

**Kiwifruit Vine Health Incorporated (KVHI)**  
**Annual General Meeting Agenda**  
**Wednesday 23 August 2023 at 9.00am**  
**Suite 1, Mercury Baypark, Truman Lane, Mt Maunganui**



Microsoft Teams meeting  
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Meeting ID: 418 669 942 215

Passcode: r9Ld3p

1. Mihi whakatau – Chair of Māori Kiwifruit Growers Inc, Anaru Timutimu.
2. Welcome, Apologies and Confirmation of Quorum (quorum of 20 members required, inclusive of body corporates) – Chair, David Tanner.
3. Approval of the Minutes of the Annual General Meeting of Kiwifruit Vine Health Incorporated held on 24 August 2022 and Matters Arising from those Minutes – Chair, David Tanner.
4. Kiwifruit Vine Health Incorporated Chair & Chief Executive Reports - Chair, David Tanner and Chief Executive, Leanne Stewart.
5. Kiwifruit Vine Health Incorporated's Financial Reports – Chief Executive, Leanne Stewart.
6. Approval of the 2024-25 Biosecurity (Readiness and Response – Kiwifruit Levy) and the Biosecurity (Kiwifruit National Pathway Management Plan – Kiwifruit Levy) levy rates - Chief Executive, Leanne Stewart.
7. Kiwifruit Vine Health Incorporated's Budget for 2024-25 - Chief Executive, Leanne Stewart.
8. Directors Remuneration - Chair, David Tanner.
9. Appointment of the Auditor for Kiwifruit Vine Health Incorporated - Chair, David Tanner.
10. Approval of KVH Rule Changes - Chief Executive, Leanne Stewart.
11. Grower Director Elections - Chair, David Tanner.  
Vacancy 1: No Resolution Required  
Vacancy 2: Voting Required  
(An opportunity to hear from the grower director candidates will be provided)
12. General business  
Business to be taken from people in attendance at the meeting provided that no motions are required to be passed. It is a requirement of the Rules that all Members must be given at least three business days' written notice of the business to be conducted of any Society meeting. Two additional business days should be allowed to deliver that written notice to all Members.
13. Close of AGM.

**Explanation of Voting at AGM and of Grower Directors**

The business to be conducted at the AGM is set out in the above agenda. Voting put to the AGM is by online and optional postal ballot and by voting at the AGM on the separate voting form. Unless otherwise specified voting papers submitted to KVH by post or by Members attending the AGM by the end of the AGM will be counted. The Boards will declare the result of the voting on resolutions put to the AGM following the AGM on the website and in the KVH Bulletin on 31 August 2023.



14. Presentation from Ruth Underwood, Fruition Horticulture on her recent report on the potential financial impact of a fruit fly incursion in the Bay of Plenty.

*Following the close of the meeting please join the KVH Board, and NZKGI Executive Committee & Forum for morning tea followed by an address by Dr John Roach, MPI Chief Science Advisor on the future of food and policy changes.*

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# Explanation of Resolutions

## Kiwifruit Vine Health Incorporated - 2023 Annual General Meeting

### KVHI 2022 Annual General Meeting Minutes – Resolution 1 (Item 3 of Agenda)

**Proposed resolution:**

That the minutes of the Annual General Meeting of Kiwifruit Vine Health Incorporated held on 24 August 2022 be approved as a true and accurate record.

***Explanatory Information***

*The minutes for the last Annual General Meeting, held on 24 August 2022 have been distributed with the AGM pack. The Chair will invite members to discuss the content of the previous minutes and to ask any questions. The Chair will then put the above resolution to the meeting.*

*The resolution requires 50% or more of the votes cast by Members to be in favour of the resolution for it to pass.*

**Board recommendation:**

The KVHI Board recommends that Members approve the minutes of the Annual General Meeting held on 24 August 2022.

### KVHI Chair and Chief Executive Reports – Resolution 2 (Item 4 of Agenda)

**Proposed resolution:**

That the Chair and Chief Executive Reports for Kiwifruit Vine Health Incorporated be approved.

***Explanatory Information***

*These reports have been distributed with the AGM pack. The Chair and Chief Executive will speak to their reports and invite members to discuss the content of the reports and ask any questions. The Chair will then put the above resolution to the meeting.*

*The resolution requires 50% or more of the votes cast by Members to be in favour of the resolution for it to pass.*

**Board recommendation:**

The KVHI Board recommends that Members approve the Chair and Chief Executive Reports.

## KVHI Financial Reports – Resolution 3 (Item 5 of Agenda)

### **Proposed resolution**

That Kiwifruit Vine Health Incorporated's Financial Report for the twelve months ending 31 March 2023 be approved.

### **Explanatory Information**

*The full audited financial reports and statements for KVHI, including an unqualified audit report, have been distributed in the AGM pack. These accounts are presented in accordance with the Special Purpose Financial Reporting Framework for use by For Profit Entities as published by the New Zealand Institute of Chartered Accountants.*

*KVHI's Chief Executive will present the financial statements and invite members to question any aspect of the statements. The Chair will then put the above resolution to the meeting.*

*The resolution requires 50% or more of the votes cast by Members to be in favour of the resolution for it to pass.*

### **Board recommendation:**

The KVHI Board recommends the Members approve the Financial Statements of Kiwifruit Vine Health Incorporated for the twelve months ending 31 March 2023.

## 2024-25 Levy Rates – Resolution 4 (Item 6 of Agenda)

### **Proposed resolution:**

1. That for the year ending 31 March 2025 the Biosecurity (Readiness & Response – Kiwifruit Levy) levy continues at the rate of eight tenths of a cent per tray equivalent on all commercial varieties of kiwifruit except *Actinidia arguta*, exported to all markets other than Australia.
2. That for the year ending 31 March 2025 the Biosecurity (Kiwifruit National Pathway Management Plan – Kiwifruit Levy) levy continues at the rate of six tenths of a cent per tray equivalent on all commercial varieties of kiwifruit except *Actinidia arguta*, exported to all markets other than Australia.

### **Explanatory Information**

*KVHI undertakes annual assessment and planning for biosecurity response liabilities, managing wider pathway risk and maintaining our ability to undertake effective wider biosecurity operations. Factors that are considered include growth in the value of the kiwifruit industry, seasonal performance, inflation, changes in operating expenses and GIA cost-share changes that increase our potential response liability obligations.*

*At the 2021 AGM the total levy was decreased from 1.6c to 1.4c per tray equivalent, which has been in effect since the 2022-23 financial year. The KVHI levies are proposed to remain set at their current level of six tenths of a cent per tray equivalent for the Biosecurity (Kiwifruit National Pathway Management Plan - Kiwifruit Levy) and eight tenths of a cent per tray equivalent for the Biosecurity (Readiness and Response – Kiwifruit Levy), for the reasons set out below.*

*As per consultation with growers during the development of the Pathway Plan and the proposal to government to obtain Parliamentary approval for the Pathway Plan the levy was set at four tenths of a cent per tray equivalent in its first year (2022-23), which overlapped with the final year of the National Psa-V Pest Management Plan (NPMP) to use the remaining levy reserves, and then will be*

*set at six tenths of a cent per tray equivalent for the 2023-24 financial year onwards. This levy can be increased to a total of seven tenths of a cent per tray equivalent if needed in the future.*

*The Biosecurity (Readiness and Response – Kiwifruit Levy) will remain at eight tenths of a cent per tray equivalent for the 2024-25 financial year. This will allow KVHI to continue to collect levy to meet our response liability obligations as a partner of the Government Industry Agreement for Biosecurity Readiness and Response (GIA) and undertake effective wider biosecurity activities to support the kiwifruit industry to protect itself from biosecurity risks.*

*GIA is a partnership between government and industry for improving New Zealand's biosecurity. Under GIA, industry organisations (such as KVHI on behalf of the kiwifruit and kiwiberry sectors) and the Ministry for Primary Industries (MPI) signed a Deed that formally established the biosecurity partnership. The GIA Deed outlines the principles for the partnership and the commitments that each signatory makes including joint decision making and cost sharing for readiness and response. Under GIA, industries identify the biosecurity risks of greatest concern to them, and jointly by way of operational agreements, agree with government what readiness and response approaches are required.*

*KVHI signed the GIA Deed in May 2014, and has entered into six Operational Agreements ("OA"):*

- i. In May 2016, the first multi-sector readiness and response OA under GIA was signed for the management of fruit fly in New Zealand.*
- ii. In March 2017, KVHI signed a sector readiness and response OA, on behalf of the kiwifruit and kiwiberry sectors, to help manage the impacts of four kiwifruit sector specific threats - Ceratocystis fimbriata, Verticillium wilt, Psa non-NZ strains and Invasive Phytophthoras.*
- iii. In July 2017, the second multi sector readiness and response OA for Brown Marmorated Stink Bug (BMSB) was signed.*
- iv. In July 2020, a third multi sector readiness OA was signed to develop Xylella fastidiosa Operational Specifications, this OA does not have response liabilities.*
- v. In June 2021, a fourth multi sector readiness OA for the Plant Production Biosecurity Scheme was signed, this OA does not have response liabilities.*
- vi. In February 2023, a fifth multi sector readiness OA was signed for Lepidoptera, this OA does not have response liabilities.*

*KVHI provides for potential response liability obligations using a combination of reserves held in KVHI, and a right to call on Members by way of an increase to the Biosecurity levy, as provided for in the levy regulations. Currently the maximum levy cap that can be set under The Biosecurity (Readiness and Response – Kiwifruit Levy) is five cents per tray. If a response was to be prolonged with significant costs associated to ensure eradication, or a further response of another organism occurred, then KVHI could request an increase in the Biosecurity levy up to this cap. KVHI's potential response liability obligations for 2024-25 is \$6.2 million which means KVH require reserves to meet 50% of this liability at \$3.1m.*

*The resolution requires 50% or more of the votes cast by members to be in favour of the resolution for it to pass.*

**Board recommendation:**

The KVHI Board recommends the Biosecurity (Readiness & Response – Kiwifruit Levy) levy continues at eight tenths of a cent and the Biosecurity (Kiwifruit National Pathway Management Plan – Kiwifruit Levy) levy continues at six tenths of a cent per tray equivalent for the 2024-25 financial year.

## 2024 – 2025 KVHI Budget - Resolution 5 (Item 7 of Agenda)

### **Proposed resolution:**

That Kiwifruit Vine Health Incorporated's Budget for the 2024-2025 year be approved.

### **Explanatory Information**

*The budget for KVHI includes revenue and expenses for meeting the obligations for readiness and response under the GIA and associated Operational Agreements (OA's) and managing wider pathway risk on behalf of the kiwifruit industry. These respective revenue and expense streams are managed separately from each other, with common activities receiving proportional allocations.*

*For the KVHI's combined budget for 2024-2025:*

- 1. The levies have been included in this budget:
  - *For the Biosecurity Levy, based on 180 million trays, at a proposed rate of eight tenths of a cent per tray equivalent for all commercial varieties of kiwifruit except Actinidia arguta, exported other than to Australia.*
  - *For the Pathway Plan Levy, also based on 180 million trays, at a proposed rate of six tenths of a cent per tray equivalent for all commercial varieties of kiwifruit except Actinidia arguta, exported other than to Australia.**
- 2. Six Operational Agreements (OAs) have been entered into by KVHI under the GIA. As part of these OAs KVHI has an obligation to fund readiness costs estimated at \$150,000 for both Fruit Fly and Brown Marmorated Stink Bug (BMSB) plus other developing work under GIA. This also includes contribution towards GIA administration and secretariat costs. It should be noted that no response costs are included in the budget. Response costs will be incurred only when and if an incursion occurs. KVHI's potential response liability obligations for 2024-25 is \$6.2 million.*
- 3. Noting that KVHI is operating another lean budget for 2024-25, given the industry's headwinds. Changes to note across the cost centres include a reduction in strategic projects, GIA, wild kiwifruit, research and development and professional services. There is also a reduction in the people cost centre due to unrelated expenses being moved into the operations cost centre, which results in a reduction and increase, respectively. There is an overall reduction in expenses of 3.1% (80k).*
- 4. Noting that there is projected to be a small surplus for the year ending 31 March 2024 of \$1k, resulting in an overall reserve of \$2.6m.*

*The resolution for approval of these budgets requires 50% or more of the votes cast by Members to be in favour of the resolution for it to pass.*

### **Board recommendation:**

The KVHI Board recommends the Members approve the KVHI 2024-2025 Budget.

## Directors Remuneration – Resolution 6 (Item 8 of Agenda)

### **Proposed resolution:**

That the Kiwifruit Vine Health Incorporated director fees remain unchanged for the 2023-24 financial year.

### **Explanatory Information**

*The KVHI Directors have discussed potential increases to their fees for 2023-24, following the recommendations made by the KVHI Remuneration Committee in 2022, to maintain regular increases based on changes to the Consumers Price Index (CPI). However, given the industry's headwinds, the directors are not seeking any increase to their fees for the 2023-24 financial year.*

*The below table sets out the increase of Director's for the 2023-24 financial year.*

<b>Position</b>	<b>Current rate</b>	<b>New rate</b>
Chair	\$40,000	No change
Director	\$20,500	No change

*The resolution requires 50% or more of the votes cast by Members to be in favour of the resolution for it to pass.*

**Board recommendation:**

The KVHI Board recommends the Members approve no change to their fees, as from 1 August 2023.

## **Appointment of Auditor – Resolution 7 (Item 9 of Agenda)**

**Proposed resolution:**

That BDO be appointed as the auditor of Kiwifruit Vine Health Incorporated for the 2023-2024 financial year.

**Explanatory Information**

*At the 2022 AGM, Members agreed to change the KVHI auditor of five years from William Buck to BDO. BDO New Zealand Limited, a limited liability company, is a member of BDO International Limited, a UK company and forms part of the international BDO network of independent member firms.*

*The Rules provide that included in the role of Members is the appointment or re-appointment of an auditor.*

*The resolution requires 50% or more of the votes cast by Members to be in favour of the resolution for it to pass.*

**Board recommendation:**

The KVHI Board recommends that BDO be appointed auditor for the 2023-24 financial year.

## **KVHI Rules – Resolution 8 (Item 10 of Agenda)**

**Proposed Resolution:**

That the KVHI Rules purpose section be changed to remove the reference to the National Psa-V Pest Management Plan, align with KVHI's strategic direction and include Emergency Response Management be approved.

**Explanatory Information**

*A copy of the "marked up" Rules are included in the AGM pack. There were minor changes made to the KVHI Rules to update the purpose of the society to remove the reference to the National Psa-V Pest Management Plan that has expired, align with the KVHI strategic direction and allow KVH to support the kiwifruit industry during adverse events through using our existing skillsets through an Emergency Response Management coordination role.*

*The resolution requires 50% or more of the votes cast by Members to be in favour of the resolution for it to pass.*

**Board recommendation:**

The KVHI Board recommends the Members approve the proposed changes to the KVHI Rules purpose section to remove the reference to the National Psa-V Pest Management Plan, align with KVH's strategic direction and include reference to Emergency Response Management.

## KVHI Rules – Resolution 9 (Item 10 of Agenda)

### Proposed Resolution:

That the proposed changes to the KVHI Rules be approved.

### Explanatory Information

*A copy of the "marked up" Rules are included in the AGM pack. There are minor changes made to the KVHI Rules to update them to align with current best practice.*

*The below is an overview of changes made within the amended rules:*

Section	Change summary
5.5: Transitional provisions	Removal of the 'Transitional provisions' from the rules, given they're now outdated.
5.6: Removal of Directors	Addition of provisions for removal of directors when they are incapable or there is a serious breach of duties or inappropriate behaviour
7.2: Role of Advisory Forum	Removal of reference to the National Psa-V Pest Management Plan.
10: Society meetings	Addition of provisions for the types of meetings that can be conducted and ability for proxy use.
10.7: Method of voting	Addition of provision to allow for proxy voting.
10.8: Quorum	Addition of reference to allow for different types of meetings for quorum.
10.9: Chair	Removal of gender specific reference in this section.
11.4: Common seal	Addition of the common seal provision that was deleted in 2018.
13: Altering the rules	Removal of reference to 'postal' ballot, allowing for broadening voting options.
15.1: Alternative dispute resolution	Update of dispute resoluter company name.
16.1: Definitions and miscellaneous matters	Removal of reference to the National Psa-V Pest Management Plan. under the levy definition.
17: Repeal of previous rules	Addition of two more signing blocks to meet the Incorporated Society Act requirements.
Other	Minor editorial and formatting changes.

*The resolution requires 50% or more of the votes cast by Members to be in favour of the resolution for it to pass.*

### Board Recommendation

The KVHI Board recommends the Members approve the proposed changed to the KVHI Rules.

## KVH Board Grower Director Elections (Item 11 of Agenda)

### Vacancy 1: No Resolution Required

There is one three-year grower member vacancy for the KVHI Board and one candidate standing for election. Therefore, Simon Cook has been duly elected to the KVHI Board for a three-year term.

**Vacancy 2: Voting Required**

As David Tanner is retiring from the KVHI Board there is an additional vacancy on the Board for the remainder of his term, for a one-year period until the 2024 AGM. KVHI has received nominations for two candidates (Sandy Scarrow and Liarna White) for this vacancy therefore an election is required.

A separate voting form and the nominee's biographies are included in the AGM pack for your reference.

**General Business (Item 12 of Agenda)**

Items to be taken from those attending the meeting, provided that no motions are required to be passed. It is a requirement of the Rules that all Members must be given at least three business days' written notice of the business to be conducted of any Society meeting. Two additional business days should be allowed to deliver that written notice to all Members.



# Annual General Meeting

## Kiwifruit Vine Health Incorporated

24 August 2022 at 9.00am

**Held at:** Trustpower Baypark, 81 Truman Lane, Mount Maunganui  
and Microsoft Teams Video Conferencing

### Members in person

David Tanner (Chair), Craig Thompson (Director), Dermott Malley (Director), Amy Willoughby (Director), Anaru Timutimu, Whetu Rolleston, Tom Davies, Sally Gardiner, John Bourke, Chris Anstis, Barry O'Neil, Craig Wallis, Mike Smith, Nathan Flowerday, Ross Bawden, Mark Mayston, Steve Thomas, Tim Mayston, John Cook, Austin & Anne Benn, Doug Brown, Haki McRoberts, Rongo Puha, Ratahi Cross, Grant Jeffrey, Stephen Butler, Marty Blake, Karen & Andy Roche, Ruth Underwood, Ronnie Te Moana, Sam Coxhead, Genevieve Griffin-George, Helen Allan, Nicholas Woolsey, Colin Bond, Paul Jones, Monty Spencer & Mark Hudson.

### Members attending via Microsoft Teams Video Conferencing:

Simon Cook (Director), Karen Pickford & Te Waitangi.

### In attendance in person:

Leanne Stewart, Jacqui Craig, Matt Dyck, Lisa Gibbison, Monique Finlay, Linda Peacock, Erin Lane, Yanika Reiter, Kerry O'Neil, Fiona Carrick (Director), Georgia Monks, Isiah Roberts (Electionz), Kate Longman, Gavin Stagg, Kirsty Bent, Erin Atkinson, Sue Groenewald, Craig Ward, Kathy Mason, Richard Dey, Mike Murphy, Neil Moge, Di Holloway, Brad Ririnui, Tanya Vickers & Ian Proudfoot

### In attendance via Microsoft Teams Video Conferencing:

Gustavo del Canto & Andrew McConnell

### Apologies:

Phil Jones, Julian Raine, Mark Gardiner, Nadine Tunley, Phil Jones, Cam Clayton, Stu Hutchings, Robbie Mayston & Aidan Bourke

Item	Discussion
<b>Meeting Administration</b>	<ul style="list-style-type: none"><li>Those present were welcomed to the meeting.</li><li>The meeting accepted the apologies.</li><li>The Chairman instructed the members on how to raise topics during the meeting.</li><li>The Chairman advised that Electionz are the independent scrutineer, and that voting will close at 5.00pm.</li><li>The Chairman requested confirmation of the quorum, which was confirmed by the Company Secretary.</li><li>The KVH 2022 AGM was declared open by the Chairman.</li><li>The Chairman asked for items of General Business of which there were none.</li></ul>

	<p><b>Minutes of the Annual General Meeting held on 18 August 2021.</b> The meeting considered the minutes of the previous meeting which were distributed with the AGM papers.</p> <p>Resolution 1: <b>Resolved that:</b> <b>The minutes of the Annual General Meeting of Kiwifruit Vine Health Incorporated held on 18 August 2021 be approved as a true and accurate record.</b> <i>Amy Willoughby/Mark Mayston</i></p> <p><b>Matters Arising</b> There were no matters arising from the minutes.</p>
<b>Chairman &amp; Chief Executive Reports</b>	<p>David Tanner introduced the Chairman's Report. The Chair noted some key points from the previous 12 months in his report which included:</p> <ul style="list-style-type: none"> <li>• The need to improve our resilience as a community.</li> <li>• The implementation of the new National Pathway Management Plan to manage biosecurity risks through better protection and increased simplicity around standards for on-orchard activities.</li> <li>• The development of biosecurity tools for growers to integrate biosecurity into their day-to day activities, raising on-orchard biosecurity awareness and improving biosecurity behaviours.</li> <li>• Thank you and farewell to long serving KVH team members, Karyn Lowry &amp; John Mather.</li> <li>• Thank you and farewell to KVH Associate Director, Cody Bent and welcome to Erin Atkinson who has been appointed to the Associate Director position.</li> <li>• Thank you to the KVH Board and staff for their ongoing commitment to ensuring the best biosecurity outcomes for growers and the wider industry.</li> </ul> <p>Leanne Stewart introduced the Chief Executive's Report. The CE noted some key points in her report which included:</p> <ul style="list-style-type: none"> <li>• The importance of preparedness for a future biosecurity response.</li> <li>• Working with industry to refine the proposed Pathway Plan and adjusting the plan's requirements based on industry consultation and feedback.</li> <li>• The implementation of new grower tools and technologies for growers to meet the requirements of the Plan.</li> <li>• Detailing the partnerships and networks that KVH is active in.</li> <li>• Thank you to NZKGI &amp; Zespri for their ongoing support of KVH's activities.</li> </ul> <p>Resolution 2: <b>Resolved that:</b> <b>The Chairman and the Chief Executive's reports for Kiwifruit Vine Health be approved.</b> <i>David Tanner/Andy Roche</i></p>
<b>Financial Reports</b>	<p>A full set of the Annual Accounts to 31 March 2022 were distributed with the AGM papers. A summary of the financial reports and statements was presented by Leanne Stewart noting:</p> <ul style="list-style-type: none"> <li>• An unqualified audit report has been signed off for KVH by auditor, William Buck.</li> <li>• Special purpose financial reporting framework was used.</li> <li>• There was an income increase from 2021 of \$319k to \$2.829m.</li> <li>• A surplus of \$702k for the 2021/2022 financial year with expenses increasing by \$134k from 2021.</li> </ul>

	<p>Key changes in expenditure:</p> <ul style="list-style-type: none"> <li>• Increase in Education &amp; Awareness of \$42k</li> <li>• Increase in GIA Operational costs of \$27k</li> <li>• Increase in Wild kiwifruit control of \$36k</li> <li>• Increase in Weather Monitoring of \$18.5k.</li> </ul> <p>Total reserves of \$3.4m for the financial year ending 31 March 2022 in line with KVH Reserves Policy.</p> <p>Resolution 3:  <b>Resolved that:</b>  <b>Kiwifruit Vine Health Incorporated's Financial Report for the twelve months ending 31 March 2022 be approved.</b>  <i>Simon Cook/Ratahi Cross</i></p>
<b>Levy Changes</b>	<p>Leanne Stewart presented the Biosecurity Readiness &amp; Response Levy and the Pathway Plan Levy rates. Key points included:</p> <ul style="list-style-type: none"> <li>• Levy rates for the 2023/2024 financial year are based on 197m trays.</li> <li>• To maintain the overall levy of 1.4c per tray equivalent, the Biosecurity Readiness and Response levy will reduce to eight tenths of a cent per tray equivalent for the 2023/2024 financial year.</li> <li>• The Kiwifruit National Pathway Management Plan levy will increase from four tenths of a cent to six tenths of a cent per tray for the 2023/2024 financial year.</li> </ul> <p>Resolution 4  <b>Resolved that:</b></p> <ol style="list-style-type: none"> <li>1. <b>That for the year ending 31 March 2024 the Biosecurity (Readiness &amp; Response – Kiwifruit Levy) levy decreases to the rate of eight tenths of a cent per tray equivalent on all commercial varieties of kiwifruit except Actinidia arguta, exported to all markets other than Australia.</b></li> <li>2. <b>That for the year ending 31 March 2024 the Biosecurity (Kiwifruit National Pathway Management Plan – Kiwifruit Levy) levy increases to the rate of six tenths of a cent per tray equivalent on all commercial varieties of kiwifruit except Actinidia arguta, exported to all markets other than Australia.</b></li> </ol> <p><i>Dermott Malley/Doug Brown</i></p>
<b>KVHI Budget</b>	<p>The budget for Kiwifruit Vine Health Incorporated for the 2023/2024 year was circulated with the AGM papers and was presented by Leanne Stewart. It was noted as follows:</p> <ul style="list-style-type: none"> <li>• Income was based on an estimate of 197m trays exported.</li> <li>• Overall surplus of \$21k resulting in reserves of \$3.1m.</li> <li>• Changes in the budget include increases in Education &amp; Awareness, Governance, GIA, People &amp; Wild Kiwifruit resulting in an overall increase of \$42k.</li> </ul> <p>Resolution 5:  <b>Resolved that:</b>  <b>Kiwifruit Vine Health Incorporated's Budget for 2023-2024 year be approved.</b>  <i>Craig Thompson/Karen Roche</i></p>
<b>Appointment of Auditor</b>	<p>No questions or issues were raised, and no comments made.</p> <p>Resolution 6:  <b>Resolved that:</b></p>

	<p><b>William Buck be appointed as the auditor of Kiwifruit Vine Health Incorporated for the 2022-2023 financial year.</b></p> <p><i>Fiona Carrick/Ratahi Cross</i></p>
<b>Directors Remuneration</b>	<p>The KVH Board commissioned the Directors Remuneration Committee to provide an external review of the KVH Director fees in 2022. The next external review will be completed in 2026.</p> <p>John Bourke (Director Remuneration Committee) presented the review on the KVH Directors Remuneration and the Director Remuneration Committee's recommendation.</p> <p>Resolution 7:  <b>Resolved that:</b>  <b>The Kiwifruit Vine Health Incorporated Directors fees be adjusted to \$40,000 for the Chairman and \$20,500 for the Directors with effect from 1 August 2022, based on a recent external review of director's fees conducted by the KVH Remuneration Committee.</b></p> <p><i>John Bourke/Barry O'Neil</i></p>
<b>Directors Response Remuneration</b>	<p>John Bourke presented the Directors Remuneration Committee's recommendation to recognise the level of expertise and time involved over and above a director's normal responsibilities that may be called upon during a kiwifruit industry biosecurity response.</p> <p>Resolution 8:  <b>Resolved that:</b>  <b>The Kiwifruit Vine Health Incorporated Director remuneration for additional duties undertaken in a biosecurity response be set at an hourly and daily rate of \$230-250 and \$1,800-2,000 for the Chairman, respectively, and \$170-190 and \$1,300-1,500 for Directors, respectively, based on a recent external review of director's fees conducted by the KVH Remuneration Committee.</b></p> <p><i>John Cook/Monty Spencer</i></p>
<b>KVHI Rules</b>	<p>Leanne Stewart presented the proposed minor changes to the KVHI Rules which includes: an update to KVHI's registered address, the purpose to incorporate the Kiwifruit National Pathway Management Plan and minor formatting corrections.</p> <p>Resolution 9:  <b>Resolved that:</b>  <b>The proposed changes to the Kiwifruit Vine Health Incorporated Rules be approved.</b></p> <p><i>David Tanner/Steve Thomas</i></p>
<b>Director Elections</b>	<p>There was one grower member vacancy for the KVH Board and one candidate standing for election. Therefore, no resolution was required, and Dermott Malley was duly elected to the KVH Board for a three-year term.</p> <p>Dermott Malley addressed the Members.</p>
<b>General Business</b>	No general business was raised.
<b>Close of AGM</b>	The Chairman thanked the members for attending the 2022 AGM and for their support of the activities of KVH and closed the meeting at 9.40am.

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Following the close of the AGM, special guest Ian Proudfoot - KPMG Global Head of Agribusiness, addressed the meeting noting that Biosecurity has retained the number one ranking in KPMG's annual Agribusiness Agenda priorities survey for 12 years running and spoke of the challenges and opportunities that lay ahead for the food production sector, particularly following Covid-19.

**Minutes approved as a true and correct record.**

**Signed:**

\_\_\_\_\_  
**Chairman**

\_\_\_\_\_  
**Date**

DRAFT



## Kiwifruit Vine Health Incorporated

Special Purpose Financial Report  
for the year ended 31 March 2023



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## Kiwifruit Vine Health Incorporated

Independent auditor's report to the Members

### Report on the Audit of the Financial Report

#### Opinion

We have audited the special purpose financial statements of Kiwifruit Vine Health Incorporated (the Society), which comprise the statement of financial position as at 31 March 2023, and the statement of financial performance and statement of movements in equity 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 are prepared, in all material respects, in accordance with the accounting policies outlined in Note 1 to 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 Company in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Society.

#### Emphasis of Matter – Basis of Accounting

We draw attention to statement of accounting policies on pages 12 to 14 to the financial statements, which describes the basis of accounting. The financial statements have been prepared to enable the Society to report to its members.

#### Directors' Responsibilities

The directors are responsible on behalf of the entity for the preparation of financial statements prepared in accordance with the statement of accounting policies on pages 12 to 14 to 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. The directors are also responsible for the selection of accounting policies that are appropriate for the entity.

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 related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company 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 economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Committee 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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events.

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.

The engagement director on the audit resulting in this independent auditor's report is Richard Dey.

## **Restriction on Distribution and Use**

This report is made solely to the Society's members, as a body. Our audit work has been undertaken so that we might state to the members 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 members, as a body, for our audit work, for this report or for the opinions we have formed.



**William Buck Audit (NZ) Limited**

Tauranga  
28 June 2023



## Approval of Special Purpose Financial Report

The Board has approved the special purpose financial statements of Kiwifruit Vine Health Incorporated for the year ended 31 March 2023.

For and on behalf of the Board

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David Tanner  
Chair

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Simon Cook  
Vice Chair

Dated: 27 June 2023



## Entity information

for the year ended 31 March 2023

<b>Legal name of entity</b>	Kiwifruit Vine Health Incorporated ("KVHI")
<b>Nature of business</b>	<p>The primary purpose of the Society is as a Management Agency under the Biosecurity Act 1993 and to do all things required of the Society for the management of a National Pest Management Plan for <i>Pseudomonas syringae</i> pv. <i>actinidiae</i> (Psa) within New Zealand for the NZ kiwifruit industry.</p> <p>Other purposes of the Society are:</p> <p>(a) To monitor and identify biosecurity risks to the kiwifruit industry, to undertake and arrange biosecurity surveillance, to prepare for responses to biosecurity risks to the kiwifruit industry, including ensuring adequate operational arrangements are in place, to lead biosecurity responses as required and to liaise with governments, agencies, industry groups and other agencies as appropriate in relation to any such biosecurity risks;</p> <p>(b) To promote and encourage in the national interest research into and the dissemination of information relating to biosecurity risk management and monitoring for kiwifruit vines in New Zealand; and</p> <p>(c) To do any act or thing necessary or incidental to the attainment of the above objectives.</p>
<b>Incorporated Society Number</b>	254737
<b>Incorporation date</b>	6th December 2010
<b>Registered Office</b>	25 Miro Street Mount Maunganui
<b>IRD number</b>	106-272-964
<b>Auditors</b>	William Buck Audit (NZ) Limited The Kollektive 145 Seventeenth Ave Tauranga 3112
<b>Bankers</b>	Westpac Bank Auckland
<b>Solicitors</b>	Cooney Lees Morgan Level 3 247 Cameron Road Tauranga
<b>Chief Executive</b>	Leanne Stewart

## Entity information (continued)

for the year ended 31 March 2023

**Board Members**

David Tanner (Chair) (Grower Director, elected September 2016, appointed Chair March 2018)  
Simon Cook (Deputy Chair) (Grower Director, elected September 2016)  
Dermott Malley (Grower Director, elected July 2018)  
Craig Thompson (Zespri Director, appointed November 2019)  
Amy Willoughby (Supplier Director, appointed July 2021)  
Fiona Carrick (Independent Director, appointed August 2021)

**Associate Director**

Erin Atkinson (appointed January 2022)

**Board Secretary**

Jacqui Craig (appointed April 2018)

**Physical address**

25 Miro Street  
Mount Maunganui

**Postal address**

PO Box 4246  
Mount Maunganui

**Phone**

0800 665 825

**Email**

[info@kvh.org.nz](mailto:info@kvh.org.nz)

**Website**

<http://www.kvh.org.nz>



## Statement of financial performance

for the year ended 31 March 2023

	Note	2023 \$	2022 \$
<b>Income</b>			
Funding and levy income	1	2,262,078	2,829,016
<b>Total income</b>		<b>2,262,078</b>	<b>2,829,016</b>
<b>Operating expenses</b>			
Education and awareness		94,937	76,467
GIA operational agreement	2	83,262	83,276
Governance	3	175,479	160,519
Office expenses	4	244,982	187,391
Operations		62,015	44,268
People and travel	5	1,299,829	1,120,168
Professional services	6	59,214	46,879
Research & development	7	10,000	10,000
Strategic projects		56,393	48,473
Weather monitoring		103,811	112,637
Wild kiwifruit		177,391	247,425
<b>Total operating expenses</b>		<b>2,367,313</b>	<b>2,137,502</b>
<b>Operating surplus/(deficit)</b>		<b>(105,235)</b>	<b>691,514</b>
<b>Non-operating income</b>			
Interest received		43,827	15,713
<b>Total non-operating income</b>		<b>43,827</b>	<b>15,713</b>
<b>Non-operating expenses</b>			
Income tax		12,272	4,400
<b>Total non-operating expenses</b>		<b>12,272</b>	<b>4,400</b>
<b>Net surplus/(deficit)</b>		<b>(73,680)</b>	<b>702,826</b>



## Statement of movements in equity

for the year ended 31 March 2023

	Note	2023 \$	2022 \$
Net surplus/(deficit)		(73,680)	702,826
<b>Movements in equity for the period</b>		(73,680)	702,826
Equity at beginning of period		3,410,921	2,708,094
<b>Equity at end of year</b>	10	<b>3,337,241</b>	<b>3,410,921</b>





## Statement of financial position

As at 31 March 2023

	Note	2023 \$	2022 \$
<b>Current assets</b>			
Cash and bank balances	8	1,865,294	2,003,449
Term deposits		1,545,647	1,525,713
Accounts receivable		39,176	22,228
Prepayments		15,844	16,423
GST refund due		41,808	31,121
Income tax refund		-	503
<b>Total current assets</b>		<b>3,507,769</b>	<b>3,599,436</b>
<b>Non current assets</b>			
Property, plant and equipment	9	39,942	52,885
<b>Total assets</b>		<b>3,547,711</b>	<b>3,652,322</b>
<b>Current liabilities</b>			
Visa credit card	8	4,746	336
Accounts payable		135,881	179,982
Accrued charges		69,842	61,082
<b>Total current liabilities</b>		<b>210,468</b>	<b>241,400</b>
<b>Total liabilities</b>		<b>210,468</b>	<b>241,400</b>
<b>Net assets/(liabilities)</b>		<b>3,337,241</b>	<b>3,410,921</b>
<b>Equity</b>	10	<b>3,337,241</b>	<b>3,410,921</b>



## Statement of cash flows

for the year ended 31 March 2023

	2023 \$	2022 \$
<b>Cash flow from operating activities</b>		
Cash was received from:		
Funding receipts	2,245,129	2,817,025
Interest received	31,556	7,800
Income tax refunded	503	757
Cash was applied to:		
Payments to suppliers and employees	(2,376,763)	(2,116,206)
GST paid	(10,687)	(6,080)
<b>Net cash flows from operating activities</b>	<b>(110,262)</b>	<b>703,295</b>
<b>Cash flow from investing activities</b>		
Cash was applied to:		
Purchase of assets	(12,368)	(35,402)
<b>Net cash flows from investing activities</b>	<b>(12,368)</b>	<b>(35,402)</b>
<b>Net increase/(decrease) in cash held</b>	<b>(122,630)</b>	<b>667,893</b>
<b>Opening cash</b>	<b>3,528,824</b>	<b>2,860,932</b>
<b>Closing cash</b>	<b>3,406,194</b>	<b>3,528,824</b>
<b>This is represented by:</b>		
ANZ Current account	52	36
ANZ Term Deposit	507,604	501,918
Westpac Cheque Account	138,889	91,690
Westpac Online Saver	1,726,353	1,911,723
Westpac Term Deposit	1,038,043	1,023,795
Westpac Visa credit cards	(4,746)	(336)
	<b>3,406,194</b>	<b>3,528,824</b>





## Statement of accounting policies

for the year ended 31 March 2023

### Reporting entity

KVHI was established in 2010 following agreement of the Industry Advisory Council (IAC) to transition management of the Psa response from MPI and ZESPRI to a separate independent pan-industry organisation. Subsequently in 2012, Kiwifruit Vine Health Foundation (KVHF) was established as a separate incorporated charity to manage the wider biosecurity risks to the kiwifruit industry and to promote and encourage research into and the dissemination of information relating to biosecurity risk management and monitoring.

Further to a planned reorganisation of KVHI and KVHF, early in the financial year ended 31 March 2018 the business of KVHF was merged into KVHI such that from that point, KVHI was undertaking both the Psa activities as it had done from its inception and the wider biosecurity activities previously undertaken by KVHF.

### Basis of preparation

The financial statements have been prepared on the basis of historical cost. Reliance is placed on the fact that the entity is a going concern with funding in place for the next 12 months. Revenue earned is matched with expenses using accrual accounting concepts.

The financial statements have been prepared applying the Special Purpose Financial Reporting Framework for use by For Profit Entities as published by the Chartered Accountants Australia and New Zealand, except for levy income which is reported in accordance with the accounting policy on page 14 to achieve fair presentation. The directors have agreed that this is an appropriate framework. The financial statements have been prepared for the entity's members, as such the financial statements may not be suitable for any other purpose.

### Property, plant and equipment

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Where an item of property, plant or equipment is disposed of, the gain or loss recognised in the statement of financial performance is calculated as the difference between the sale price and the carrying amount of the asset.

### Depreciation

Depreciation is charged to the statement of financial performance at the same rate as allowed by the Income Tax Act 2007. The following rates have been used:

Computer equipment 25.0% - 50.0% diminishing value

Office equipment 10.0% - 25.0% diminishing value

### Accounts receivable

Receivables are stated at estimated realisable value after providing against debts where collection is doubtful. Bad debts are written off during the period in which they are identified.

## Statement of accounting policies (continued)

for the year ended 31 March 2023

### Impairment of non-financial assets

At each balance date, non-financial assets are classified into four categories: assets measured at fair value; assets currently available that KVHI intends to use to the end of its useful life; assets intended to be sold prior to the end of their useful life; and assets damaged or idle at balance date.

Assets measured at fair value or assets KVHI intends to use to the end of its useful life, are not reviewed for impairment at balance date.

Assets intended to be sold prior to the end of their useful life or assets damaged or idle at balance date are reviewed to determine if any indications of impairment exist. If indicators exist the asset is tested for impairment to ensure that the carrying amount of the asset is recoverable.

If the recoverable amount of an asset is determined to exceed its carrying amount then the resulting difference is recognised as an impairment loss in the statement of financial performance.

### Taxation

KVHI derives all of its income from non-taxable member transactions, except for interest income. No income tax arises in relation to the member transactions, however, the interest income is taxable using the taxes payable method.

### Goods and services tax

All amounts are shown exclusive of Goods & Services Tax (GST), except for receivables and payables which are shown inclusive of GST.

### Provisions

KVHI records provisions when it has a legal or constructive obligation to satisfy a claim as a result of a past event, it is more likely than not that an outflow of resources will be required to satisfy the obligation, and a reliable estimate of the amount can be made. The amount recognised as a provision is the net present value of the best estimate of the outflows required to satisfy the obligation.

### Leases

KVHI has entered into lease agreements for office equipment and office space. Operating lease payments, where the lessors effectively retain substantially all the risk and benefits of ownership of the leased items, are recognised as an expense in profit or loss on a straight line basis over the lease term. Operating lease incentives are recognised as a liability when received and subsequently reduced by allocating lease payments between rental expense and reduction of the liability.

### Income

Income is recognised to the extent that it is probable that economic benefit will flow to the Society and can be reliably measured.

#### *Funding income:*

Funding income is recognised in the period to which it relates, with any amount owing to KVHI at balance date being included as a current asset, and any amount owed by KVHI at balance date being included as a current liability.

## Statement of accounting policies (continued)

for the year ended 31 March 2023

### *Levy income:*

Under the Levy Orders, levies become due and payable on the date on which the kiwifruit is loaded on board a ship or an aircraft for export (other than exports to Australia). Any levies collected are not refundable. For financial reporting purposes, all levy income is recognised in the season to which the harvest relates. Levies on early shipments received prior to the end of March for the current season, are recorded in the following financial year alongside the majority of that season's levy income. This provides more relevant information for the Board and members by aligning the levy income in the financial statements to the total trays shipped in relation to each season.

### *Interest income:*

Interest is recognised in the Statement of Financial Performance as it accrues, using the effective interest method.

## People costs

People costs include all relevant employee costs, the costs of contractors providing services to KVHI, travel and other costs such as the cost of recruitment.

Employee costs include salaries, wages and annual leave which are recognised when they accrue to employees. Liabilities for employee benefits are carried at the value of the estimated future cash flows required to settle the obligation arising from services rendered by employees up until balance date.

## Statement of cash flows

The following definitions are the terms used in the Statement of Cash Flows:

- i. Cash and cash equivalents are cash held in current accounts and short term deposits with original maturity of three months or less.
- ii. Investing activities are those activities relating to the acquisition, holding and disposal of fixed assets.
- iii. Operating activities include all transactions and other events which are not investing activities.



## Notes to the financial statements

1 Income	2023 \$	2022 \$
Biosecurity (Psa-V - Kiwifruit Levy) Order 2013	-	176,814
Biosecurity (National Pathway Management Plan – Kiwifruit Levy) Order 2022	646,308	-
Biosecurity (Readiness and Response - Kiwifruit Levy) Order 2015	1,615,770	2,652,203
<b>Total income</b>	<b>2,262,078</b>	<b>2,829,016</b>

**Levy rates per tray (on all commercial varieties of kiwifruit except Actinidia arguta, exported to all markets other than Australia)**

<b>Current rates levied (per tray)</b>	2023 Cents	2022 Cents
Biosecurity (Psa-V - Kiwifruit Levy) Order 2013:	-	0.10
Biosecurity (National Pathway Management Plan – Kiwifruit Levy) Order 2022:	0.40	-
Biosecurity (Readiness and Response - Kiwifruit Levy) Order 2015:	1.00	1.50

The above income includes:

(i) the Biosecurity (Psa-V - Kiwifruit Levy) Order 2013 ("Psa levy") came into effect on the 17th of May 2013. This levy was payable to KVHI, as the management agency, on all commercial varieties of kiwifruit except Actinidia arguta, exported to countries other than Australia. Following approval at the 2021 KVHI AGM, it was agreed this levy would cease on 31 March 2022. The balance of National Psa-V Pest Management Plan reserves were used in the year ended 31 March 2023.

(ii) the Biosecurity (Kiwifruit National Pathway Management Plan - Kiwifruit Levy) Order 2022 ("Pathway Plan levy") came into effect on the 1st of April 2022. This levy is payable to KVHI, as the management agency, on all commercial varieties of kiwifruit except Actinidia arguta, exported to countries other than Australia. Following approval at the 2021 KVHI AGM, this levy rate was set to commence collection on 1 April 2022 for 0.4 cents.

(iii) the Biosecurity (Readiness and Response - Kiwifruit Levy) Order 2015 ("Wider Biosecurity levy") came into effect on 2 February 2015. The levy is payable to KVHI, as the GIA partner for the kiwifruit industry, on all commercial varieties of kiwifruit except Actinidia arguta, exported to all countries other than Australia. Following approval at the 2021 KVHI AGM, this levy rate changed on 1 April 2022 from 1.5 cents to 1 cent.

2 GIA Operational Agreement	2023 \$	2022 \$
GIA Operational Agreement	83,262	83,276
<b>Total GIA expenses</b>	<b>83,262</b>	<b>83,276</b>

3 Governance	2023 \$	2022 \$
Directors fees paid	137,214	130,136
Directors meeting, mileage & expenses	25,250	21,545
Annual General Meeting costs	13,015	8,838
<b>Governance costs</b>	<b>175,479</b>	<b>160,519</b>

4 Office expenses	2023 \$	2022 \$
Office expenses excluding depreciation and rent	177,844	134,632
Rent	42,055	41,230
Depreciation of computer, office equipment & software	25,083	11,529
<b>Office expenses including depreciation</b>	<b>244,982</b>	<b>187,391</b>



## Notes to the financial statements (continued)

<b>5 People and travel costs</b>	2023	2022
	\$	\$
Staff salaries	1,181,459	1,029,368
Mileage, travel & accommodation	87,701	46,946
Other	30,670	43,854
	<b>1,299,829</b>	<b>1,120,168</b>
Other costs include staff training, recruitment, other consultants and ACC		
<b>6 Professional Services</b>	2023	2022
	\$	\$
Audit fee	9,602	9,000
All other Professional Services	49,612	37,879
	<b>59,214</b>	<b>46,879</b>
<b>7 Research and development</b>		
All research and development was funded by Zespri in the year ended 31 March 2023 other than a \$10,000 contribution from KVHI towards the 'Find-a-pest' project.		
<b>8 Cash and bank balances</b>	2023	2022
	\$	\$
ANZ Current account	52	36
Westpac Cheque Account	138,889	91,690
Westpac Online Saver	1,726,353	1,911,723
Westpac Visa credit cards	(4,746)	(336)
	<b>1,860,548</b>	<b>2,003,112</b>
<b>Total cash and bank balances are classified as follows:</b>		
Current assets	1,865,294	2,003,449
Current liabilities	4,746	336

## Notes to the financial statements (continued)

### 9 Property, plant and equipment

	Cost	Depreciation	Acc Depn	Carrying value
	\$	\$	\$	\$
Computer equipment	166,474	19,605	139,362	27,112
Office equipment	38,578	5,707	25,747	12,830
<b>Balance as at 31 March 2023</b>	<b>205,052</b>	<b>25,312</b>	<b>165,110</b>	<b>39,942</b>

	Cost	Depreciation	Acc Depn	Carrying value
	\$	\$	\$	\$
Computer equipment	155,936	9,155	120,789	35,148
Office equipment	41,890	2,374	24,152	17,738
<b>Balance as at 31 March 2022</b>	<b>197,826</b>	<b>11,529</b>	<b>144,941</b>	<b>52,885</b>

### 10 Equity

	Pathway Plan Reserves	Psa Reserves	Biosecurity Reserves	Total Reserves
	2023	2023	2023	2023
	\$	\$	\$	\$
Opening KVHI reserves as at 1 April 2022	-	588,549	2,822,372	3,410,921
Surplus/ (Deficit) from operations	126,694	(588,549)	388,175	(73,680)
Closing KVHI reserves as at 31 March 2023	<b>126,694</b>	<b>-</b>	<b>3,210,547</b>	<b>3,337,241</b>

The KVH Board has a Reserves policy that is reviewed annually to ensure reserves are being retained for appropriate purposes, such as response obligations and continuance of operating expenses across each levy. The policy states that KVH can retain 50% of its annual response costs obligations, in addition to up to half of KVH's operating costs for associated activities under the biosecurity levy. Under the pathway plan levy, there is an allowance for a modest surplus to be collected to allow for contingency planning, with the intention to retain up to \$100k each year.

### 11 Related party disclosures

All transactions with the following entities were in the normal course of business. They are related to the Society by virtue of common directorship or management as detailed below:

	Transactions		Balances	
	2022	2021	2022	2021
	\$	\$	\$	\$
<b>Paid by KVHI:</b>				
Zespri International Limited	(67,035)	(152,384)	-	-
Mainland Kiwi Grower Entity Limited	(8,095)	(9,690)	-	-
GIA Operations Limited	(71,691)	(99,542)	(5,413)	(30,084)
<b>Paid to KVHI:</b>				
Zespri International Limited	2,164,810	2,930,200	5,742	392
New Zealand Kiwifruit Growers Incorporated	58,396	53,422	5,042	4,227

GIA Operations Limited - KVHI have acquired 6.25% of shares on 16 November 2022.

Zespri International Limited (Zespri) are related by way of common Directorship, Craig Thompson is a Director of both KVHI and Zespri International Limited.

Mainland Kiwi Growers Entity Limited are related as 100% of the shares in Mainland Kiwi Growers Entity Limited are owned by a member of KVHI.

NZKGI are a related party by way of common membership, all members of KVHI are also members of NZKGI.

Simon Cook is a Director of Trevelyan's Growers Limited and KVHI, there were no transactions between these two parties in 2023.

## Notes to the financial statements (continued)

### 12 Contingent liabilities

The Government Industry Agreement for Biosecurity Readiness and Response (GIA) is a partnership between government and industry for improving New Zealand's biosecurity. Under GIA, industry organisations (such as KVHI on behalf of the kiwifruit and kiwiberry industries) and the Ministry for Primary Industries sign a Deed that formally establishes the biosecurity partnership. The GIA Deed outlines the principles for the partnership and the commitments that each signatory makes including joint decision making and cost sharing for readiness and response.

Under GIA, industries are able to identify the biosecurity risks that are a priority to them, and jointly by way of operational agreements agree with government what readiness and response approaches are required.

KVHI signed the GIA Deed in May 2014.

Under the GIA Deed, KVHI has entered into the below Operational Agreements ("OA"):

- (i) Fruit Fly Readiness and Response Operational Agreement: signed May 2016
- (ii) Sector Operational Agreement for Readiness and Response - Kiwifruit and Kiwiberry sectors: signed March 2017
- (iii) Brown Marmorated Stink Bug (BMSB) Operational Agreement: signed July 2017
- (iv) GIA Operational Agreement to develop *Xylella fastidiosa* Operational Specifications: signed July 2020
- (v) Plant Production Biosecurity Scheme Operational Agreement: signed November 2021
- (vi) Lepidoptera Readiness Operational Agreement: signed February 2023

The OAs establish the operational details for readiness and response activities, including the roles and responsibilities of all the parties before, during and after a response, as well as cost-sharing information.

The programme of preparedness (readiness) in each OA is developed and funded under a work programme that is agreed by all parties involved and costs are incurred, and as such these costs are part of KVHI's annual operating budget. Conversely, response costs are incurred only when an incursion occurs, and costs will vary depending on the scale of the response. KVHI's liability to response costs is capped within the OAs.

Currently KVHI's potential liability to response costs is estimated at \$4.4 million. KVHI plans to provide for this liability by a combination of biosecurity reserves held in KVHI, and a right to call on Members by way of an increase to the Biosecurity levy, as provided for in the levy regulations.

### 13 Post balance sheet events

There have been no events occurring after the balance sheet date that have a material effect on the financial statements.

### 14 Capital expenditure commitments

There were no commitments for capital expenditure as at balance date (2022:\$Nil).

### 15 Leases

	2023	2022
	\$	\$
Current	50,590	48,894
Non-current	437,177	465,956
	<b>487,767</b>	<b>514,850</b>

## KVHI 2024-2025 Budget

[illegible]

## Rules of Kiwifruit Vine Health Incorporated

### 1. THE SOCIETY

- 1.1 **Name:** The name of the society is Kiwifruit Vine Health Incorporated (the "**Society**").
- 1.2 **Resolution:** The Society is constituted by resolution dated 1 December 2010.
- 1.3 **Registered office:** The Registered Office 25 Miro Street, Mount Maunganui 3116, or such other place as the Directors may determine from time to time and notify to the Registrar of Incorporated Societies.

### 2. PURPOSES OF SOCIETY

- 2.1 **Purpose of Society:** The primary purpose of the Society is to be the Management Agency under the Biosecurity Act 1993 and to do all things required of the Society for the management of ~~a National Psu-V Pest Management Plan 2013 and the~~ National Kiwifruit Pathway Management Plan 2022 ("**PMP**") within New Zealand. Other purposes of the Society are:

- (a) To monitor and identify biosecurity risks across pathways in the kiwifruit industry, to undertake and arrange biosecurity surveillance, to prepare for responses to biosecurity risks to the kiwifruit industry, including ensuring adequate operational arrangements are in place, to lead biosecurity responses as required and to liaise with governments, agencies, industry groups and other agencies as appropriate in relation to any such biosecurity risks;
- (b) To promote biosecurity excellence across the kiwifruit industry through a programme of education and awareness to ensure all growers and industry participants are aware of their biosecurity responsibilities under the PMP and manage risk;
- (c) To promote and encourage in the national interest research into and the dissemination of information relating to biosecurity risk management and monitoring for kiwifruit vines in New Zealand;
- (d) To coordinate emergency readiness and response activities across the kiwifruit industry where it is agreed there is a significant impact to growers and vine health; and
- ~~(a)~~(e) To do any act or thing necessary or incidental to the attainment of the above objectives.

- 2.2 **Pecuniary gain:** Pecuniary gain is not a purpose of the Society.

### 3. POWERS OF THE SOCIETY

- 3.1 **Non-profit body:** The Society shall operate as a non-profit body expending all funds and revenue in the furtherance of its purpose for the purpose of protecting

and advancing the interests of its Members and those whom the Members represent.

3.2 **Additional powers:** In addition to its statutory powers, the Society:

- (a) May use such of its funds to pay the costs and expenses of furthering or carrying out its purposes, and for that purpose may employ such people, consultants, researchers and companies;
- (b) May purchase, lease, borrow, hire or otherwise acquire, may exchange, and may sell, lease, lend or otherwise dispose of property, rights or privileges to further or carry out its purposes;
- (c) May contract for research to be undertaken or jointly participate in research to further or carry out its purposes. May conduct or contract for technical transfer or jointly participate in technical transfer to further or carry out its purposes;
- (d) May become jointly, or jointly and severally liable with any person, partnership, corporation, company or society on any contract or obligation which the Board may decide to be in the best interests of the Society to enter into to further or carry out its purposes; and
- ~~(a)~~(e) May invest in any investment in which a trustee might invest.

3.3 **Declaration of association:** Every Member or person associated with a Member shall disclose any association of conflict prior to participating in or materially influencing any decision made by the Society in respect of the payment to or on behalf of the Member or associated person of any income, benefit, compensation or advantage whatsoever.

3.4 **Arm's length:** Any income or compensation paid to a member of the Society or any person associated with a member shall be reasonable and relative to that which would be paid in an arm's-length transaction (being the open market value).

## 4. SOCIETY STRUCTURE

4.1 The Society shall consist of:

- (a) Members;
- (b) Grower Advisory Forum Members as provided in Rule 7; and
- ~~(a)~~(c) The Board of Directors elected and/or appointed pursuant to Rule 5.

## 5. MANAGEMENT OF THE SOCIETY

5.1 **Directors:** The Society shall have a board of Directors to manage the Society.

5.2 **Minimum:** There shall be six Directors, comprising the following people:

- (a) Three Directors elected by the Grower Members in accordance with Rule 5.3;
- (b) One Director appointed by Zespri Group Limited;
- (c) One Director appointed by the Members who are registered suppliers under the Zespri Group Limited Annual Supply Agreement; and
- ~~(a)~~(d) One independent director, nominated by the Board and elected by the Society in General Meeting.

### 5.3 Nomination and Election of Grower Directors:

- (a) Every year in conjunction with the Annual General Meeting voting process, the Board shall conduct a postal ballot of Grower Members to elect the Grower Member representative Director(s). The Board shall determine nomination and voting procedures consistent with these Rules.
- (b) Before nominations are called for, the Board shall appoint a returning officer to run and administer the election and shall appoint an independent scrutineer to oversee the election.
- (c) Nominations shall be opened eight weeks prior to the vote commencing and close four weeks before voting commences.
- (d) Candidates for director shall be Grower Members and shall be nominated and seconded by other Grower Members.
- (e) Before any nomination for director is accepted by the Board, the nominee shall provide a list of all interests in the kiwifruit industry, both in New Zealand and elsewhere on the form provided by the Board. This information shall be held by the Board and be available to Members on request.
- (f) The provisions of clause 10.5 shall apply, adapted as required, to the election of the Grower Member representative directors and all references to "Members" in clause 10.5 shall be read and construed as references to "Grower Members" for the purpose of the director elections.

- 5.4 **Term:** Directors shall have terms of three years, provided that appointed Directors may be changed at any time by the appointing party. A director shall not be barred from reappointment for subsequent terms. It is intended that the Directors shall retire in rotation so that two of the six directors shall retire or have their term ending at each Annual General Meeting.

~~Transitional provisions: From the 2018 Annual General Meeting, to give effect to the intended retirement by rotation provisions in Rule 5.4:~~

- ~~(a) the three Grower Member representative Directors appointed under Rule 5.2(a) and elected at the 2018 Annual General Meeting shall hold office as follows:~~
  - ~~the Director elected by the highest number of votes shall hold office for a term of three years ending at the 2021 Annual General Meeting;~~
  - ~~(i) the Director elected by the second highest number of votes shall hold office for a term of two years ending at the 2020 Annual General Meeting; and~~
  - ~~(i) the Director elected by the third highest number of votes shall hold office for a term of one year ending at the 2019 Annual General Meeting;~~
- ~~(a) the Independent Director elected pursuant to Rule 5.2(d) shall hold office from the 2018 Annual General Meeting for a term of three years;~~
- ~~(a) the Director appointed by Zespri pursuant to Rule 5.2(b) shall hold office for a term of one year ending at the 2019 Annual General Meeting;~~
- ~~(a) the Director appointed by suppliers pursuant to Rule 5.2(c) shall hold office for a term of two years ending at the 2020 Annual General Meeting; and~~
- ~~(a) thereafer, upon a Director's term ending, the Director elected/appointed or re-elected/re-appointed in place of the retiring Director shall hold office for a term of three years.~~

**5.65.5 Alternate Directors:** Every director may by notice given in writing to the Society, appoint any person (including any other director) to act as an alternate director in the director's place either generally or in respect of a specified meeting or meetings during the director's absence or inability to act as a director and at the director's discretion by notice in writing to the Society, may remove the director's alternate director. On any such appointment being made the alternate director may, while acting in the place of the director, represent, exercise and discharge all the powers, rights, duties and privileges (but not including the right of acting as chairperson) of the director appointing the alternate director and is subject in all respects to the same terms and provisions as that director except as regards remuneration and except as regards the power to appoint an alternate director under these Rules. For the purpose of establishing a quorum of the board an alternate director is deemed to be the director appointing him or her.

**5.75.6 Removal of Directors:** Persons cease to be Directors when:

- ~~(a) They resign by giving written notice to the Society;~~
- ~~(b) They are incapable of performing their duties;~~
- ~~(c) There is a serious breach of their duties or inappropriate behaviour; or~~

~~(a)~~(d) Their Term expires.

If a person ceases to be a Director and is not reappointed pursuant to these rules, that person must within one month return all Society documents and property to the Society's registered office.

**5.85.7 Qualification of Directors:** In selecting appointees to the Board, each member shall have regard to the ability and willingness of a candidate to make a substantial commitment to the Society and the commercial experience and any relevant background of the appointee to be a Director. The Members recognise the desirability of reaching a suitable balance of skills and experience on the Board of Directors. In this respect, Members agree to take the balance of skills and experience of the whole Board into account in making recommendations and in appointing Directors to the Board.

**5.95.8 Vacancies:** In the event of any casual vacancy occurring among the directors, the appointing party under Rule 5.2 shall appoint a replacement as soon as possible and, in the case of a casual vacancy arising for a director elected pursuant to Rule 5.2(a) or an independent director, the Board may, in its discretion, call a Special General Meeting to appoint a replacement director or continue with a reduced number of directors until the next occurring Annual General Meeting. Any replacement director so appointed shall hold office until the remainder of the vacating director's term but shall be eligible for appointment or election in accordance with the provisions of these rules. The Board may continue to act notwithstanding any vacancy in their number.

**5.105.9 Role of the Board:** Subject to the rules of the Society ("The Rules"), the role of the Board is to:

- (a) Administer, manage, and control the Society;
- (b) Carry out the purposes of the Society, and Use Money or Other Assets to do that;
- (c) Manage the Society's financial affairs, including approving the annual financial statements for presentation to the Members at the Annual General Meetings;
- (d) Set accounting policies in line with generally accepted accounting practice;
- (e) Delegate responsibility and contract resources where necessary;
- (f) Ensure that all Members follow the Rules;
- (g) Decide how a person becomes a Member, and how a person stops being a Member;
- (h) Decide the times and dates for Meetings, and set the agenda for Meetings;

(i) \_\_\_\_\_ Decide the procedures for dealing with complaints;

~~(a)~~(i) \_\_\_\_\_ Set Membership fees, including subscriptions and levies.

~~5.14~~5.10 \_\_\_\_\_ **Powers of the Board:** The Board has all of the powers of the Society, unless the Board's power is limited by these Rules, or by a Majority vote of the Society.

~~5.12~~5.11 \_\_\_\_\_ **Election/appointment of Chair, Vice Chair and Secretary:** The Directors shall choose a Chair and Vice Chair and shall determine the period of time for which the Chair and Vice Chair are to hold office and unless otherwise determined the Chair and Vice Chair shall be elected or re-elected annually. The Board shall also appoint a Secretary, who need not be Director or a Member, but shall be a person considered by the Board to have the appropriate skills to carry out the function of the secretary. The Board may remove and replace the Secretary from time to time.

~~5.13~~5.12 \_\_\_\_\_ **Decisions of the Board:** All decisions of the Board shall be by a majority vote. Each director shall have one vote. In the event of an equal vote, the Chair shall have a casting vote. Decisions of the Board bind the Society, unless the Board's power is limited by these Rules or by a Majority vote of the Society.

~~5.14~~5.13 \_\_\_\_\_ **Minutes:** Minutes shall be taken at each meeting of the Board by the Secretary.

~~5.15~~5.14 \_\_\_\_\_ **Form of meetings:** Board meetings may be held via video or telephone conference, or other formats as the Board may decide, provided that:

(a) \_\_\_\_\_ No Board Meeting may be held unless more than half of the Directors attend;

(b) \_\_\_\_\_ The Chair shall chair Board Meetings, or if the Chair is absent, the Vice Chair, and if both the Chair and the Vice Chair are absent, the Board shall elect a Board Member to chair that meeting;

~~(a)~~(c) \_\_\_\_\_ Only Directors present at a Board Meeting may vote at that Board Meeting.

Subject to these Rules, the Board may regulate its own practices and procedures.

~~5.16~~5.15 \_\_\_\_\_ **Indemnity:** The Society will indemnify the Directors and employees in respect of all liabilities and expenses incurred by the Directors in carrying out or attempting to carry out any of their powers under these Rules or the by-laws and against all actions, proceedings, costs, expenses, claims and demands in respect of any matter done or omitted in relation to these Rules unless done or omitted through their own bad faith, dishonesty or gross negligence. The Directors may retain and pay out the funds of the Society all sums necessary to give effect to this indemnity, including without limitation arranging for insurance.

## 6. SOCIETY MEMBERSHIP

6.1 **Types of Members:** Membership shall comprise the following categories of persons:

- (a) Grower members who shall become Members by either paying a Levy or completing a membership application form, approved by the Board pursuant to Rule 6.3;
- (b) Registered suppliers who are party to the Zespri Group Limited Annual Supply Agreement;
- (c) Zespri Group Limited; and
- ~~(a)~~(d) A party determined by the Board in its sole discretion as being appropriate for membership and whose application for membership has been approved by the Board pursuant to Rule 6.3.

6.2 **Rights and Responsibilities of Members:** Members have the rights and responsibilities set out in these Rules. All Members (and Board Members) shall promote the purposes of the Society and shall do nothing to bring the Society into disrepute. For the avoidance of doubt, and subject to these Rules, the role of Members shall be as follows:

- (a) To set remuneration of Directors;
- (b) To approve changes to these Rules;
- (c) To receive reports on finances and proceedings of the Society, proposed budgets, annual plans, achievement of milestones and any other matters considered by the Members to be relevant;
- (d) To receive audited accounts; and
- ~~(a)~~(e) To appoint or re-appoint an auditor.

6.3 **Admission of Members:** Upon receipt of an application for membership, the Board shall place the application on the agenda of the next meeting of the Board of Directors. The Board shall have complete discretion when it decides whether or not to allow an individual or entity to become a Member. The Board shall advise the applicant of its decision, and that decision shall be final.

6.4 **The Register of Members:** The Society shall keep a register of Members ("the Register"), which shall contain the names, the postal and email addresses and telephone numbers of all Members, and the dates at which they became Members. If a Member's contact details change, that Member shall give the new postal or email address or telephone number to the Society. Each Member shall provide such other details as the Board requires.

6.5 **Cessation of Membership:** Any Member may resign by giving written notice to the Society.

**Termination of Membership:** If, for any reason, the Board is of the view that a Member is breaching the Rules or acting in a manner inconsistent with the purposes of the Society, the Board may give written notice of this to the Member ("the Board's Notice"). The Board's Notice must:

- (a) Explain how the Member is breaching the Rules or acting in a manner inconsistent with the purposes of the Society.
- (b) State what the Member must do in order to remedy the situation; or state that the Member must write to the Board giving reasons why the Board should not terminate the Member's Membership.
- (c) State that if, within 14 days of the Member receiving the Board's Notice, the Board is not satisfied, the Board may in its absolute discretion immediately terminate the Member's Membership.
- ~~(a)~~(d) State that if the Board terminates the Member's Membership, the Member may appeal to the Society.

14 days after the Member received the Board's Notice, the Board may in its absolute discretion by majority vote terminate the Member's Membership by giving the Member written notice ("**Termination Notice**"), which takes immediate effect.

## 7. GROWER ADVISORY FORUM

- 7.1 **Members of the Advisory Forum:** The Grower Advisory Forum shall comprise the New Zealand Kiwifruit Growers Forum Members from time to time elected and/or appointed in accordance with the rules of New Zealand Kiwifruit Growers Incorporated.
- 7.2 **Role of Advisory Forum:** The role of the Grower Advisory Forum shall be to:
  - (a) Make themselves available at reasonable times to Grower Members who wish to make representations to the Society through that Grower Advisory Member;
  - (b) Take reasonable steps to consult with Grower Members in order to become aware of the views of Members on matters relating to the ~~National Psu-V Pest Management Plan~~, National Kiwifruit Pathway Management Plan and wider biosecurity issues for the kiwifruit industry;
  - (c) Represent the views of Grower Members to the Board and staff of the Society and provide commentary and opinions to the Board and staff of the Society on proposals and initiatives developed or being developed by the Society; and
  - ~~(a)~~(d) Fully and fairly represent the opinions of Grower Members at meetings of the Society.

## 8. MONEY AND OTHER ASSETS

- 8.1 **Use of Money and Other Assets:** The Society may only Use Money and Other Assets if:

(a) It is for a purpose of the Society;

(b) It is not for pecuniary gain in accordance with the Incorporated Societies Act 1908; and

(c) That use has been approved by either the Board or by Majority vote of the Society.

8.2 **Subscriptions:** The Board of Directors may in its discretion fix member subscriptions and other charges from time to time. Any such subscriptions or other charges may vary from Member to Member (but shall be the same for all Members in a category referred to in Rule 6.1). Nothing in this rule shall affect the imposition and collection of a levy or levies payable to the Society under applicable legislation. If any Member does not pay a subscription by the date set by the Board and unless the arrears are paid by a nominated date, the Membership may be terminated. If terminated, the Member shall (without being released from the obligation of payment of any sums due to the Society) have no Membership rights and shall not be entitled to participate in any Society activity.

8.3 **Control of funds:** All moneys received by or on behalf of the Society shall forthwith (unless otherwise directed by the Board) be paid to the credit of the Society in an account or accounts with the bankers for the time being of the Society.

8.4 **Additional Powers:** The Society may:

(a) Employ people for the purposes of the Society, including without limitation appointing a Chief Executive Officer for such period and on such terms as the Directors think fit;

(b) Exercise any power a trustee might exercise;

(c) Invest in any investment that a trustee might invest in; and

~~(a)~~(d) Borrow money and provide security for that if authorised by Majority vote of the Society.

8.5 **Financial Year:** The financial year of the Society begins on 1 April of every year and ends on 31 March of the next year.

8.6 **Annual Accounts:** The Board shall cause true and fair accounts to be kept of the assets and liabilities of the Society and of its annual income and expenditure in each financial year. In particular, the Board shall ensure compliance with any requirements for financial reporting of the Minister for Primary Industries, whether pursuant to any agreement for funding or the *Biosecurity Act 1993*.

## 9. ASSURANCE ON THE FINANCIAL STATEMENTS

9.1 **Appointment of Auditor:** The Society shall appoint an Auditor to audit the annual financial statements of the Society. The Auditor shall report on whether the financial statements are prepared in all material respects in accordance with the

Society's accounting policies. The Auditor must be a suitably qualified person, a member of the New Zealand Institute of Chartered Accountants, and must not be a member of the Board, or an employee of the Society or any Member. If the Society appoints an Auditor who is unable to act for some reason, the Board shall appoint another Auditor as a replacement.

9.2 **Responsibility to auditor:** The Board is responsible to provide the auditor with:

(a) Access to all information of which the Board is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;

(b) Additional information that the auditor may request from the Board for the purpose of the audit; and

~~(a)~~(c) Reasonable access to persons within the Society from whom the auditor determines it necessary to obtain evidence.

9.3 **Approval of financial statements:** The audited financial statements shall be approved at the annual general meeting of members by a Majority vote.

## 10. SOCIETY MEETINGS

10.1 **Society Meetings:** A Society Meeting is either an Annual General Meeting or a Special General Meeting.

10.2 **Annual General Meeting:** The Annual General Meeting shall be held once every year no later than five months after the Society's balance date. The Board shall determine when and where the Society shall meet within those dates. At least 10 business days' Written Notice shall be provided of the Annual General Meeting. Meetings can be held in person, by audio, audio-visual or other electronic means, or a combination of these methods.

10.3 **Special General Meetings:** Special General Meetings may be called by the Board at any time. The Board must call a Special General Meeting if the Secretary receives a written request signed by at least 10% of the Members. At least 5 business days' notice shall be provided of a Special General Meeting. Meetings can be held in person, by audio, audio-visual or other electronic means, or a combination of these methods.

10.4 **Notice of Society Meetings:** The Society shall give all Members at least 3 business days' Written Notice of the business to be conducted at any Society Meeting and provide with such notice a description of any business to be considered at the meeting, notice of any motions and the Board's recommendations about those motions and the right to appoint a proxy or to vote by postal or electronic means, including the applicable voting form(s) by which Members may exercise those rights. If the Secretary has sent a notice to all Members in good faith, the Meeting and its business will not be invalidated simply because one or more Members do not receive the notice. Notices shall be given by email unless a Member has notified the Secretary that email notices are not acceptable to that Member.

10.5 **Voting on motions:** All Members may attend and vote at Society Meetings.

10.6 **Number of votes:** For the purposes of calculating votes:

- (a) A Member (other than a Grower Member) who is a body corporate shall have a single vote and each individual Member (other than a Grower Member) shall have one vote;
- (b) A Grower Member shall have one vote for every Tray Equivalent (rounded to the nearest Tray) of kiwifruit owned by the Member when it was accepted for export by an exporter to markets other than Australia in the most recently completed season. A Member's voting entitlement shall be determined by taking the average of the highest number of Tray Equivalents produced by the Member in any two of the five financial years immediately preceding the financial year in which the vote occurs; and
- (c) Where a Grower Member notifies the Secretary that the Grower Member has top grafted to a new variety, or has lost production to vine disease, or had an adverse weather event or other act of God, or any other event, then the Board shall determine the number of votes held by the Grower Member. The determination of the Board of the number of votes held by any Grower Member shall be final.

10.7 **Method of voting:** ~~The method of voting at all Society Meetings shall be by postal ballot any process agreed by the Board and by voting at the Society Meeting.~~ The Board shall establish the voting method and process for all Society Meetings and appoint Returning Officers to administer it. At the discretion of the Board, Members may vote in person, by postal vote, electronic means or by proxy:

- (a) If applicable, Members may appoint a proxy by notice in writing signed by the Member in the form set out in the notice of meeting or, in the case of electronic notice, sent by the Member. A proxy for a Member is entitled to attend and be heard and vote at a general meeting as if the proxy were the Member.
- (b) Each notice of proxy and/or postal ballot (as applicable) shall be sent to Members in sufficient time prior to the date of the Society Meeting to enable the notice of proxy to be returned and/or ballot papers to be received and Members to cast their votes. Ballot papers sent to Members shall include sufficient information to enable Members to cast their votes.
- (c) Voting in a postal ballot may be by ballots returned to the Secretary by mail, delivery (before or at the Society Meeting), facsimile, email or other electronic process as determined by the Board.
- (d) The Board shall declare the result of the ~~postal~~ ballot.
- (e) The result of each ~~postal~~ ballot shall be as effective and binding on Members as a resolution passed at a Society Meeting.

~~(a)(f)~~ A resolution shall be passed if 50% or more of the votes cast by Members are in favour of the resolution.

10.8 **Quorum:** No Society Meeting may be held unless a quorum of 20 Members is present in person, by proxy, or by audio, audio-visual or other electronic means or a combination of these methods. For the purposes of calculating the quorum, a member who is a body corporate shall be considered to attend if one person representing such body corporate attends.

10.9 **Chairmanship:** All Society Meetings shall be chaired by the Chair of the Board. If the Chair is absent, the Vice Chair of the Board shall be the chair of the meeting and if both the Chair and the Vice Chair are absent, the Society shall elect another Director to Chair that meeting. No person chairing a Society Meeting shall have a casting vote.

10.10 **Annual General Meeting:** The business of an Annual General Meeting shall be:

(a) Receiving any minutes of the previous Society's Meeting(s);

(b) The Board report on the business and finances of the Society, and the Annual Financial Statements for the financial year end immediately preceding the meeting;

(c) Approval of the budget for the subsequent financial year commencing the year following the meeting and any Levy;

(d) Appointment of Board Members;

(e) Motions to be considered; and

~~(a)(f)~~ General business.

10.11 **Adjourned Meetings:** The Chair or ~~his~~their nominee shall adjourn the meeting if necessary. If within half an hour after the time appointed for a meeting a quorum is not present, the meeting, if convened upon requisition of members, shall be dissolved; in any other case it shall stand adjourned to a day, time and place determined by the Chair of the Society, and if at such adjourned meeting a quorum is not present the meeting shall be dissolved without further adjournments. The Chair may with the consent of any Society Meeting adjourn the same from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

10.12 **Member's Motions:** Any Member may request that a motion be voted on ("**Member's Motion**"), by giving written notice to the Secretary. The Member may also provide information in support of the motion ("**Member's Information**"). The Board may in its absolute discretion decide whether or not to convene a meeting to allow the Society to vote on the Member's Motion. However, if the Member's Motion is signed by at least 10 % of Members:

(a) The Board will convene a Society Meeting not more than 5 business days following receipt of the Member's Motion ; and

~~(a)~~(b) The Secretary must give the Member's Information to all Members at least 3 business days before the Society Meeting.

10.13 **No business unless notified:** At any Society Meeting, the Society shall only consider matters contained in the notice of meeting sent to Members and no other business.

## 11. AUTHORITY TO BIND SOCIETY

11.1 **Method of contracting:** A contract or other enforceable obligation may be entered into by the Society as follows:

- (a) an obligation which, if entered into by a natural person, would, by law, be required to be by deed, may be entered into on behalf of the Society in writing signed under the name of the Society by:
  - (i) two or more directors of the Society; or
  - (ii) one or more attorneys appointed by the Society in accordance with Rule ~~1214~~12;
- (b) an obligation which, if entered into by a natural person, is, by law, required to be in writing, may be entered into on behalf of the Society in writing by a person acting under the Society's express or implied authority; and
- (c) an obligation which, if entered into by a natural person, is not, by law, required to be in writing, may be entered into on behalf of the Society in writing or orally by a person acting under the Society's express or implied authority.

11.2 The Society may, in addition to complying with Rule ~~11.113.1~~11.1, affix its common seal, if it has one, to the contract or document containing the enforceable obligation.

11.3 Rule 11.1 applies to a contract or other obligation:

- (a) whether or not that contract or obligation was entered into in New Zealand; and
- (b) whether or not the law governing the contract or obligation is the law of New Zealand.

11.4 The common seal of the society shall be kept at the Society's registered office and shall be used only by authority of a resolution of the Board of Directors.

## 12. ATTORNEYS

- 12.1 **Attorneys:** A company may, by an instrument in writing executed in accordance with Rule 11.1(a), appoint a person as its attorney either generally or in relation to a specified matter.
- 12.2 An act of the attorney in accordance with the instrument binds the company.
- 12.3 Sections 19 to 21 of the Property Law Act 2007 apply, with all necessary modifications, in relation to a power of attorney executed by the Society, to the same extent as if the Society was a natural person and as if the commencement of the liquidation or, if there is no liquidation, the removal of the Society from the register kept for the purposes of this Act of the company was an event revoking the power of attorney within the meaning of those sections.

### 13. ALTERING THE RULES

- 13.1 **Altering the Rules:** The Society may alter or replace these Rules at a Society Meeting by a resolution passed either by a Majority vote of the Members present and voting or voting by ~~postal~~-ballot at the AGM or at a meeting called for that purpose.
- 13.2 **Motion to amend the rules:** Any proposed motion to amend or replace these Rules shall be by ~~postal~~-ballot sent to Members at least 10 business days before the Society Meeting at which the motion is to be considered, and accompanied by a written explanation of the reasons for the proposal and any recommendations of the Board.
- 13.3 **Filing of Rules:** When a Rule change is approved by a Society Meeting no Rule change shall take effect until the Society has filed the changes with the Registrar of Incorporated Societies.

### 14. WINDING UP

- 14.1 **Resolution to wind up:** The Society may be wound up in the manner prescribed by Section 24 of the Incorporated Societies Act 1908. 21 days notice of the required General Meeting shall be called by advertisement inserted once in one or more public newspapers and by notice to Members. Every Member represented at the meeting shall on a show of hands and on a poll have one vote. At such meeting, a quorum shall consist of at least 20 Members. If within half an hour from the time appointed for such meeting a quorum is not present the Members represented at the meeting may transact the business of that meeting as if they constituted a quorum.
- 14.2 **Winding up:** If the Society is wound up:
- (a) The Society's debts, costs and liabilities shall be paid;
- ~~(a)~~(b) Surplus Money and Other Assets of the Society may be disposed of in accordance with the provisions of the Incorporated Societies Act 1908, or otherwise by resolution of the Board returning surplus funds to entities which have provided funds to the Society over a period considered to be appropriate by the Board.

## 15. DISPUTES

- 15.1 **Alternative dispute resolution:** In the event of any dispute arising between the Members of the Society in respect of the activities or functioning of the Society, the Members shall, without prejudice to any other right or entitlement they may have pursuant to these Rules or otherwise, explore whether the dispute can be resolved by agreement between them using informal dispute resolution techniques such as negotiation, mediation, independent expert appraisal or any other alternative dispute resolution technique. The rules governing any such technique adopted shall be as agreed between the Members or as selected by [LEADR NZthe Resolution Institute](#).

## 16. DEFINITIONS

- 16.1 **Definitions and Miscellaneous matters:** In these Rules:

**"Grower Members"** means any or each of those Members referred to in Rule 6.1(a).

**"Levy"** means a levy under the ~~Biosecurity (Psa-V—Kiwifruit Levy) Order 2013~~, Biosecurity (National Kiwifruit Pathway Management Plan—Kiwifruit Levy) Order 2022 or the Biosecurity (Readiness and Response – Kiwifruit Levy) Order 2015.

**"Majority vote"** means a vote made by more than half of the Members who are either present at a Meeting and entitled to vote and voting at that Meeting, or voting by ~~postal~~ ballot upon a resolution put to that Meeting.

**"Money or Other Assets"** means any real or personal property or any interest therein, owned or controlled to any extent by the Society.

**"Society Meeting"** means any Annual General Meeting, or any Special General Meeting, but not a Board Meeting.

**"Tray"** means a standard single layer tray of kiwifruit packed for export to industry specifications as that is understood in the New Zealand kiwifruit industry and which is submitted to an exporter for export. Unless otherwise stated the word "Tray" when it appears in these Rules includes the words "Tray equivalent".

**"Tray Equivalent"** is the answer obtained when a volume of fruit packed or stored in non- standard size containers is recalculated to convert that volume to the number of Trays that the same volume of fruit would have occupied if packed in standard containers.

**"Use Money or Other Assets"** means to use, handle, invest, transfer, give, apply, expend, dispose of, or in any other way deal with, Money or Other Assets.

**"Written Notice"** means communication by post, electronic means (including email, and website posting), or advertisement in periodicals, or a combination of these methods.

- 16.2 **Assumption:** It is assumed that

(a) Where the singular is used, plural forms of the noun are also inferred.

(b) Headings are a matter of reference and not a part of the rules.

~~(a)~~(c) Matters not covered in these rules shall be decided upon by the Board.

## 17. REPEAL OF PREVIOUS RULES

17.1 These Rules shall repeal all previous rules of the Society.

SIGNED by a Member of the Society  
by its authorised signatory:

\_\_\_\_\_  
Name:  
Position:

SIGNED by a Member of the Society  
by its authorised signatory:

\_\_\_\_\_  
Name:  
Position:

SIGNED by a Member of the Society  
by its authorised signatory:

\_\_\_\_\_  
Name:  
Position:



**Kiwifruit Vine Health Incorporated**

## **2023 DIRECTOR ELECTION CANDIDATE PROFILES**

Election of one (1) Director

### **Sandy SCARROW**

Sandy was born into a horticultural family and made production horticulture her career when, after graduating with a Bachelor of Horticultural Science from Massey, she began work as a Horticultural Advisor with MAF 36 years ago. Over that time Sandy has worked with growers and the wider industry to implement technological changes that have lifted production and improved other outputs. In 2003, she was part of a management buyout from Agriculture New Zealand to form Fruition Horticulture (BOP) Ltd with Ruth Underwood.



Sandy bought a kiwifruit orchard in 2013 and as a grower is more aware of the pressures and opportunities this brings. As such, she is very aware of the economic impact biosecurity incursions can have on our food and fibre sector, as well as the impact on the wider natural environment. As such, she will work on KVH to, in the first instance, do what can be done to exclude any biosecurity risk from our environment and work with industry and government to prepare for and respond to any incursions that occur.

Environmental sustainability is a passion for Sandy who was instrumental in gaining seed funding from Zespri to understand what farmers and growers were doing with their agrichemical containers. Not happy that the answer was burning or burying them, she went on to gain funding for and manage the project that has been operationalised into Agrecovery (<https://agrecovery.co.nz/programmes/container-recycling/>). This programme has subsequently recycled 4.2 million kgs of plastic in New Zealand and collected unwanted agrichemicals. Social sustainability is not to be forgotten. As a business Fruition Horticulture, under Sandy's management, has sought to find solutions to bringing those who are not in employment, education or training (NEET) into roles in the horticultural industry and developed programmes so that the seasonal workers from the Pacific make the most of their time in New Zealand.

To provide more insight into the roles and responsibilities of being a board member, Sandy completed the Institute of Directors Company Directors Course in 2019. Along with her role as Managing Director of Fruition Horticulture (BOP) Ltd she also has roles on the boards of Fruition Horticulture (NZ) Ltd, the Bay of Plenty Rural Support Trust, the Food and Fibre Centre of Vocational Excellence (<https://foodandfibrecove.nz/wp-content/uploads/2022/06/Vocational-Excellence-Framework.pdf>) and the Sydenham Botanic Park (<https://sydenhampark.wordpress.com/>) Funding Trust.

Sandy loves the varying roles she plays in the kiwifruit and the wider horticultural industry with recent investments in Rockit apples and Hops.

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**Kiwifruit Vine Health Incorporated**

## **2023 DIRECTOR ELECTION CANDIDATE PROFILES**

Election of one (1) Director

### **Liarna WHITE**



I have been involved in the horticultural sector all my working life. I graduated with a degree in Applied Science with a focus on Horticultural Science from Massey University. I have worked in orchard management, postharvest, and project management within the kiwifruit industry. I currently manage and operate, with my husband, our family Kiwifruit and Avocado orchards. These are in various stages of growth from development through to long term producing. They include 1.2 ha of Hayward, 3.6 ha of Gold 3 and 0.83 ha of Ruby Red in Opotiki, 10.8 ha Gold3, 2.3ha of Ruby red and 0.35ha of Chieftain male for pollen collection in Gisborne/Tairāwhiti. 100 high density young avocado trees holding a first year crop in Te Puke and 1.7 ha of mature avocado trees in Opotiki.

We run a very productive operation which has consistent results and strive for continual growth and improvement. This is achieved in part as a result of our strategic planning. On a regular basis stepping out of the everyday management and looking at the big picture, forward planning and taking the time to work on the business, not just in it.

Having a strategic approach, as well as a sound technical and scientific understand has allowed me to develop a wide overview of lots of the issues that our industry faces. The Kiwifruit industry is very resilient, this has been proven with our ability to move through the arrival, development and recovery phases of the PSA incursion. Kiwifruit Vine Health has provided, and will continue to provide, growers and the wider kiwifruit industry a point of unity. Going forward KVH with industry will action important pathways to protect our industry from wide and significant biosecurity risks.

The Pathway Management Plan, which came into effect from the 1st of April this year focuses on a much broader range of pest and diseases (including PSA). This plan will allow a greater detection of threats and with it higher probability of containment or elimination of the pest threat. It also has the added benefits of being better value for money, with less rules and regulations.

I am involved in local industry groups including the Tairāwhiti growers association (TGA) which took over from the Gisborne Produce Assn in June 2022 with the aim of creating a space for growers in the Gisborne/Tairāwhiti region to leverage local council and industry bodies to ensure the region gets value for the levy's we pay.

I am an elected member of the Women in Horticulture Executive Committee, which works towards to empowering women in all levels and stages of the Horticultural industry.

In June of 2022 I set up the Women in Horticulture group in Gisborne/Tairāwhiti region. With the aim to create a nurturing environment that connects and supports horticultural women in Tairāwhiti. The committee meets monthly to organise events, which has been particularly valuable during these recent extreme weather events.

I believe in the vital work that KVH is doing to protect the kiwifruit industry and that I have the governance tools required to help create and fine tune the strategic direction of the organisation. I am organised and efficient, with a focus on achieving tangible outcomes for all stakeholders.

I am passionate about the kiwifruit industry and the success of all growers. I understand the critical importance of biosecurity, the need to protect the environment in which we grow as well as the need to have a plan to respond to potential threats. I have both a technical and scientific perspective as well as the grower and business owner.

I look forward to receiving your support, to help ensure KVH delivers value to growers and stakeholders and ensuring biosecurity resilience to the kiwifruit industry with the new Pathway Management Plan.