMICAL/CROP/PEST OR USE)	ORIGINAL DATE OF ISSUE	EXPIRY DATE	PERMIT HOLDER
PER13932 version 2	Chlorpyrifos / Persimmon / Cluster grub	01-May-13	31-Mar-23	Hort Innovation
PER13933 version 2	Petroleum oil / Persimmon / Scale insects	01-Jan-13	30-Nov-22	Hort Innovation
PER14743 version 2	Trichlorfon / Custard apple, lychee, mango and persimmon / Flatid planthopper, flower eating caterpillar, looper and yellow peach moth; Suppression only: fruit-spotting bug, banana-spotting bug, green vegetable and lychee stink bug	01-Jun-14	30-Jun-20	Growcom
PER14547	Chlorpyrifos (Lorsban) / Persimmon / Mealybug	13-Jul-14	30-Jun-19	Growcom
PER14548 version 2	Methomyl (Lannate-L) / Persimmon / Thrips	13-Jul-14	31-Jul-23	Hort Innovation
PER14779 version 2	Clothianidin (Samurai) / Persimmon / Mealybug	13-Jul-14	30-Apr-23	Hort Innovation
PER13859	Dimethoate / Orchard clean-up – fruit fly host crops following harvest / Fruit fly	09-Feb-15	31-Jul-24	Growcom
PER85550	Alpha-cypermethrin / Persimmon / Fruit fly	14-Jun-18	30-Jun-23	Hort Innovation
PER80378	Sulfoxaflor (Transform) / Persimmon / Mealybug	26-Apr-15	31-Mar-20	Growcom

All efforts have been made to provide the most current, complete and accurate information on these permits, however you should always confirm all details on the APVMA website at portal.apvma.gov.au/permits. Details of the conditions of use associated with these permits can also be found on the APVMA site.

Minor use permit updates are circulated in Hort Innovation's e-newsletter, **Growing Innovation**, which levy-paying members receive monthly. Not a member? Sign up for free at www.horticulture.com.au/membership.

Marketing report

Hort Innovation is responsible for investing the persimmon marketing levy into activities to drive awareness and consumption of the fruit, under the Hort Innovation Persimmon Fund. Here's a quick look at some of the activities and achievements of the 2017/18 program.

In collaboration with industry, Hort Innovation developed a new, two-year strategic approach for the marketing campaign, starting in the 2017/18 financial year. Building on previous campaigns focusing on the seasonality of persimmons, the new overarching strategy highlights that 'Australian persimmons make autumn awesome'. The goal of the first year of activity was to inspire, educate and spark the curiosity of Australian consumers, while giving them the confidence to try persimmons for the first time, or buy them again. Taste, selection, usage, recipe development and storage messaging accompanied the focus on seasonality, along with supporting messages around nutrition.

New content creation

Photographer and food stylist Jennifer Jenner was enlisted to help refresh four existing persimmon recipe assets with new imagery, including Honey Baked Persimmons, Persimmon Rice Paper Rolls, Chewy Persimmon and Ginger Cookies, and Persimmon and Herb Chicken Salad. These assets were used to pitch new persimmon content to the media, and were also shared through Persimmons Australia social channels.




perimmonsaustralia



RICE PAPER ROLLS

SERVES: 8

INGREDIENTS	METHOD
<ul style="list-style-type: none"> • 200g dried rice vermicelli • 8 10cm round rice paper wrappers • 8 medium butter lettuce leaves, washed • 8 large cooked king prawns, peeled, deveined and sliced in half lengthways • 24 fresh mint leaves • 1 small Fuyu feta/persimmon, sliced • 1 small Japanese cucumber, sliced • 24 fresh coriander leaves <p style="margin-top: 10px;">Dipping sauce</p> <ul style="list-style-type: none"> • 1 ltr Japanese rice vinegar • 4 tbs hoisin sauce • 1 ltr unroasted peanuts (or almonds), roughly chopped <p style="margin-top: 10px; font-size: 8px;">Photo by Jennifer Jenner</p>	<ol style="list-style-type: none"> 1. Prepare rice vermicelli as per packet instructions, drain well. 2. Combine all sauce ingredients for dipping. 3. Place one rice sheet in warm water until just softened, remove from water and place on a clean, damp tea towel. 4. Lay a lettuce leaf over the wrapper, top with two pieces of prawn horizontally, three mint leaves, a little persimmon, cucumber, rice vermicelli and three coriander leaves. 5. Fold bottom of wrapper up over the filling, fold side in, roll up tightly. Keep rolls under damp cloth while preparing remaining ingredients. 6. Serve with dipping sauce.

#ALISSEPERSIMMONS
www.persimmonsaustralia.com.au

Influencer and media outreach

Coverage was secured in three components of outreach activity. Firstly, persimmon hampers containing both sweet and original varieties plus fact/tip sheets and recipe cards were sent to 11 top-tier media and influencer targets. The resulting coverage across traditional and social media that was directly generated by this activity reached almost 600,000 people.

The second component involved continued seasonal outreach throughout the campaign, resulting in coverage in highly-read publications including *Woman's Day*, *Australian Women's Weekly* and *New Idea*.

Finally, farm 'famils' (media familiarisation trips) were organised, with two outlets taken on a tour of Kathleen Haven Orchard in Cobbitty for a first-hand experience of life on a persimmon farm. More details on this are in the 'Farm famils' section of this report.



As a result of the outreach activity, a total of 33 media articles and 27 pieces of social media coverage were created and shared, reaching more than 11.7 million people combined. The majority of pieces included the re-developed recipes and used taste and seasonality messaging.

Farm familis

Two media outlets were taken to Kathleen Haven Orchard to learn how persimmons are grown: dietitian Rebecca Gawthorne of @nourish_naturally and Jane de Graaff, Director of Food at 9Kitchen. Accompanied by grower and president of Persimmons Australia Brett Guthrey, they were taken on a tour of the packing sheds and the orchard, and had a persimmon picnic lunch.

Rebecca Gawthorne posted multiple times on her Instagram channel during the visit, wrote a blog post about it and continued to post highlights after the famil. Her activity reached almost 800,000 people. In addition, Rebecca developed a recipe for healthy persimmon cookies, which she shared multiple times across her channels.

Jane de Graaff posted on her personal social channels on the day and after the fact, and published an article and video on 9Kitchen about her day on the farm. This provided persimmon information and inspiration to almost 400,000 people.



Social media activity

The Persimmons Australia Facebook and Instagram accounts started posting content in mid-March 2018 to coincide with the start of the season, with the last post on June 28. The social campaign generated strong results, with plenty of positive comments from Australian consumers and engaged persimmon fans being posted.

The announcement of the persimmon season was a popular post on both platforms. On Facebook, the top post for the season was one of the new recipe images, showing people's appreciation for new persimmon usage ideas and inspiration. Over the course of the campaign, more than 618,000 people were reached, with sweet persimmons featuring in more than 80 per cent of the posts.

On Instagram, the top-performing post was a shot of freshly picked original persimmons taken straight from the farm. The image was shot on location during the farm famil activity, helping get the audience excited to buy persimmons, and helping them connect with the farmers who grow them. Over the course of the campaign, more than 265,000 people were reached with the Instagram activity, with a high engagement rate of 17 per cent (the percentage of people interacting in some way with the posts, such as liking, commenting or re-posting in their own channels).

Financial statement

Financial operating statement 2017/18

	R&D (\$)	MARKETING (\$)	TOTAL (\$)
	2017/18 July – June	2017/18 July – June	2017/18 July – June
OPENING BALANCE	67,450	-1,093	66,357
Levies from growers (net of collection costs)	73,474	48,504	121,978
Commonwealth funds	107,368	–	107,368
Other income	1,943	551	2,494
TOTAL INCOME	182,785	49,055	231,840
Project funding	171,563	40,503	212,066
Consultation with and advice from growers	7,217	3,823	11,040
Service delivery – Base	7,388	1,832	9,219
Service delivery – Shared	11,187	2,774	13,961
Service delivery – Fund specific	17,380	3,402	20,782
TOTAL MATCHED EXPENDITURE	214,735	52,332	267,068
Levy contribution to across-industry activity	4,515	–	4,515
CLOSING BALANCE	30,984	-4,371	26,614
Levy collection costs	2,792	2,340	5,132

At the end of 2016/17, the industry's pro rata share of levy funds were committed to strategic reserves (\$14,700 for R&D and \$10,739 for marketing), 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.

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