

Kiwifruit Vine Health Incorporated (KVHI)
Annual General Meeting Agenda
Wednesday 21 August 2024 at 9.00am
Suite 1, Mercury Baypark, Truman Lane, Mt Maunganui



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Meeting ID: 473 431 776 709

Passcode: SWeHxD

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, Simon Cook.
3. Approval of the Minutes of the Annual General Meeting of Kiwifruit Vine Health Incorporated held on 23 August 2023 and Matters Arising from those Minutes – Chair, Simon Cook.
4. Kiwifruit Vine Health Incorporated Chair & Chief Executive Reports - Chair, Simon Cook and Chief Executive, Leanne Stewart.
5. Kiwifruit Vine Health Incorporated’s Financial Reports – Chief Executive, Leanne Stewart.
6. Approval of the 2025-26 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 2025-26 - Chief Executive, Leanne Stewart.
8. Directors Remuneration - Chair, Simon Cook.
9. Appointment of the Auditor for Kiwifruit Vine Health Incorporated - Chair, Simon Cook.
10. Kiwifruit Vine Health Incorporated’s Director Elections - Chair, Simon Cook.
Vacancy 1: Grower Director
Vacancy 2: Independent Director
(An opportunity to hear from the director candidates will be provided)
11. 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.
12. Close of AGM.

Following the close of the meeting please join the KVH Board, and NZKGI Executive Committee & Forum for morning tea.

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 29 August 2024.



Explanation of Resolutions

Kiwifruit Vine Health Incorporated - 2024 Annual General Meeting

KVHI 2023 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 23 August 2023 be approved as a true and accurate record.

Explanatory Information

The minutes for the last Annual General Meeting, held on 23 August 2023 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 23 August 2023.

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 2024 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 2024.

2025-26 Levy Rates – Resolution 4 (Item 6 of Agenda)

Proposed resolution:

1. That for the year ending 31 March 2026 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 2026 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 eight tenths of a cent per tray equivalent for the Biosecurity (Readiness and Response – Kiwifruit Levy) and six tenths of a cent per tray equivalent for the Biosecurity (Kiwifruit National Pathway Management Plan - Kiwifruit Levy), for the reasons set out below.

The Biosecurity (Readiness and Response – Kiwifruit Levy) will remain at eight tenths of a cent per tray equivalent for the 2025-26 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, this was renewed in September 2022.*
- 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, this was renewed in March 2023.*
- iii. In July 2017, the second multi sector readiness and response OA for Brown Marmorated Stink Bug (BMSB) was signed, this was renewed in July 2023.*
- 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 November 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 by 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) 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 2025-26 is \$6.2 million which means KVHI 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 2025-26 financial year.

2025 – 2026 KVHI Budget - Resolution 5 (Item 7 of Agenda)

Proposed resolution:

That Kiwifruit Vine Health Incorporated's Budget for the 2025-2026 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 2025-2026:

1. The levies have been included in this budget:
 - For the Biosecurity Levy, based on 194 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 194 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 and contributions toward 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 2025-26 is \$6.2 million.
3. Changes to note across the cost centres include increases to education and awareness, governance, office expenses, operations, people, professional services, and wild kiwifruit. Conversely, there is a reduction in GIA costs and emergency response management expenditure, due to the portfolio now being established. There is an overall increase in expenses of 3% (\$105k), which is largely due to raising expenditure back up to previous levels following a lean year.
4. Noting that there is projected to be a surplus for the year ending 31 March 2024 of \$76,594, resulting in an overall reserve of \$3m.

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 2025-2026 Budget.

Directors Remuneration – Resolution 6 (Item 8 of Agenda)

Proposed resolution:

That the Kiwifruit Vine Health Incorporated director fees are increased by the 3% for the 2024-25 financial year.

Explanatory Information

The KVHI Directors have discussed potential increases to their fees for 2024-25, following the recommendations made by the KVHI Remuneration Committee in 2022, to maintain regular increases based on changes to the Consumers Price Index (CPI), which as of July 2024 is 3.3%. To align with the recommendations made by the KVHI Remuneration Committee an increase of 3% is being sought for the 2024-25 financial year.

The below table sets out the increase of Director's for the 2024-25 financial year.

Position	Current rate	New rate
Chair	\$40,000	\$41,200
Director	\$20,500	\$21,115

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 a 3% increase to their fees, as from 1 August 2024.

Reappointment of Auditor – Resolution 7 (Item 9 of Agenda)

Proposed resolution:

That BDO be reappointed as the auditor of Kiwifruit Vine Health Incorporated for the 2024-2025 financial year.

Explanatory Information

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 KVH 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 reappointed auditor for the 2024-25 financial year.

KVHI Board Grower Director & Independent Director Elections – Resolution 8 and 9 (Item 10 of Agenda)

Vacancy 1: Grower Director

Proposed resolution:

That Liarna White is re-elected as a Grower Director of Kiwifruit Vine Health Incorporated for a term of three years.

Explanatory Information

Kiwifruit Vine Health Incorporated Rules specify a requirement for six Directors, of which three are Grower Directors elected by the Members at the AGM. Liarna White was appointed for a one-year period until the 2024 AGM (for the remainder of David Tanner’s term who retired from the KVHI Board in August 2023). Liarna White is re-standing for this Grower Director vacancy unopposed. Information about Liarna White has been circulated with the agenda papers.

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 KVH Board recommend the Members approve the re-election of Liarna White as Grower Director of Kiwifruit Vine Health Incorporated for a 3-year term.

Vacancy 2: Independent Director

Proposed resolution:

That Fiona Carrick is re-elected as an Independent Director of Kiwifruit Vine Health Incorporated for a term of three years.

Explanatory Information

Kiwifruit Vine Health Incorporated's Rules specify a requirement for six Directors, one of whom is an Independent Director nominated by the Board and elected by the Members at the AGM. Fiona Carrick was appointed as the Independent Director in August 2021 for a 3-year term. She is re-standing for the Independent Director vacancy. Information about Fiona Carrick has been circulated with the agenda papers.

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 KVH Board recommend the Members approve the re-election of Fiona Carrick as the Independent Director of Kiwifruit Vine Health Incorporated for a 3-year term.

General Business (Item 11 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

23 August 2023 at 9.00am

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

Members in person

David Tanner (Chair), Simon Cook (Director), Craig Thompson (Director), Dermott Malley (Director), Amy Willoughby (Director), Anaru Timutimu, Cam Clayton, Colin Bond, Ross Bawden, Don Kemp, Mark Gardiner, Haki McRoberts, Te Aroha Mani, Craig Marwick, Dave Nuku, Whetu Rolleston, Paul Jones, Ruth Underwood, Liarna White, Sally Gardiner, Tom Davies, Debbie Robinson, John Bourke, Sandy Scarrow, Austin & Ann Benn, Barry O'Neil, Mike Smith, Nick Woolsey, Helen Allen, Tim Tietjen, Kimora Rawiri, Mark Mayston, Sean Carnachan, Steve Butler, Phil Jones, Neil Trebilco, Linda Hawes, Joelene Phillips, Chris Anstis, John White, Hugh Moore, Linda Fleck, Gary Davies, Doug Brown, Anton ten Houten, Emmie & Lillianne ten Houten

In attendance in person:

Leanne Stewart, Jacqui Craig, Matt Dyck, Lisa Gibbison, Linda Peacock, Erin Lane, Kerry O'Neil, Max McDonald, Isiah Roberts (Electionz), Gavin Stagg, Neil Moge, Sue Groenewald, Sylvia Warren, Erin Atkinson, Mike Murphy, Sam Moa, Kirsty Bent, Kathy Mason, Georgia Monks, Elaine Gould, Kate Longman, Lynelle Rood

In attendance via Microsoft Teams Video Conferencing:

Andrew McConnell

Apologies:

Fiona Carrick, Peter Ombler, Robert Humphries, Nadine Tunley & Rory Bragg.

Item	Discussion
Meeting Administration	<ul style="list-style-type: none">• Those present were welcomed to the meeting.• The meeting accepted the apologies.• The Chair instructed the members on how to raise topics during the meeting.• The Chair advised that Electionz are the independent scrutineer, and that voting will close at the conclusion of the AGM with an allowance of postal votes postmarked no later than 5.00pm 22 August 2023 being included.• The Chair requested confirmation of the quorum, which was confirmed by the Company Secretary.• The Chair advised that the voting and grower member election results will be published via a "Special Bulletin" on Thursday 24 August 2023 and on the KVH website.• The KVH 2023 AGM was declared open by the Chair.• The Chair asked for items of General Business of which there were none. <p>Minutes of the Annual General Meeting held on 24 August 2022.</p>

	<p>The meeting considered the minutes of the previous meeting which were distributed with the AGM papers.</p> <p>Resolution 1: Resolved 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. <i>Amy Willoughby/Barry O'Neil</i></p> <p>Matters Arising There were no matters arising from the minutes.</p>
<p>Chair & Chief Executive Reports</p>	<p>David Tanner introduced the Chair'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"> • The purpose of KVH ensuring a biosecurity resilient kiwifruit industry. • The difficult season, with several weather events, that grower members have experienced. • The successful implementation of the Pathway Management Plan. • The effect of climate changes to biosecurity risks. • The importance of industry preparedness so that biosecurity risks have little financial, production and social impacts. <p>Leanne Stewart introduced the Chief Executive's Report. The Chief Executive noted some key points in her report which included:</p> <ul style="list-style-type: none"> • The successful implementation of the Pathway Management Plan and the move into the new phase of Psa management. • The re-signing of the GIA Fruit fly Operational Agreement. • Appreciation to Zespri and NZKGI for their ongoing support of KVH activities. • Recognition of the outgoing Board Chair's contribution to KVH. <p>Resolution 2: Resolved that: The Chair and the Chief Executive reports for Kiwifruit Vine Health be approved. <i>David Tanner/Sean Carnachan</i></p>
<p>Financial Reports</p>	<p>A full set of the Annual Accounts to 31 March 2023 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"> • An unqualified audit report has been signed off for KVH by auditor, William Buck. • Special purpose financial reporting framework was used. • There was a levy income decrease from 2022 of \$567k to \$2.262m. • Total operating expenses of \$2.367m, an increase of \$230k, resulting in an overall deficit of \$74k. <p>Key changes in expenditure:</p> <ul style="list-style-type: none"> • Increase in Education & Awareness of \$18.5k • Increase in Office Expenses of \$57.5k • Increase in People and Travel of \$180k • Decrease in Wild kiwifruit Control of \$70k. <p>A grower member enquired the reason for the reduction in wild kiwifruit control. Leanne Stewart advised it was due to a \$70k overspend in the previous financial year.</p>

	<p>This results in total reserves of \$3.3m for the financial year ending 31 March 2023 in line with KVH Reserves Policy.</p> <p>Resolution 3: Resolved that: Kiwifruit Vine Health Incorporated’s Financial Report for the twelve months ending 31 March 2023 be approved. <i>Fiona Carrick/Paul Jones</i></p>
<p>Levy Changes</p>	<p>Leanne Stewart presented the Biosecurity Readiness & Response Levy and the Pathway Plan Levy rates. Key points included:</p> <ul style="list-style-type: none"> • 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. • There is no change proposed to the current levy rates. <p>Resolution 4: Resolved that:</p> <ol style="list-style-type: none"> 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 <i>Actinidia arguta</i>, 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 <i>Actinidia arguta</i>, exported to all markets other than Australia. <p><i>Dermott Malley/Linda Hawes</i></p> <p>A grower member asked why KVH do not include fruit exported to Australia and the Chair advised that it is due to the multiple marketers to Australia and collecting the export data could be difficult but agreed it could be reconsidered in the future.</p>
<p>KVHI Budget</p>	<p>The budget for Kiwifruit Vine Health Incorporated for the 2024/2025 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"> • Levy income was based on an estimate of 180m trays exported. • KVHI is operating another lean budget due to industry headwinds. • Changes in the budget include reductions in strategic projects, GIA, wild kiwifruit, research & development and professional services, resulting in an overall reduction of expenditure of \$80k, resulting in a surplus of \$1k for the year ending 31 March 2025. <p>Resolution 5: Resolved that: Kiwifruit Vine Health Incorporated’s Budget for 2024-2025 year be approved. <i>Craig Thompson/Mark Gardiner</i></p>
<p>Directors Remuneration</p>	<p>The Chair explained that due to the current industry headwinds, KVHI directors are not seeking any increase to their fees for the 2023-24 financial year.</p> <p>Resolution 7: Resolved that: That Directors fees remain unchanged for the 2023-24 financial year.</p>

	<i>Simon Cook/John Bourke</i>
Appointment of Auditor	<p>The Chair provided a correction to the explanatory information provided in the 2023 AGM pack and advised KVH Audit and Risk Management Committee (ARMC) investigated changing the KVH auditor as the current auditor William Buck have been in place since 2018. The ARMC undertook a selection process and recommended to the KVHI Board that BDO be appointed as the KVH auditor from the 2023-2024 financial year.</p> <p>Resolution 6: Resolved that: BDO be appointed as the auditor of Kiwifruit Vine Health Incorporated for the 2023-2024 financial year. <i>Fiona Carrick/Mark Mayston</i></p>
KVHI Rules	<p>Leanne Stewart presented the proposed minor changes to the KVHI Rules, under two resolutions, which include:</p> <ul style="list-style-type: none"> • The first resolution 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 second resolution to tidy up some historic provisions and align with current best practice. <p>Resolution 8: Resolved that: That the purpose section of the KVHI Rules is changed 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 be approved. <i>David Tanner/Liarna White</i></p> <p>Resolution 9: Resolved that: That the proposed changes to the KVHI Rules be approved. <i>David Tanner/Mark Mayston</i></p>
Director Elections	<p>The Chair advised that there are two grower member vacancies for the KVHI Board.</p> <p>One three-year grower member vacancy for the KVHI Board and the incumbent, Simon Cook stood for re-election. Therefore, no resolution is required, and Simon Cook was duly elected to the KVH Board for a three-year term.</p> <p>As the Chair is retiring from the KVHI Board there is also an additional vacancy on the Board for the remainder of the Chair’s term – a one year term until the 2024 AGM and two nominations were received for this vacancy, therefore an election is required.</p> <p>Sandy Scarrow and Liarna White were both nominated and addressed the AGM.</p> <p>The results of the elections will be announced with the AGM results in the KVH Special Bulletin published Thursday 24 August 2023 and on KVH website.</p>
General Business	No general business was raised.

	Barry O'Neil thanked the Chair for his contribution and efforts for KVHI.
Close of AGM	The Chair thanked the members for attending the 2023 AGM and for their support of the activities of KVH and closed the meeting at 9.40am.

Following the close of the AGM, special guest Ruth Underwood, Fruition Horticulture, provided her recent report on the potential financial impact of a fruit fly incursion in the Bay of Plenty.

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 2024



Report contents

	Page
Independent auditors report	3
Approval of special purpose financial report	5
Entity information	6
Financial statements	
Statement of financial performance	8
Statement of movements in equity	9
Statement of financial position	10
Statement of cash flows	11
Statement of accounting policies	12
Notes to the financial statements	15

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KIWIFRUIT VINE HEALTH INCORPORATED

Opinion

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

In our opinion, the accompanying special purpose financial statements of the Incorporated Society for the year ended 31 March 2024 are prepared, in all material respects, in accordance with the accounting policies specified 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 Incorporated Society 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 we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Emphasis of Matter - Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements are prepared solely for the Incorporated Society’s members, as a body. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Incorporated Society and the Incorporated Society’s members, as a body, and should not be distributed to or used by parties other than the Incorporated Society or the Incorporated Society’s members. Our opinion is not modified in respect of this matter.

Board Members Responsibilities for the Financial Statements

The Board are responsible for the preparation of the financial statements in accordance with the accounting policies specified in Note 1 to the financial statements and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board are responsible for assessing the Incorporated Society’s ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the Incorporated Society or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Incorporated Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Incorporated 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 Incorporated Society to cease to continue as a going concern.

We communicate with the Board 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.

Who we Report to

This report is made solely to the Incorporated Society's members, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Incorporated Society and the Incorporated Society's members, as a body, for our audit work, for this report or for the opinions we have formed.



BDO Tauranga
Tauranga
New Zealand
20 June 2024



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 2024.

For and on behalf of the Board

Simon Cook
Chair

Dermott Malley
Vice Chair

Dated:

19 June 2024



Entity information

for the year ended 31 March 2024

Legal name of entity

Kiwifruit Vine Health Incorporated ("KVHI")

Nature of business

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 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
- (e) To do any act or thing necessary or incidental to the attainment of the above objectives.

Incorporated Society Number

254737

Incorporation date

6th December 2010

Registered Office

25 Miro Street
Mount Maunganui

IRD number

106-272-964

Auditors

BDO
525 Cameron Road
Tauranga

Bankers

Westpac Bank
Auckland

Solicitors

Cooney Lees Morgan
Level 3
247 Cameron Road
Tauranga

Entity information (continued)

for the year ended 31 March 2024

Chief Executive	Leanne Stewart
Board Members	Simon Cook (Chair, appointed September 2023) (Grower Director, elected September 2016) Dermott Malley (Deputy Chair, appointed September 2023) (Grower Director, elected July 2018) Liana White (Grower Director, appointed August 2023) Craig Thompson (Zespri Director, appointed November 2019) Amy Willoughby (Supplier Director, appointed July 2021) Fiona Carrick (Independent Director, appointed August 2021) David Tanner (Chair, resigned August 2023) (Grower Director, resigned August 2023)
Associate Director	Cam Clayton (appointed January 2024) Erin Atkinson (term ended December 2023)
Board Secretary	Kiana Allen-Moka (appointed January 2024) Jacqui Craig (appointed April 2018, resigned January 2024)
Physical address	25 Miro Street Mount Maunganui
Postal address	PO Box 4246 Mount Maunganui
Phone	0800 665 825
Email	info@kvh.org.nz
Website	http://www.kvh.org.nz



Statement of financial performance

for the year ended 31 March 2024

	Note	2024 \$	2023 \$
Income			
Income	1	1,875,307	2,262,078
Total income		1,875,307	2,262,078
Operating expenses			
Education and awareness		97,335	94,937
Emergency response management		30,000	-
GIA operational agreement	2	104,867	83,262
Governance	3	185,356	175,479
Office expenses	4	213,320	244,982
Operations		75,271	62,015
People and travel	5	1,299,719	1,299,829
Professional services	6	60,314	59,214
Research & development	7	12,000	10,000
Strategic projects		67,927	56,393
Weather monitoring	8	-	103,811
Wild kiwifruit		628,749	530,211
Total operating expenses		2,774,857	2,720,133
Operating surplus/(deficit)		(899,550)	(458,055)
Non-operating income			
Emergency response management - External contributions		30,000	-
Interest received		142,231	43,827
Wild kiwifruit - External contributions		328,909	352,820
Total non-operating income		501,140	396,647
Non-operating expenses			
Income tax		39,825	12,272
Total non-operating expenses		39,825	12,272
Net surplus/(deficit)		(438,236)	(73,680)



Statement of movements in equity

for the year ended 31 March 2024

	Note	2024 \$	2023 \$
Net surplus/(deficit)		(438,236)	(73,680)
Movements in equity for the period		(438,236)	(73,680)
Equity at beginning of period		3,337,241	3,410,921
Equity at end of year	11	2,899,008	3,337,241



Statement of financial position

As at 31 March 2024

	Note	2024 \$	2023 \$
Current assets			
Cash and bank balances	9	1,442,086	1,865,294
Term deposits		1,595,791	1,545,647
Accounts receivable		14,434	39,176
Prepayments		16,558	15,844
GST refund due		48,760	41,808
Total current assets		3,117,629	3,507,769
Non current assets			
Property, plant and equipment	10	24,981	39,942
Total assets		3,142,610	3,547,711
Current liabilities			
Visa credit card	9	15,351	4,746
Accounts payable		160,542	135,881
Accrued charges		67,709	69,842
Total current liabilities		243,603	210,468
Total liabilities		243,603	210,468
Net assets/(liabilities)		2,899,008	3,337,241
Equity	11	2,899,008	3,337,241



Statement of cash flows

for the year ended 31 March 2024

	2024 \$	2023 \$
Cash flow from operating activities		
Cash was received from:		
Funding receipts	2,258,958	2,245,129
Interest received	86,351	31,556
Income tax refunded	-	503
Cash was applied to:		
Payments to suppliers and employees	(2,722,027)	(2,376,763)
GST paid	(6,952)	(10,687)
Net cash flows from operating activities	(383,670)	(110,262)
Cash flow from investing activities		
Cash was applied to:		
Purchase of assets	-	(12,368)
Net cash flows from investing activities	-	(12,368)
Net increase/(decrease) in cash held	(383,670)	(122,630)
Opening cash	3,406,194	3,528,824
Closing cash	3,022,525	3,406,194
This is represented by:		
ANZ Current account	215	52
ANZ Term Deposit	522,614	507,604
Westpac Cheque Account	79,312	138,889
Westpac Online Saver	1,362,559	1,726,353
Westpac Term Deposit	1,073,176	1,038,043
Westpac Visa credit cards	(15,351)	(4,746)
	3,022,525	3,406,194



Statement of accounting policies

for the year ended 31 March 2024

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.

As of 1 April 2022 KVHI continued its Management Agency status under the Biosecurity Act under the National Pathway Management Plan, followed by the expiry of the National Psa-V Pest Management Plan on 13 May 2023.

At the 24 August 2023 Annual General Meeting, members supported a resolution to expand KVHI's mandate 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, under the Emergency Response Management portfolio.

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.

Kiwifruit Vine Health Incorporated does not have a general purpose reporting requirement and as such these financial statements are prepared as Special Purpose reports in accordance with the accounting policies below.

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 2024

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 2024

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	2024	2023
	\$	\$
Biosecurity (National Pathway Management Plan – Kiwifruit Levy) Order 2022	803,964	646,308
Biosecurity (Readiness and Response - Kiwifruit Levy) Order 2015	1,071,343	1,615,770
Total income	1,875,307	2,262,078

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

Current rates levied (per tray)

	2024	2023
	Cents	Cents
Biosecurity (National Pathway Management Plan – Kiwifruit Levy) Order 2022:	0.60	0.40
Biosecurity (Readiness and Response - Kiwifruit Levy) Order 2015:	0.80	1.00

The above income includes:

(i) 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 2022 KVHI AGM, this levy rate was set for collection from 1 April 2023 at 0.6 cents.

(ii) 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 2022 KVHI AGM, this levy rate was set for collection from 1 April 2023 at 0.8 cents.

2 GIA Operational Agreement	2024	2023
	\$	\$
GIA Operational Agreement	104,867	83,262
Total GIA expenses	104,867	83,262

3 Governance	2024	2023
	\$	\$
Directors fees paid	142,500	137,214
Directors meeting, mileage & expenses	29,842	25,250
Annual General Meeting costs	13,014	13,015
Governance costs	185,356	175,479

4 Office expenses	2024	2023
	\$	\$
Office expenses excluding depreciation and rent	155,891	177,844
Rent	42,468	42,055
Depreciation of computer, office equipment & software	14,961	25,083
Office expenses including depreciation	213,320	244,982

Notes to the financial statements (continued)

5 People and travel costs	2024	2023
	\$	\$
Staff salaries	1,184,161	1,181,459
Mileage, travel & accommodation	86,209	87,701
Other	29,350	30,670
	1,299,719	1,299,829
Other costs include staff training, recruitment, other consultants and ACC		
6 Professional Services	2024	2023
	\$	\$
Audit fee	10,250	9,602
All other Professional Services	50,064	49,612
	60,314	59,214
7 Research and development		
All research and development was funded by Zespri in the year ended 31 March 2024 other than a \$10,000 contribution from KVHI towards the 'Find-a-pest' project and a \$2,000 KVHI contribution for the Spotted Lantern Fly Project.		
8 Weather monitoring		
Budget allocation for weather monitoring has been transferred to Zespri, following the transition of low risk Psa management activities as of 1 April 2024.		
9 Cash and bank balances	2024	2023
	\$	\$
ANZ Current account	215	52
Westpac Cheque Account	79,312	138,889
Westpac Online Saver	1,362,559	1,726,353
Westpac Visa credit cards	(15,351)	(4,746)
	1,426,735	1,860,548
Total cash and bank balances are classified as follows:		
Current assets	1,442,086	1,865,294
Current liabilities	15,351	4,746

Notes to the financial statements (continued)

10 Property, plant and equipment

	Cost	Depreciation	Acc Depn	Carrying value
	\$	\$	\$	\$
Computer equipment	63,903	13,542	50,333	13,570
Office equipment	23,178	1,418	11,766	11,412
Balance as at 31 March 2024	87,081	14,961	62,100	24,981

A review of the asset schedule was completed on 31 March 2023 and those assets that were no longer held by KVH were written off. The cost of these assets therefore did not carry over to 2024 reducing the total asset cost between 2023 and 2024. These assets were historic and the total carrying value was \$4,913 when they were written off in the 2023 financial year.

	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
Balance as at 31 March 2023	205,052	25,312	165,110	39,942

11 Equity

	Pathway Plan Reserves	Biosecurity Reserves	Total Reserves
	2024	2024	2024
	\$	\$	\$
Opening KVHI reserves as at 1 April 2023	126,694	3,210,547	3,337,241
Surplus/ (Deficit) from operations	(23,848)	(414,388)	(438,236)
Closing KVHI reserves as at 31 March 2024	102,845	2,796,159	2,899,008

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.

12 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	
	2024	2023	2024	2023
	\$	\$	\$	\$
Paid by KVHI:				
Zespri International Limited	(72,027)	(67,035)	(7,023)	-
Mainland Kiwi Grower Entity Limited	(3,000)	(8,095)	-	-
GIA Operations Limited	(69,547)	(71,691)	-	(5,413)
Paid to KVHI:				
Zespri International Limited	2,010,088	2,164,810	-	5,742
New Zealand Kiwifruit Growers Incorporated	55,804	58,396	4,929	5,042

GIA Operations Limited - KVHI's share in GIA Operations Limited as at 31 March 2024 is 5.2% (2023: 6.25%)

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.

Notes to the financial statements (continued)

Related party disclosures (continued)

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 2024.

13 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 \$5.9 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.

14 Post balance sheet events

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

15 Capital expenditure commitments

There were no commitments for capital expenditure as at balance date (2023:\$Nil).

16 Operating lease commitments

	2024	2023
	\$	\$
Current	52,038	50,590
Non-current	389,014	437,177
	441,052	487,767

The above amounts relate to non-cancellable operating leases contracted for but not capitalised in the financial statements.

17 Comparatives

There have been a number of prior period comparatives which have been reclassified to make disclosure consistent with the current year.

Kia ora koutou katoa, Ko Liarna White tōku ingoa. Nō Tūranga-nui-a kiwa āhau, Kei Te Puke tōku kanga ināianeī. Hello, my name is Liarna White, and I am originally from Gisborne and now based in Te Puke. I have been a grower elected member on the KVH board for 1 year now and I am seeking your support for re-election for a further 3-year term.

For growers, biosecurity would seem to go from a semi relevant side issue to the most important thing in our business in less 24 hours. It impacts everybody in our industry. Preparing for that eventually, requires us to bring everybody along with us. The likely hood of success is greater when working together.

Ensuring the processes that KVH use to develop biosecurity response plans carefully considers the impact on people, their businesses and the industry as whole is fundamental to their success. 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 and the need to have a plan to respond to the multitude of potential threats.

I have been involved in the horticultural sector all my working life. Graduating with a degree in Applied Science majoring in Horticulture from Massey University in 2008, I have worked in orchard management, postharvest, and project management within the kiwifruit industry.

Over the last ten years, I have built up a successful family business, growing avocado and kiwifruit, with orchards in the Bay of Plenty and Poverty Bay.

Along with my scientific and technical understanding, I bring a future-focused approach to managing the business and to the wider local and national grower community. Our industry is diverse and has amazing strengths that comes from the experience skills and knowledge that the grower community holds.

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 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. I am also the chairperson for Women in Horticulture Tairāwhiti which aims 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 resent extreme weather events.

This year I was selected to be part of the Zespri governance development programme, which will further help to develop my strengths in governance. I am now a member of the New Zealand Institute of directors and will be completing my company directors' course in July 2024.

I am a firm believer in the vital work that KVH is doing to protect the kiwifruit industry. 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 of achieving tangible outcomes for all stakeholders. I have both a technical and scientific perspective as well as that of the grower and business owner.

I look forward to receiving your support for re-election, to continue to ensure KVH continues to deliver value to growers and stakeholders and ensuring biosecurity resilience to the kiwifruit industry. Kia ora rawa atu.

Phone 0274692813

Email liarna@jolarna.co.nz



Fiona Carrick

Chief Executive & Independent Director

- A senior strategic leader, Fiona's broad commercial and governance experience spans local and global businesses.
- Across her governance portfolio, Fiona is a Member of Te Nehenehenui Trust Group Investment Committee and serves on the boards of Kiwifruit Vine Health Inc, Stihl Shop, JerseyNZ, Maungaharuru Tangiutū Ltd, Kaiwaka JV, and the Home of Cycling Charitable Trust (Grassroots Velodrome).
- Fiona brings deep commercial, risk, financial and strategic skills, and her emphasis on sustained and authentic stakeholder engagement shapes the effective partnerships she forges and leads within organisations and across industries.
- Fiona's commercial experience includes roles as Chief Executive of Te Waka (the Waikato Regional Economic Development Agency) and GM Risk at Fonterra.
- Based in Cambridge with her family, Fiona is passionate about the transformation and growth that will advance economic development in the Waikato region.
- Fiona holds a Master of Science (MSc) from the University of Otago and a Master of Business Administration (MBA) from Victoria University of Wellington. Fiona is also a Chartered Member of the Institute of Directors in New Zealand.





Voting Paper 2024 AGM

Voting

You may vote in person at the meeting on 21 August 2024, prior to the meeting by postal vote date stamped no later than 20 August 2024 or online voting (instructions included in this voting pack). Voting closes at the conclusion of the KVH AGM on 21 August 2024.

For further explanation and background to these resolutions please refer to the enclosed Explanation of Resolutions paper.

KVHI MEMBERS ONLY ARE ELIGIBLE TO VOTE

(For each resolution please tick ONE box only)

RESOLUTION 1 – KVHI 2023 AGM MINUTES	YES	NO
That the minutes of the Annual General Meeting of Kiwifruit Vine Health Incorporated held on 23 August 2023 be approved as a true and accurate record.		
RESOLUTION 2 – KVHI CHAIR and CHIEF EXECUTIVE REPORTS	YES	NO
That the Chair and Chief Executive Reports for Kiwifruit Vine Health Incorporated be approved.		
RESOLUTION 3 – KVHI FINANCIAL REPORTS	YES	NO
That Kiwifruit Vine Health Incorporated's Financial Report for the twelve months ending 31 March 2024 be approved.		
RESOLUTION 4 – 2025-2026 LEVY RATES	YES	NO
<ol style="list-style-type: none">1. That for the year ending 31 March 2026 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 <i>Actinidia arguta</i>, exported to all markets other than Australia.2. That for the year ending 31 March 2026 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 <i>Actinidia arguta</i>, exported to all markets other than Australia.		
RESOLUTION 5 – 2025-2026 KVHI BUDGET	YES	NO
That Kiwifruit Vine Health Incorporated's Budget for the 2025-2026 year be approved.		
RESOLUTION 6 – DIRECTORS REMUNERATION	YES	NO
That the Kiwifruit Vine Health Incorporated director fees are increased by the 3% for the 2024-25 financial year.		
RESOLUTION 7 – APPOINTMENT OF AUDITOR	YES	NO
That BDO be reappointed as the auditor of Kiwifruit Vine Health Incorporated for the 2024-2025 financial year.		

RESOLUTION 8 – RE-ELECTION OF KVHI GROWER DIRECTOR	YES	NO
That Liarna White is re-elected as a Grower Director of Kiwifruit Vine Health Incorporated for a term of three years.		

RESOLUTION 9 – RE-ELECTION OF KVHI INDEPENDENT DIRECTOR	YES	NO
That Fiona Carrick is re-elected as an Independent Director of Kiwifruit Vine Health Incorporated for a term of three years.		

DECLARATION BY MEMBER:

NAME OF MEMBER: _____

I hereby declare that I am authorised to exercise this vote for the above named Member of **Kiwifruit Vine Health Incorporated.**

Signed: _____ **KPIN:** _____

Date: _____

Members of Kiwifruit Vine Health Incorporated entitled to vote are 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
- (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.

Number of votes

For the explanation of how the votes are calculated please refer to the KVH website www.kvh.org.nz