



ANNUAL REPORT 2025/26

Preparedness, partnerships
and rapid response:
protecting New Zealand's
kiwifruit industry from
biosecurity risk.

*Priority pests pullout:
"Kiwifruit's Most Unwanted"
poster inside.*

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KVH STRATEGY

2023-2030

KVH's strategy is built around four interconnected pou that together help the kiwifruit industry protect itself from biosecurity risk before, during, and beyond incursion events.

Industry commitment to biosecurity excellence ensures growers and industry partners are informed, engaged, and ready to play their part, forming the foundation for effective action when it matters most.

Readiness and response capability converts preparation into confident, proportionate action through well-tested systems, clear governance, and strong partnerships.

Risk management focuses on activities that manage risk across industry sites, allows early detection of new threats and minimises spread, as well as global scanning for new risks.

Innovation in biosecurity management underpins the entire system, turning research, technology and novel approaches into practical tools that strengthen detection, response efficiency, and long-term resilience.

Together, these pou ensure the industry is not only prepared for known risks, but continuously improving its ability to respond to emerging and evolving threats.

Biosecurity risk is constant, but it is not static. Threats evolve, pathways change, and the potential impacts for growers can escalate quickly if we – as an industry - and our systems, are not prepared.

That is why KVH's strategy is designed to perform not only on paper, but in real-world conditions. It connects readiness activity with the ability to respond confidently when threats emerge.

The 2025/26 year demonstrated this clearly. Investment made over time in surveillance, planning, capability, and relationships translated into practical protection for growers when it mattered most. This year, alongside our day-to-day work, multiple biosecurity responses tested our strategy. Each response demonstrated how preparedness enabled confident, coordinated action - protecting kiwifruit growers and maintaining industry resilience.

OUR VALUES NGĀ MĀTAPONO



PREPARE, RESPOND AND RECOVER

We prepare, respond efficiently and recover from events, balancing work and wellbeing for ourselves and others.



PROTECT AND LEAD

We are guardians, working together to protect our industry.



ACTING WITH DIGNITY

We nourish relationships, working with cohesion, kindness, honesty and trust.



WE ARE ACCOUNTABLE

We engage and influence to encourage accountability and foster growth.

For a full copy of the
KVH 2023-2030 strategy please
visit www.kvh.org.nz/about



PEOPLE IN ACTION

KVH's people were actively engaged throughout the year, representing the organisation during responses, at industry events, grower meetings, conferences, field days, workshops, training exercises, and community engagements across all kiwifruit growing regions.





FOREWORD FROM THE BOARD CHAIR

This year's Annual Report tells a clear and encouraging story: sustained investment in biosecurity readiness truly makes a difference. Not just in theory, but in real-world situations where pressure is high and decisions matter most.



Throughout 2025/26, the kiwifruit industry faced a number of genuine biosecurity challenges. From fruit flies in Auckland, to the detection of a brown marmorated stink bug in an industry-funded trap, and the ongoing yellow-legged hornet response threatening pollination services, our readiness was put to the test. Each time, the system responded effectively and with confidence.

For the Board, this reinforces KVH's purpose. We are here to ensure the industry is always prepared - never starting from scratch when threats arise. With governance structures, response plans, surveillance programmes, and strong partnerships in place, preparation helps reduce uncertainty, protect market confidence, and minimise disruption. These are outcomes that matter deeply to our levy payers.

A key theme throughout this report is proportionality. Surveillance findings were met with careful, disciplined investigation rather than unnecessary alarm. Decisions were guided by evidence, ensuring resources were used wisely and effectively. This measured approach reflects a mature and trusted biosecurity system that aligns with both grower interests and national priorities.

It is also encouraging to see how research and innovation are delivering real, operational value. Targeted surveillance, shaped by scientific insights, has led to earlier detection and faster assurance. These are clear examples of investment translating into meaningful results.

Partnerships continue to be central to everything we achieve. KVH operates within a dynamic and interconnected biosecurity system built on trust, alignment, and shared purpose. We are grateful for the strong collaboration with kiwifruit industry partners, horticultural and primary sector groups, Biosecurity New Zealand, Government Industry Agreement for Biosecurity (GIA) partners, research organisations, and regional councils.

Together, these relationships enable coordinated action and strengthen our collective capability, especially during response events.

Importantly, this year has also highlighted the vital role growers play. Their vigilance, proactive risk management, and willingness to engage are essential to the system's success. As reflected in the case studies that follow, grower participation is a cornerstone of our resilience. We remain committed to supporting systems that make involvement clear, accessible, and rewarding.

We are equally committed to continuous improvement. Each response provides valuable insight, helping us refine our readiness and strengthen our approach. This focus on learning ensures that KVH is not only responding effectively today but is even better positioned for the challenges of tomorrow.

On behalf of the Board, I extend my sincere thanks to the KVH team for their professionalism, dedication, and steady leadership during a demanding year.

I would also like to acknowledge the kiwifruit growers, orchard staff, and industry participants whose everyday commitment underpins the entire biosecurity system. Your efforts make everything we do possible.

Dermott Malley
KVH Board Chair

A handwritten signature in blue ink, appearing to read 'D. Malley', written over a light blue circular stamp.

FOREWORD FROM THE CHIEF EXECUTIVE

The past 12 months have demonstrated the full breadth of KVH's role for kiwifruit growers and the industry.

While biosecurity responses understandably attract attention during periods of heightened risk, our effectiveness is underpinned by the steady, disciplined delivery of business as usual programmes that build readiness every day.

Throughout 2025/26, KVH delivered a substantial programme of activity across surveillance, risk management, science, engagement, and system improvement. This work is often less visible than active responses, but it is essential. It builds the capability, confidence and clarity that allows quick and decisive decision-making when threats emerge.



Maintaining and strengthening surveillance systems across regions and risk pathways remained a core focus. Routine trapping programmes, orchard monitoring, and diagnostics continued to provide critical early warning capability and support informed decision making.

Readiness planning was also a key priority. KVH continued to develop and refine response plans (often in partnership with other industries and technical experts) ensuring they remain current, practical, and aligned with national response frameworks.

Grower and industry engagement continued to underpin our work. KVH produced and updated a wide range of practical guidance, education materials, and communication tools to support early reporting and informed decision making at orchard level. Grower vigilance remains one of the most effective biosecurity tools we have available, and strengthening reporting pathways - and confidence to use them - remains a constant focus.

Science and innovation continued to support both readiness and response. Ongoing investment in research and surveillance methods strengthened our ability to detect and assess biosecurity risk, ensuring that actions remain proportionate to the level of threat.

Throughout the year, KVH staff were regularly out in the regions at grower roadshows, regional and national field days, regional meetings, workshops, and orchard visits, discussing biosecurity risk, surveillance programmes, pathway rules and response expectations with growers, post-harvest partners, and many others directly involved with orchard health.

This engagement is critical. It's where questions are asked, assumptions are tested, and we learn what is working well and where greater clarity or new tools are needed.

This feedback loop directly strengthens operational delivery when responses are underway.

That groundwork pays dividends under pressure. During fruit fly responses for example, growers already understood what restricted area zones mean, why movement controls matter, and how response decisions are made, and by whom.

Communication channels were familiar because they are used consistently outside response periods. This familiarity reduces confusion and supports trust in our work and advice.

I use fruit flies as an example but as the Board Chair has noted, KVH participated in several biosecurity responses during 2025/26. Across all of them, the visibility of effort mattered. Growers could see traps being deployed, fruit being collected, laboratories scaling up, updates delivered as promised, and their peers actively participating in field operations as well as governance decision-making. That visibility builds confidence in a system designed to protect the industry and is something of which we are particularly proud.

I thank the KVH team and Board for their consistent dedication. I also thank our growers, post-harvest organisations, regional coordinators, Zespri, NZKGI and all industry partners for their continued support of our work.

The 2025/26 year demonstrates that KVH's value lies not only in visible responses, but also in the everyday work that consistently reduces risk and builds resilience for all.

Leanne Stewart
KVH Chief Executive

A handwritten signature in black ink, reading 'Leanne Stewart'.



INDUSTRY COMMITMENT TO BIOSECURITY EXCELLENCE

BUILDING A BIOSECURITY-READY INDUSTRY

The Biosecurity Excellence Strategic Pou reflects the understanding that biosecurity excellence is shared across the industry day-to-day, and that confident responses rely on trust built long before an incursion occurs.

BIOSECURITY AWARENESS IS REINFORCED YEAR ROUND THROUGH REGULAR GROWER COMMUNICATIONS, FIELD ENGAGEMENT AND PRACTICAL ON ORCHARD TOOLS.

A strong biosecurity system relies on more than response plans and technical capability. It needs people - growers, contractors, industry partners and the wider kiwifruit growing community - who understand risk, know what to look for, and take steps to manage risk themselves. With everyone taking part, biosecurity risk to the industry is significantly reduced.

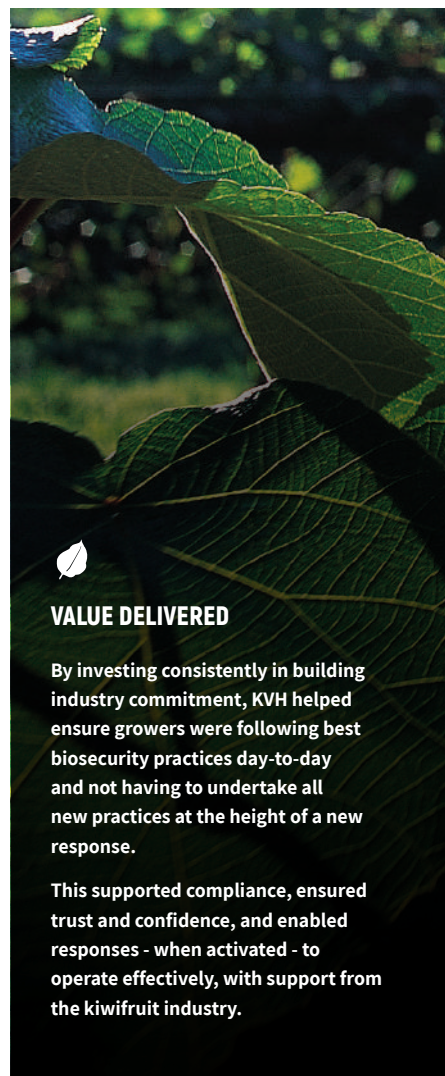
Throughout 2025/26, KVH continued to invest in everyday engagement and education to strengthen this foundation. Grower roadshows, industry events, newsletters, digital and printed resources and direct engagement ensured biosecurity remained visible, practical and relevant. Tools such as pest identification resources, on-orchard biosecurity plans, and reporting guidance reinforced consistent expectations across the industry.

GROWERS CAN REPORT UNUSUAL SYMPTOMS IN PERSON OR ONLINE AT ANY TIME - CORE EVERYDAY SYSTEMS SUPPORTING EARLY DETECTION.

This 'peacetime' work is often less visible, quiet, but its value becomes clear when a response occurs. During multiple biosecurity responses this year, grower vigilance and ability to report played a critical role in ensuring early detection of any possible pest spread to orchards or industry sites, and confidence building. Growers knew what to look for, how to report concerns, and where to find trusted information - reducing uncertainty and supporting fast investigation, if needed.

The yellow-legged hornet response is a clear example. While the hornet is not a pest of kiwifruit, KVH's long standing engagement with growers meant the industry understood why the response mattered (protecting pollination services) and what action was appropriate. Clear, safety focused guidance reinforced correct behaviour - be on the lookout, report if concerned, and for your own safety, do not disturb hornets or their nests.

Similarly, during fruit fly responses, industry awareness and cooperation helped support movement controls, surveillance activity and community engagement in the affected and restricted zones. Growers understood that compliance from those within the affected areas was not just a regulatory requirement, but a contribution to protecting the kiwifruit industry through ensuring continued market access and industry confidence.



VALUE DELIVERED

By investing consistently in building industry commitment, KVH helped ensure growers were following best biosecurity practices day-to-day and not having to undertake all new practices at the height of a new response.

This supported compliance, ensured trust and confidence, and enabled responses - when activated - to operate effectively, with support from the kiwifruit industry.



This image was sent in by a Gisborne contact, showing an unusual cluster of small, golden, striped eggs scattered across the underside of a kiwifruit (Hayward) leaf.

Following review by Bioeconomy Science Institute (BSI) entomologists, they were identified as native stink bug (pentatomid) eggs.

KVH delivered regional grower visits, events and ongoing communications throughout the year to reinforce everyday biosecurity practices and ensure growers knew what to look for and how to report concerns.



During the yellow-legged hornet response, KVH provided clear, safety-focused guidance to kiwifruit growers, explaining why the hornet mattered to kiwifruit and reinforcing correct reporting behaviour.

Industry personnel were well trained and ready to take part in field activities in support of the response.

CASE STUDY

YELLOW-LEGGED HORNET RESPONSE



77 QUEENS
LOCATED

132 NESTS
DESTROYED

KEY TOOL: RADIO-TRACKING
OF WORKER HORNETS

GROWER VALUE SHOWN



Protection of pollination services.



Confidence during a high-profile, pollination threat.



Clear guidance prevented unsafe or unhelpful behaviour.

This case study demonstrates how strong industry engagement and communication underpin effective biosecurity outcomes, even when the risk is indirect.

PROTECTING POLLINATION THROUGH PREPAREDNESS, PARTNERSHIP AND RAPID RESPONSE

When yellow-legged hornets were first detected in Auckland in late October 2025, the risk to the kiwifruit industry was indirect but significant. While the hornet does not feed on kiwifruit or affect vines, it is a highly effective predator of honeybees. For an industry that relies heavily on managed pollination services, any disruption to hive health or availability poses a real production risk.

This response tested a different dimension of biosecurity readiness. The challenge was not orchard containment but protecting a critical service that underpins yield and quality outcomes, potentially across growing regions. For KVH, the focus was on assurance: ensuring kiwifruit interests were protected through early eradication efforts, clear communication, and strong coordination with Biosecurity New Zealand and partners from other sectors and industry groups.

FROM DETECTION TO SUSTAINED RESPONSE

A Government Industry Agreement for Biosecurity (GIA) response was stood up, with Biosecurity New Zealand working with kiwifruit and other pollination reliant horticulture sectors. Apiculture representatives were also included in response discussions as observers.

An intensive eradication programme focused on locating and destroying nests before queens could disperse. The response zone was centred on Auckland's North Shore.

Early in the season, surveillance teams faced challenges associated with locating nests that were small, often concealed within vegetation or structures, and difficult to locate through visual searches alone. As hornet activity increased, the response evolved to include more sophisticated detection techniques.

A change came with the expanded use of radio tracking technology. By attaching small transmitters to captured worker hornets, response teams could follow flight paths back to nests. Once a hornet was tagged, nests were often located within hours rather than days, dramatically increasing the pace and effectiveness of eradication attempts.

By late summer, the response had located 77 queens and over 132 nests, all within the defined response zone. Importantly, there were no detections outside the zone, reinforcing confidence that the hornet had not established more widely.

KVH'S ROLE - TRANSLATING RESPONSE INTO GROWER VALUE

KVH was engaged with the response as an indirect beneficiary under GIA arrangements, ensuring kiwifruit interests were represented in governance discussions and that growers received timely, relevant information. Close coordination with Biosecurity New Zealand and other horticultural sectors reliant on pollination helped maintain alignment across the response.

We were heavily involved in operations, coordinating the deployment of industry resource. This is key during the start of a response as logistics find their rhythm and build their workforce, and also as the response enters new phases, for example, Vespex deployment (a protein-based insecticide bait), requiring additional personnel.

A key focus was communication clarity. High profile responses like this one, with a detection of a certain pest in New Zealand for the first time, can quickly generate anxiety if messaging is unclear.

KVH translated response activity into grower relevant guidance, explaining why the hornet mattered to kiwifruit and reinforcing correct, safe, behaviour: remain alert, report sightings, and do not disturb suspected nests.

MANAGING RISK WITHOUT CREATING ALARM

The response balanced urgency with reassurance. Surveillance and eradication activity was scaled according to evidence, ensuring resources were focused where risk was highest while avoiding unnecessary disruption outside the response zone.

For growers, this measured approach delivered confidence. The response was visible, active and technically robust, yet proportionate.

BUILDING FUTURE READINESS

Beyond immediate response outcomes – focused on the goal of eradication – the hornet response delivered long-term readiness benefits. It validated layered surveillance approaches, demonstrated the value of advanced and novel detection tools, and strengthened coordination across agencies and sectors.

VALUE DELIVERED FOR GROWERS

- Protection of pollination services through the goal of eradication.
- Confidence during a high-profile response.
- Proof that readiness investments deliver value for indirect threats.

RESPONSE ZONE: AUCKLAND'S NORTH SHORE

**DETECTIONS OUTSIDE
ZONE: NONE**

**KIWIFRUIT INDUSTRY
CONTRIBUTION TO
RESPONSE OPERATIONS:
92 PERSON DAYS**





READINESS AND RESPONSE

FROM PREPARATION TO PERFORMANCE

The Readiness and Response Strategic Pou is about ensuring the kiwifruit industry can move seamlessly between response preparation and action. Readiness isn't static; it must be tested, refined and proven through responses as well as scenarios.

RESPONSE PLANS AND GOVERNANCE ARRANGEMENTS ARE MAINTAINED AND TESTED IN PEACETIME SO THE SYSTEM CAN ACTIVATE IMMEDIATELY WHEN NEEDED.

During 2025/26, KVH maintained and strengthened response readiness through planning, training, exercises and partnership coordination. This included refining organism specific readiness plans with research outcomes, supporting response training capability, and working with partners under the Government Industry Agreement for Biosecurity (GIA) framework to ensure roles, decision making and cost sharing arrangements were clear before they were needed.

This preparation was tested several times, including during the yellow-legged hornet and fruit fly responses. In both cases, the response system activated quickly, scaled appropriately, and adapted as new information emerged.

REGULAR EXERCISES ENSURE ROLES, DECISION MAKING AND COMMUNICATIONS ARE WELL UNDERSTOOD BEFORE A RESPONSE OCCURS.

The hornet response demonstrated the ability for parties to come together to manage a first-time, high-profile incursion over an extended period. Surveillance strategies evolved, new tools were introduced, and public reporting was integrated into response operations - all while maintaining coordination across multiple industry groups.

The fruit fly responses showed how pre-agreed response plans allow decisive action from day one. Movement controls, intensified surveillance, diagnostics and communications were implemented quickly, then removed confidently once evidence supported closure.

Importantly, readiness also ensured business as usual work continued alongside responses. KVH maintained delivery of routine programmes while supporting active responses. This demonstrates resilience as an organisation and as an industry.



VALUE DELIVERED

Readiness meant responses were efficient, disciplined, proportionate and effective, reducing disruption, protecting growers from prolonged uncertainty, and demonstrating that the system works as intended when tested.



Workshops were organised like this one with the Punchbowl team, who joined KVH in hosting Biosecurity New Zealand staff, to connect, network, and share an understanding of the industry's infrastructure and past and potential forward impacts of biosecurity responses.



KVH took part in Exercise Harvest Shield, an event testing how we would respond to a brown marmorated stink bug (BMSB) incursion.

Led by the Government Industry Agreement for Biosecurity Readiness and Response (GIA) BMSB Council, the exercise involved about 70 participants from Biosecurity New Zealand, industry, research organisations and other interested parties that would be impacted by a BMSB incursion. These exercises provide significant benefit in testing our operational plans and identifying areas for improvement as well as clarifying roles and responsibilities of those who may be involved in the response to an incursion.

CASE STUDY

QUEENSLAND FRUIT FLY RESPONSE

230+kg

FRUIT INSPECTED

NATIONAL SURVEILLANCE
NETWORK:

ALMOST 8,000 TRAPS



GROWER VALUE SHOWN



Readiness investment
paid off.



Fast activation protected
markets.



Confident closure
minimised disruption.



Clear communication
reduced uncertainty.

This case study shows the readiness system performing exactly as designed - rapid activation, proportionate controls, and confident closure. It's an example of readiness translating into action and is one of many, given there have been several successful fruit fly responses within the last two years.

RAPID ACTIVATION, DISCIPLINED CONTROLS AND CONFIDENT CLOSURE

Fruit fly responses are among the most potentially consequential biosecurity events the New Zealand kiwifruit industry faces. If detections result in confirmed populations, these have the potential to disrupt market access, supply chains and grower confidence. That is why the system is designed to act fast, and why readiness must be proven under pressure.

In early 2026, a single male Queensland fruit fly (QFF) was detected in Auckland through routine surveillance. While the detection was of a single fly only, it triggered a Level 1 response under the GIA framework with an objective of determining if a breeding population exists in the area.

STANDING UP THE RESPONSE

Because response plans, governance frameworks, and operational roles were already established, the response activated rapidly. Legal controls were implemented within defined zones to prevent the movement of potential host material. Surveillance intensity increased, and systematic investigation activities began immediately.

A core component of the six-week response was fruit and vegetable inspection and diagnostics. More than 230 kilograms of fruit were inspected as part of building confidence that no breeding population was present. Surveillance traps were checked frequently, while the wider national fruit fly surveillance network - numbering almost 8,000 traps across the country - continued to provide background assurance.

Public engagement was critical. Clear guidance supported compliance by residents and businesses within response zones, ensuring controls were effective while investigations continued.

KVH'S ROLE IN THE RESPONSE SYSTEM

KVH supported industry readiness, coordination and assurance throughout the response. Working closely with Biosecurity New Zealand and other horticulture partners, KVH ensured kiwifruit growers interests were considered in response decision making.

Equally important was KVH's communication role. Fruit fly responses can generate uncertainty quickly. KVH shared grower focused messaging, reinforcing that the response was precautionary, evidence driven and time bound.

Individual growers and industry personnel from local pack-houses Punchbowl and APAC, accompanied by KVH staff, also assisted response operations in the field with fruit collection.

EVIDENCE-BASED DECISION-MAKING AND CLOSURE

As surveillance and diagnostics progressed, evidence continued to support the conclusion that the detection was isolated. No further flies were detected in traps, and inspections did not identify additional risk.

Once response criteria were met, restrictions were lifted, additional response infrastructure (including road signage and disposal bins) was removed, and the response closed. This confident stand down was as important as rapid activation, demonstrating the system's ability to return to normal operations without delay.

READINESS PROVEN

New Zealand has a strong track record of activating successful responses to fruit fly detections, and this Auckland 2026 response reinforced that capability (there have also been several other responses within the last two years). It demonstrated the value of sustained investment in surveillance, response planning and coordination.

VALUE DELIVERED FOR GROWERS

- Early detection through surveillance.
- Rapid, proportionate response protecting market confidence.
- Clear communication and assurance.
- Confident closure minimising disruption.

RESPONSE LEVEL:
GIA LEVEL 1

DETECTION:

SINGLE MALE QFF

DETECTED IN EARLY
2026 IN AUCKLAND

OUTCOME: NO BREEDING
POPULATION DETECTED

KIWIFRUIT INDUSTRY
RESPONSE CONTRIBUTION:
22 PERSON DAYS





RISK MANAGEMENT

TARGETING EFFORT WHERE IT MATTERS MOST

Effective biosecurity is built on understanding risk and directing effort where it delivers the greatest protection for growers. The Risk Management Strategic Pou focuses on identifying the biosecurity threats that matter most to the kiwifruit industry and managing them in ways that reduce both likelihood and impact.

RISK REGISTERS AND GLOBAL SCANNING ENSURE EFFORT IS FOCUSED WHERE IT DELIVERS THE GREATEST PROTECTION FOR GROWERS.

During 2025/26, KVH continued its core risk management activities, including administering the National Kiwifruit Pathway Management Plan, global scanning for emerging pests and diseases, maintaining the industry's Most Unwanted list, updating the biosecurity risk register, and advising the industry on changing risk profiles. Together, this intelligence underpins decisions across surveillance, research investment, readiness, and response planning.

INDUSTRY FUNDED SURVEILLANCE COMPLEMENTS NATIONAL PROGRAMMES, TARGETING KIWIFRUIT SPECIFIC RISK PATHWAYS.

A risk-based approach ensures resources are used where they will have the greatest effect. Rather than responding in the same way to all threats, effort is prioritised according to evidence, providing strong protection for vine health while avoiding unnecessary disruption for growers and their businesses.

Risk management also shapes longer term investment decisions. Surveillance tools, research programmes, and pathway controls are prioritised based on where they will deliver the greatest reduction in risk to vine health and production.

The value of this approach is clarity. Growers can see why certain pests receive more attention and become "Kiwifruit's Most Unwanted", why controls are applied to specific pathways or activities, and how decisions are grounded in evidence rather than reaction.

See the highest
priority pests
in your pullout
poster.



VALUE DELIVERED

A risk-based approach ensures resources are used efficiently, and growers are protected from both biosecurity threats and unnecessary compliance burden.



Wild kiwifruit management is a long-term risk management programme, reducing known biosecurity and disease reservoir risks before response is required.

KVH maintained the kiwifruit biosecurity risk register and Most Unwanted list, using global scanning and response learnings to guide surveillance, pathway controls and investment decisions.



Risk-based pathway requirements continued to be embedded in existing industry systems such as Zespri GAP and CAV, making biosecurity part of everyday orchard practice.

CASE STUDY

PATHWAY MANAGEMENT REDUCES RISK BEFORE IT ESCALATES

VALUE DELIVERED FOR GROWERS



Reduced likelihood of damaging incursions through targeted, risk-based pathway controls.



Confidence that requirements are proportionate and practical.



Efficient use of industry resources, focusing effort where it delivers the greatest protection.



Lower risk of unnecessary disruption.

One of the most effective ways to manage biosecurity risk is to increase the chance of detecting new threats early and these being in limited distribution at the time of detection. The Risk Management Strategic Pou recognises that stopping pests and diseases at known high-risk entry and spread points often delivers the greatest protection for growers and increases the likelihood of successful response outcomes.

The Pathway Management Plan (PMP) is the primary mechanism through which this strategy is put into practice. It translates science into clear, practical controls that operate every day across the kiwifruit industry.

FROM RISK INTELLIGENCE TO EVERYDAY PROTECTION

Biosecurity risk most often enters the industry through known pathways, including the movement of plants and plant material, budwood, people, and equipment. The PMP is designed to manage these risks before they escalate, reducing the likelihood of incursions that could otherwise trigger significant and disruptive response activity.

Rather than applying the same rules to all pathways, the PMP is built on the principle that not all pathways carry the same level of risk. Research funded by Zespri Innovation is used to identify where controls will deliver the greatest reduction in risk to vine health and production. In practice, this results in clearly defined requirements for managing higher risk movements (especially plants and budwood), supported by guidance, permissions, and rules that are proportionate to the level of threat.

EMBEDDING CONTROLS WHERE RISK IS HIGHEST

A deliberate feature of the PMP is its integration into existing industry systems. Rather than creating parallel processes, pathway requirements are embedded within established frameworks such as Zespri GAP and CAV schemes, making biosecurity part of standard orchard practice rather than an added layer of compliance.

This integration supports high levels of compliance while minimising duplication and unnecessary burden for growers. It also ensures that pathway controls remain practical, workable, and aligned with how orchards and supply chains already operate.

SUPPORTING GROWERS TO PLAY THEIR PART

Effective pathway management doesn't rely on rules, but on understanding and engagement. Throughout the year, KVH supported growers to meet requirements through regional visits, discussions, paper based and online tools, all helping translate pathway requirements into practical, on-orchard actions.

Targeted engagement was focused on GAP Option 1 growers (those outside the Zespri GAP scheme), where additional support helps ensure controls are applied consistently and effectively. This reflects the broader Risk Management Strategic Pou philosophy of directing effort where it matters most, rather than applying a one size fits all approach.

PREVENTING IMPACT BEFORE RESPONSE IS NEEDED

The success of pathway management is often measured by what does not happen.

By reducing exposure through high-risk pathways we increase the chance that a new incursion will be detected early and be limited in distribution at the time of detection. This provides the best possible chance of successful response outcomes and therefore reduces potential impacts to the industry.

This preventative work complements response readiness under other strategic pou. When new threats are detected, pathway management provides us the best chance that these are still relatively confined and therefore eradicable which allows orchardists to do what they do best - producing kiwifruit.

VALUE DELIVERED FOR GROWERS

- Reduced likelihood of damaging incursions through targeted, risk based pathway controls.
- Confidence that requirements are proportionate and practical.
- Efficient use of industry resources, focusing effort where it delivers the greatest protection.
- Lower risk of unnecessary disruption.

The Risk Management Strategic Pou demonstrates that strong biosecurity outcomes are achieved not only through response, but through the quiet, consistent work of managing risk before it escalates. The PMP is a clear example of how risk intelligence is turned into everyday protection for the kiwifruit industry.

A stylized illustration of a branch with four leaves, rendered in a light green color against a dark green background. The branch starts from the top left and extends diagonally towards the bottom right. The leaves are positioned along the branch: two on the left and two on the right.

INNOVATION IN BIOSECURITY MANAGEMENT

INNOVATION SUPPORTING OUTCOMES

Biosecurity risk is constantly evolving and increasing, and managing it effectively requires continual improvement and innovation to keep pace. The Biosecurity Innovation Strategic Pou focuses on turning research, technology and new thinking into practical capability that strengthens readiness and response.

RESEARCH-INFORMED SURVEILLANCE DESIGN STRENGTHENS EARLY DETECTION AND RESPONSE CONFIDENCE.

During 2025/26, KVH continued to invest in innovation across surveillance, diagnostics, data integration and response tools. These investments are often made well before their value is realised, but this year demonstrated why that foresight matters with the detection of a brown marmorated stink bug (BMSB) in a KVH-funded surveillance trap, located based on findings of a Zespri Innovation research report.

Novel technologies supported real-world response outcomes too. During responses, advanced tracking methods, improved surveillance design and data-driven decision-making enhanced speed, confidence and effectiveness. The deployment of new baiting approaches in the yellow-legged hornet response illustrates how innovation in biosecurity from multiple response partners expands the response toolkit and provides additional assurance.

DIGITAL TRACEABILITY TOOLS ENHANCE THE INDUSTRY'S ABILITY TO RESPOND QUICKLY AND ACCURATELY DURING BIOSECURITY EVENTS.

Throughout the year, KVH continued its ongoing work plan with science partners on research programmes, surveillance optimisation and system improvement. These efforts strengthen the industry's ability to detect threats earlier, respond more precisely and recover more quickly.





Research findings were used directly to guide where surveillance traps were placed — ensuring effort was focused on high-value early-warning sites, not left to chance.

Black panel traps, like this one, were placed and had not previously been used for surveillance in New Zealand.

CASE STUDY

BROWN MARMORATED STINK BUG INVESTIGATION

DETECTION:

SINGLE ADULT MALE BMSB

MONITORING PERIOD: 12 WEEKS

OUTCOME: NO FURTHER DETECTIONS

GROWER VALUE SHOWN



Early detection of a high-impact pest.



Avoided risk of establishment and long-term cost.



Research-led insight: science identifying where effort matters most.



Evidence-based confidence: proportionate response and reassurance.

This case study shows how targeted research, when translated into surveillance design and acted on quickly, delivers early warning and confident biosecurity outcomes for growers.

THE CHALLENGE: KNOWING WHERE TO LOOK

Brown marmorated stink bug (BMSB) is recognised internationally as one of the most serious threats to kiwifruit and other horticultural sectors. Global experience shows that once established it is costly to manage, difficult to eradicate, and disruptive across production as well as being a public nuisance pest.

For New Zealand, the challenge is not simply detecting BMSB, it is detecting it early, before establishment occurs. That requires surveillance that is informed by evidence, not chance.

RESEARCH TURNING INTO SURVEILLANCE DESIGN

Prior to the detection, KVH, in partnership with Zespri Innovation, invested in research to better understand where post-border BMSB incursions are most likely to occur and where additional surveillance effort would deliver the greatest benefit.

That research analysed risk factors such as entry pathways, host plant availability, and climate suitability, and locations where surveillance could provide the earliest warning for horticulture.

The findings were used directly to inform trap placement decisions, ensuring levy-funded surveillance was focused where it would be most effective for kiwifruit growers. This research didn't sit on a shelf; it shaped operational deployment.

DETECTION THROUGH RESEARCH-INFORMED SURVEILLANCE

In February 2026, a single adult male BMSB was detected in a KVH-funded black panel surveillance trap in Ōrākei, Auckland.

The detection was not accidental. The trap was placed at that location specifically because research and risk analysis identified it as a high-value early-warning site. This surveillance programme, funded by growers through KVH, was designed to complement Biosecurity New Zealand's national BMSB network by adding kiwifruit-specific risk coverage and also provided KVH an opportunity to innovate and trial new trap designs which had not been previously used for surveillance in New Zealand.

The detection occurred during the recognised high-risk season. Biosecurity New Zealand was notified immediately and confirmed the specimen as BMSB.

USING EVIDENCE TO GUIDE PROPORTIONATE ACTIONS

Once confirmed, an investigation began quickly. Site inspections were underway within hours and included tree beating and visual inspections within a defined radius of the trap. While several shield bug specimens were found, none were BMSB.

To strengthen confidence, surveillance was deliberately intensified. Eight additional traps were deployed in the surrounding area and monitored weekly for the first month, then fortnightly over a total 12-week investigation period, consistent with national protocols.

Community engagement also formed part of the evidence-building process, with nearby properties, including a community garden and nursery, provided with information and asked to report any suspect insects.

CONFIDENCE BUILT THROUGH EVIDENCE

No further BMSB were detected during the intensified surveillance period, and no entry pathway was identified. This allowed the investigation to conclude with confidence that the detection was isolated and did not represent any potential incursion or establishment.

Communications throughout were intentionally measured and evidence-based. Growers were informed that surveillance had worked exactly as intended by providing early warning and enabling swift, proportionate action.

WHY THIS MATTERS FOR GROWERS

This case study demonstrates why research-led innovation is so critical to biosecurity outcomes. Without targeted, research-informed surveillance in high-risk locations, this detection may not have occurred, and opportunities for early intervention and confidence would have been lost.

This is innovation delivering protection - not through headline technology, but through smart decisions backed by research.

VALUE DELIVERED FOR GROWERS

- Research translated into action, directing surveillance to where it matters most.
- Early detection of a globally significant pest.
- Rapid, proportionate investigation guided by evidence.
- Confidence that there was no evidence of any BMSB population.
- Clear demonstration that levy-funded research and surveillance delivers real-world value.

LOCATION:

ŌRĀKEI, AUCKLAND

TRAP TYPE: KVH-FUNDED BLACK PANEL SURVEILLANCE TRAP

FOLLOW-UP SURVEILLANCE: ADDITIONAL TRAPS AND SITE INSPECTIONS



SCIENCE IN ACTION THIS YEAR'S BIOSECURITY RESEARCH HIGHLIGHTS WITH ZESPRI INNOVATION



01. CERATOCYSTIS CULTIVAR EVALUATION

WHY THIS PROJECT IS IMPORTANT

Ceratocystis wilt is a highly destructive soil-borne disease that can cause severe vine decline, plant death, and orchard loss in kiwifruit, with mortality reported up to 30% annually in affected regions. It is the most severe threat to kiwifruit production in Brazil, often leading to orchard abandonment or replacement by other crops.

While impacts on kiwifruit have been reported from Brazil, screening of other *Ceratocystis* isolates suggests that pathogenic forms are not confined to South America and should be considered a global threat.

AIM:

The primary aim of the project was to evaluate the resistance of various kiwifruit cultivars to *Ceratocystis wilt*. This involved assessing the genetic variability of the pathogen, understanding the interaction between isolates and cultivars, and exploring the potential of resistant rootstocks to control the disease.

FINDINGS:

The project identified significant differences in resistance among all tested kiwifruit cultivars.

The Bruno open-pollinated rootstocks CRK2 and CRK5, found through seedling screening, were consistently more tolerant, showing smaller lesions and little to no wilting. The rootstock CRK5 was the most tolerant, followed by CRK2. Gold3 and Hayward were found to be highly susceptible, supporting results from earlier work.

Field observations over a three-year period indicated that CRK2 and CRK5 maintain tolerance in heavily infested orchards. However, these results were influenced by environmental conditions, with wilting and even plant death observed in CRK2 under waterlogged or poorly drained soil conditions.

Minimal resistance transference was observed from tolerant rootstock to susceptible scions when grafted but overall performed better than the individual tolerance level.

HOW THIS KNOWLEDGE WILL BE USED:

Despite significant research effort, there are few management and control options for *Ceratocystis* should it arrive in New Zealand.

This research provides promise that there may be some resistance within kiwifruit species, and breeding may play a key role in our readiness programme. Zespri Innovation and KVH are working with the Kiwifruit Breeding Centre to better understand the role that plant breeding could play in our readiness programme, as it has for other plant species that have been impacted by *Ceratocystis wilt*.

02. LITERATURE REVIEW OF MODERATE RISK PATHOGENS WITHOUT VALIDATED DIAGNOSTICS

AIM:

Conduct a brief literature review of five moderate-risk fungal pathogens identified as potential threats to the New Zealand kiwifruit industry that do not currently have validated diagnostics.

WHY THIS PROJECT IS IMPORTANT

Diagnostic tests are a key component of biosecurity readiness, as they provide the ability to detect and respond to an organism should it arrive here. There are several pathogens considered high-risk to the kiwifruit industry for which diagnostic development has been prioritised and is now complete.

However, there is a much longer list of pathogens that we know much less about and that are considered moderate impact. This project consolidated information about these organisms and their potential impact on kiwifruit to help determine whether diagnostic development is warranted and support stronger preparedness for future biosecurity threats.

FINDINGS:

The review highlighted the potential impact that lesser-known pathogens could have on kiwifruit and the value in further research to better understand these organisms.

Corynespora cassiicola was identified as the pathogen that should be prioritised for diagnostics development. Recent overseas reports indicate it is causing significant disease in red kiwifruit in China, with very high disease incidence in affected regions and estimated yield losses of 15–50%.

HOW THIS KNOWLEDGE WILL BE USED:

This report has been useful to prioritise diagnostic development for *Corynespora cassiicola*, which is now being progressed as a separate project with Zespri Innovation. Information on this organism has been shared with the Ministry for Primary Industries (MPI) to ensure that pathways are appropriately managed.

03. SEARCHING FOR NEW ZEALAND PARASITIDS TO STINK BUG THREATS

AIM:

As part of a novel pre-emptive classical biocontrol strategy for BMSB, a three-year targeted multiregional survey was conducted aiming to assess the presence/absence of *Trissolcus mitsukurii*, a parasitoid known to be effective against BMSB and known to be present in Australia; and identify resident egg parasitoid populations of New Zealand stink bugs, some of which may contribute to a future biocontrol programme against BMSB.

WHY THIS PROJECT IS IMPORTANT

Offshore, in regions where brown marmorated stink bugs (BMSB) are prevalent, growers use a combination of exclusion netting, agrichemicals, and biocontrols such as parasitoids to reduce the impact of stink bugs on kiwifruit production.

There are several exotic parasitoids, such as the Samurai wasp (*Trissolcus japonicus*), that are known to be effective against BMSB, and New Zealand has put significant effort into having this as a potential tool available should we need it, including Environmental Protection Authority (EPA) approval for use as an eradication tool. However, despite these efforts, there are still a number of significant barriers that make release of an exotic parasitoid challenging.

However, it is possible that suitable parasitoids already exist within New Zealand that, if found, would reduce release challenges. Therefore, a survey was initiated to determine whether suitable parasitoids exist within New Zealand and whether they could successfully be used to control BMSB. This project was funded by the Ministry for Primary Industries Sustainable Food and Fibre Fund (SFFF), with co-funding from Zespri Innovation and New Zealand Apples and Pears.

FINDINGS:

While this survey did not find *Trissolcus mitsukurii*, it did identify four stink bug parasitoids, including an undescribed species. Three of these parasitoids were then tested against BMSB, but unfortunately, they had negligible direct parasitism. However, they did increase egg mortality and could contribute to BMSB suppression in parallel with other biocontrol efforts.

The findings demonstrate that New Zealand does have native parasitoids, but these are unlikely to be effective primary control agents against BMSB and may complement other biocontrol efforts.

HOW THIS KNOWLEDGE WILL BE USED:

Currently work is underway to further assess the biological control potential of these three stink bug parasitoids against BMSB. This will be done by understanding host location ability of these parasitoids and mortality caused to BMSB eggs. If this is successful, further work will be done to conduct no-choice experiments to understand how they may act in a New Zealand environment where other stink bug eggs will be available.

Taken together this will enable us to understand whether these parasitoids could be used alongside an introduced specialist in the event of an incursion to enhance overall suppression of BMSB.

OUR BOARD



DERMOTT MALLEY

Grower Director
and Board Chair



LIARNA WHITE

Grower Director
and Deputy Chair



SIMON COOK

Grower Director



CRAIG THOMPSON

Zespri Representative



AMY WILLOUGHBY

Supply Representative



FIONA CARRICK

Independent Director



SIMONE BLACKWOOD

Associate Director

OUR TEAM



CHIEF EXECUTIVE



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STRENGTHENING KIWIFRUIT BIOSECURITY RESILIENCE

We guide, prepare, protect, and innovate to support growers and industry to prevent, detect and respond to biosecurity threats. Together, these activities strengthen the biosecurity resilience of New Zealand's kiwifruit industry.



GUIDE

BUILDING BIOSECURITY AWARENESS
ACROSS THE INDUSTRY

255

BIOSECURITY ENGAGEMENT
MEETING AND EVENTS
ATTENDED



28

SUBMISSIONS, POLICIES,
AND STRATEGIES
INFLUENCED

92%

PARTICIPANT
SATISFACTION



PREPARE

READY TO RESPOND WHEN
THREATS EMERGE



32

READINESS PROJECTS
COMPLETED

165

RESPONSE DAYS
CONTRIBUTED



60

UNUSUAL SYMPTOM
REPORTS



PROTECT

REDUCING RISK ACROSS
KIWIFRUIT PATHWAYS

12,506

WILD KIWIFRUIT
VINES CONTROLLED



77

INDUSTRY SITES
AUDITED

113

PATHWAY PLAN
PERMISSIONS ISSUED



IMPACT:

Supporting growers and industry participants to adopt best-practice biosecurity behaviours and make informed decisions.

IMPACT:

Maintaining the capability, systems and partnerships needed to respond quickly when new threats emerge.

IMPACT:

Helping reduce pathway risk for pest and disease spread while protecting orchard productivity and market access.



INNOVATE

INVESTING IN FUTURE
BIOSECURITY SOLUTIONS



19 INNOVATION PROJECTS
SUPPORTED

FEATURE:

Research and surveillance innovation contributed to the early detection of brown marmorated stink bug in Auckland, demonstrating how science and industry collaboration can strengthen biosecurity outcomes.

IMPACT:

Building the tools, knowledge and technologies needed to enhance future prevention, detection and response capability.





PERFORMANCE REPORT

**KIWIFRUIT VINE HEALTH INCORPORATED
FOR THE YEAR ENDED 31 MARCH 2026**

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40. STATEMENT OF ACCOUNTING POLICIES	44. NOTES TO THE PERFORMANCE REPORT	



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New Zealand

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

Report on the Performance Report

Opinion

We have audited the performance report of Kiwifruit Vine Health Incorporated ("the Society"), which comprises the entity information, the statement of service performance, the statement of financial performance, and statement of cash flows for the year ended 31 March 2026, the statement of financial position as at 31 March 2026, and the statement of accounting policies and other explanatory information.

In our opinion:

- the accompanying performance report presents fairly, in all material respects:
 - the entity information for the year ended 31 March 2026;
 - the financial position of the Society as at 31 March 2026, and its financial performance, and cash flows for the year then ended
 - the statement of service performance for the year ended 31 March 2026, in that the service performance information is appropriate and meaningful and prepared in accordance with the Society's measurement bases or evaluation methods

in accordance with the Tier 3 (Not-For-Profit (NFP)) Standard ("Tier 3 NFP Standard") issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies, and notes to the performance report in accordance with International Standards on Auditing (New Zealand) ("ISAs (NZ)"), and the audit of the entity information and statement of service performance in accordance with New Zealand Auditing Standard 1 (NZ AS 1) (Revised) *The Audit of Service Performance Information*. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Performance Report* section of our report. We are independent of the 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 Society.

Responsibilities of the Members for the Performance Report

The Members are responsible for:

- The preparation, and fair presentation of the performance report in accordance with the Tier 3 NFP Standard.

PARTNERS: Janine Hellyer CA Paul Manning CA Donna Taylor CA Linda Finlay CA Michael Lim CA

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- The selection of elements/aspects of service performance, performance measures and/or descriptions and measurement bases or evaluation methods that present a statement of service performance that is appropriate and meaningful in accordance with the Tier 3 NFP Standard.
- The preparation and fair presentation of the statement of service performance in accordance with the Society's measurement bases or evaluation methods, in accordance with the Tier 3 NFP Standard.
- The overall presentation, structure and content of the statement of service performance in accordance with the Tier 3 NFP Standard.
- Such internal control as the Members determine is necessary to enable the preparation of a performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Members are responsible on behalf of the Society 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 Members either intend to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Performance Report

Our objectives are to obtain reasonable assurance about whether the performance report is 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) and NZ AS 1 (Revised) 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 this performance report.

A further description of the auditor's responsibilities for the audit of the performance report is located at the XRB's website at <https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-18-1/>

This description forms part of our auditor's report.

Who we Report to

This report is made solely to the 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 Society and the Society's members, as a body, for our audit work, for this report or for the opinions we have formed.

BDO Tauranga

BDO Tauranga
Tauranga
New Zealand
6 July 2026

ENTITY INFORMATION

KIWIFRUIT VINE HEALTH INCORPORATED FOR THE YEAR ENDED 31 MARCH 2026



‘Who are we?’, ‘Why do we exist?’

Kiwifruit Vine Health Incorporated (KVH) is a biosecurity organisation dedicated to supporting the New Zealand kiwifruit industry.

KVH was established in December 2010 to lead the industry response to the Psa incursion. Since November 2012 KVH has been the organisation responsible for managing all biosecurity readiness, response, and operations on behalf of the kiwifruit industry.

KVH is an industry established body, accountable to its industry members. As well as working with growers KVH collaborates closely with Zespri International Limited (Zespri), New Zealand Kiwifruit Growers Inc (NZKGI), postharvest organisations and associated industries such as beekeepers, pollen providers, nurseries and contractors and the Ministry for Primary Industries (MPI).

Legal Name of Entity Reporting

Kiwifruit Vine Health Incorporated

Entity Type and Legal Basis

Incorporated Society registered under the Incorporated Societies Act 2022.

Registration Number

2542737

ENTITY'S PURPOSE OR MISSION

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 Plan 2022 (“PMP”) within New Zealand.

Other purposes of the Society are:

- (a) (i) to monitor and identify biosecurity risks across pathways in the kiwifruit industry;
- (ii) to undertake and manage biosecurity risks to the kiwifruit industry, including ensuring adequate operational arrangements are in place;
- (iii) to lead biosecurity responses as required and to liaise with government 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.

ENTITY STRUCTURE

The entity is a non-profit, incorporated society governed by a Board of Directors which comprises representatives from key industry groups including growers, post-harvest operators, Zespri and an independent director. The entity's day to day operations are managed by a Chief Executive, with support from biosecurity, industry relations, and technical staff.

ENTITY'S GOVERNANCE ARRANGEMENTS

The entity is governed by a Board of Directors elected by grower members, with day-to-day operations managed by a Chief Executive and staff.

The Board of Directors is comprised of:

- **Dermott Malley** - Grower Director and Chair (appointed 2018)
- **Liarna White** - Grower Director and Deputy Chair (appointed 2023)
- **Simon Cook** - Grower Director (appointed 2016)
- **Craig Thompson** - Zespri Director (appointed 2019)
- **Fiona Carrick** - Independent Director (appointed 2021)
- **Amy Willoughby** - Supplier Director (appointed 2021)

Physical Address

25 Miro Street, Mount Maunganui, New Zealand, 3116

Postal Address

PO Box 4246, Mount Maunganui South, New Zealand, 3149

APPROVAL OF PERFORMANCE REPORT

KIWIFRUIT VINE HEALTH INCORPORATED FOR THE YEAR ENDED 31 MARCH 2026

The Board of Directors are pleased to present the approved performance report including the historical performance report of Kiwifruit Vine Health Incorporated for year ended 31 March 2026.

APPROVED



Dermott Malley

Chair

Date 6 July 2026



Liarna White

Deputy Chair

Date 6.7.2026

STATEMENT OF SERVICE PERFORMANCE

KIWIFRUIT VINE HEALTH INCORPORATED FOR THE YEAR ENDED 31 MARCH 2026



‘What did we do?’, ‘When did we do it?’

MEDIUM TO LONG TERM OBJECTIVES

Kiwifruit Vine Health Incorporated aims to strengthen the biosecurity resilience of the New Zealand kiwifruit industry.

This will be achieved by:

- Promoting adoption of best-practice biosecurity behaviours across the industry.
- Maintaining readiness and response capability to manage biosecurity incursions.
- Identifying, monitoring and mitigating biosecurity risks that could affect industry operations.
- Supporting research and innovation to improve the industry’s capacity to prevent, detect and respond to biosecurity threats.

MAIN ACTIVITIES

Throughout the year, KVH has supported the New Zealand kiwifruit industry in managing biosecurity risk through education and awareness, readiness and response activities, pathway risk management and biosecurity innovation.

Activities undertaken include:

- Delivering a coordinated programme of biosecurity education and awareness, measured through industry engagement and advocacy activities.
- Actively influencing New Zealand’s biosecurity system through participation in policy development, submissions, and sector forums.
- Monitoring and improving industry satisfaction and engagement quality through feedback on KVH events, resources, and communications.
- Investing in readiness initiatives to strengthen industry resilience, including participation in biosecurity partnerships.
- Supporting early detection through industry monitoring and reporting of unusual pest and disease symptoms.
- Coordinating and capturing industry contribution to biosecurity responses through tracking response hours.
- Conducting site audits and operational activities to manage and reduce biosecurity risks, including wild kiwifruit vine control and regulatory permissions.
- Advancing biosecurity innovation by supporting research and development projects that address knowledge gaps and enhance industry preparedness.

	2026	2025
KEY PRIORITIES		
Biosecurity Excellence		
KVH biosecurity engagement meetings and events attended	255	-
Advocacy through biosecurity system submissions, policies, and strategies	28	18
Percentage industry participant satisfaction with KVH events and resources	92	90
Readiness and Response		
Readiness projects supporting industry resilience	32	31
Industry monitoring reports for new pests and diseases	60	68
Biosecurity response days contributed	165	108
Risk Management		
Industry sites effectively managing biosecurity risk	77	95
Number of wild kiwifruit vines controlled	12,506	17,352
Number of Pathway Plan permissions issued	113	117
Biosecurity Innovation		
Number of projects addressing biosecurity knowledge gaps through innovation	19	14

STATEMENT OF FINANCIAL PERFORMANCE

KIWIFRUIT VINE HEALTH INCOPORATED FOR THE YEAR ENDED 31 MARCH 2026



‘How was it funded?’ and ‘What did it cost?’

	NOTES	2026	2025
REVENUE			
Membership fees and subscriptions	1	2,967,590	2,845,242
Government service delivery contracts	1	125,180	119,750
Non-Government service delivery contracts	1	443,184	437,198
Interest Received		72,873	139,373
Total Revenue		3,608,827	3,541,562
EXPENSES			
Employee Remuneration and other Related Expenses	2	1,274,717	1,318,118
Other Expenses Related to Service Delivery	2	2,699,150	2,552,118
Other expenses	2	6,341	10,980
Total Expenses		3,980,208	3,881,216
Surplus/(Deficit) before Tax		(371,381)	(339,654)
TAX			
Income Tax Expense	9	20,404	39,024
Total Expenses		20,404	39,024
Surplus/(Deficit) after Tax		(391,785)	(378,678)

STATEMENT OF FINANCIAL POSITION

KIWIFRUIT VINE HEALTH INCOPORATED FOR THE YEAR ENDED 31 MARCH 2026



‘What the entity owns?’ and ‘What the entity owes?’

	NOTES	31 MAR 2026	31 MAR 2025
ASSETS			
Current Assets			
Cash and short term deposits	3	1,109,311	1,380,422
Debtors and prepayments	3	425,217	400,046
Investments	6	1,094,581	1,307,313
Total Current Assets		2,629,109	3,087,781
Non-Current Assets			
Property, Plant and Equipment	5	19,673	18,407
Investments	6	827,949	565,693
Total Non-Current Assets		847,621	584,100
Total Assets		3,476,730	3,671,880
LIABILITIES			
Current Liabilities			
Creditors and accrued expenses	4	452,563	270,147
Employee costs payable	4	64,607	49,599
Provision for Incursion Costs	4	706,232	710,080
Deferred revenue	4	52,060	49,000
Total Current Liabilities		1,275,462	1,078,826
Total Liabilities		1,275,462	1,078,826
Total Assets less Total Liabilities (Net Assets)		2,201,269	2,593,054
ACCUMULATED FUNDS			
Accumulated surpluses (or deficits)	7	2,201,269	2,593,054
Total Accumulated Funds		2,201,269	2,593,054

STATEMENT OF CASH FLOWS

KIWIFRUIT VINE HEALTH INCORPORATED FOR THE YEAR ENDED 31 MARCH 2026



	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating receipts (money deposited into the bank account)		
Biosecurity and Pathway Levies	2,906,412	2,755,743
Government Service Delivery Contracts	128,240	121,000
Non Government Service Delivery Contracts	277,614	349,006
Interest Received	72,972	121,251
Net GST Received	12,349	(553)
Other cash received		
Recovery - abandoned orchards	18,833	-
Total Other cash received	18,833	-
Total Operating receipts (money deposited from the bank account)	3,416,419	3,346,447
Operating payments (money withdrawn from the bank account)		
Employee remuneration and other related payments	(1,370,962)	(1,434,707)
Other payments related to service delivery	(2,241,684)	(1,657,832)
Income Tax Paid	(20,432)	(33,950)
Total Operating payments (money withdrawn from the bank account)	(3,633,078)	(3,126,490)
Total Cash Flows from Operating Activities	(216,658)	219,957
CASH FLOWS FROM OTHER ACTIVITIES		
Payments from other activities		
Payments to acquire property, plant and equipment	(4,929)	(4,406)
Payments to purchase investments	(49,524)	(799,830)
Total Payments from other activities	(54,453)	(804,235)
Total Cash Flows from Other Activities	(54,453)	(804,235)
Net Increase/(Decrease) in Cash	(271,111)	(584,278)
BANK ACCOUNTS AND CASH		
Open cash	1,380,422	1,964,700
Net change in cash for period	(271,111)	(584,278)
Closing cash	1,109,311	1,380,422

STATEMENT OF ACCOUNTING POLICIES

KIWIFRUIT VINE HEALTH INCORPORATED FOR THE YEAR ENDED 31 MARCH 2026



‘How did we do our accounting?’

REPORTING ENTITY

KVH 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 KVH and KVHF, early in the financial year ended 31 March 2018 the business of KVHF was merged into KVH such that from that point, KVH 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 KVH 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 KVH’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 entity is required by law to apply the Tier 3 (NFP) Standard issued by the External Reporting Board (XRB) and has elected to do so. A PBE may apply the standard if it does not have public accountability and has total annual expenses less than or equal to \$5,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity is a going concern and will continue to operate in the foreseeable future.

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% - 67.0% 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.

IMPAIRMENT OF NON-FINANCIAL ASSETS

At each balance date, the entity considers whether there are any indicators that a non-financial asset may be impaired. Indicators may include the asset being damaged, no longer in use, or expected to be disposed of before the end of its useful life.

Where such indicators exist, the asset is reviewed to determine whether its carrying amount remains recoverable. If the carrying amount exceeds the amount expected to be recovered through use or disposal, the asset is written down to its recoverable amount and an impairment loss is recognised in the Statement of Financial Performance.

Assets that continue to be used in providing the entity's services and for which there are no indicators of impairment are not subject to further impairment assessment.

TAXATION

KVH 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

KVH 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

KVH 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 KVH at balance date being included as a current asset, and any amount owed by KVH at balance date being included as a current liability.

Levy income:

Under the Levy Orders, levies become due and payable when kiwifruit is loaded onto a ship or aircraft for export (excluding exports to Australia). Levies collected are non-refundable. For financial reporting purposes, levy income is recognised at the point the levy becomes due and payable, being the date the kiwifruit is loaded for export, regardless of when the levy is invoiced or received.

Interest income:

Interest income is recognised as it is earned over the period to which it relates.

STATEMENT OF CASH FLOWS

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

- i. *Cash and cash equivalents* comprise cash on hand, bank balances and short-term deposits with original maturities of three months or less.
- ii. *Operating activities* are the activities carried out by the entity as part of its normal operations. These include the receipt of funding and the payment of costs incurred in delivering the entity's objectives.
- iii. *Other activities* include the acquisition and disposal of long-term assets and other investments not included in cash and cash equivalents. They also include receipts and payments relating to long-term borrowings (principal amounts only) and any capital contributions to or from owners, where applicable.

FIRST-TIME ADOPTION OF PBE TIER 3

KVH has adopted the Tier 3 NFP standard for the first time this year. As a result of the first-time application of this standard, changes were required that affect the presentation and disclosures required on the first time application of the Tier 3 NFP standard, the performance report has been presented in accordance with the requirements of the standard and related XRP guidance.

Adoption of the standard has resulted in the following adjustments to the 2025 comparative figures for Revenue on the Statement of Financial Performance:

Levy income:

The Pathway and Biosecurity Levies are due when the kiwifruit is loaded on the ship. Kiwifruit shipped in March 2024 was invoiced in April 2025 and Kiwifruit shipped in March 2025 was invoiced in April 2025. Previously the income was recognised when invoiced.

Under Tier 3 reporting it is required to be recognised when due. The adjustments were:

\$120,475 of levies income relating to 2024 has been removed from 2025 levy income.

\$276,822 of levies income relating to 2025 has been moved from 2026 levy income into 2025 levy income.

Government Service Delivery Contracts income:

Income is received from Bay of Plenty Regional Council each year. This agreement covers 1 July - 30 June. Previously the income was recognised when invoiced. The income has now been recognised with 3 months deferred for April - June into the next financial year.

\$26,500 of income previously recognised in 2024 has been added into 2025.

\$27,750 of income invoiced in 2025 has been deferred to 2026.

\$30,810 of income invoiced in 2026 has been deferred to be recognised in 2027.

Non Government Service Delivery Contracts income:

Income is received from Kiwifruit Breeding Centre Limited each year. This agreement covers 1 July - 30 June. Previously the income was recognised when invoiced. The income has now been recognised with 3 months deferred for April - June into the next financial year.

\$21,250 of income previously recognised in 2024 has been added into 2025.

\$21,250 of income invoiced in 2025 has been deferred to 2026.

\$21,250 of income invoiced in 2026 has been deferred to be recognised in 2027.

Adoption of the standard has resulted in the following adjustments to the 2025 comparative figures for on the Statement of Cashflows:

Interest received is now shown gross of RWT which is shown as a separate outgoing;

Payments to suppliers and employees has been separated into two amounts and now includes movement in the credit card balances;

Movement in Term Deposits are shown under Purchase of Investments;

Opening cash and Closing cash balances are shown excluding credit card balances and term deposits balances so the totals are consistent with the Cash and short-term deposits balances recorded on the Statement of Financial Position and corresponding note 3.

CHANGES TO ACCOUNTING POLICIES

Other than detailed above in relation to the first time adoption of PBE Tier 3, there have been no other changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

NOTES TO THE PERFORMANCE REPORT**KIWIFRUIT VINE HEALTH INCORPORATED FOR THE YEAR ENDED 31 MARCH 2026**

	2026	2025
1. ANALYSIS OF REVENUE		
Membership fees and subscriptions		
Biosecurity (National Pathway Management Plan - Kiwifruit Levy)	1,271,824	1,219,389
Biosecurity (Readiness and Response - Kiwifruit Levy)	1,695,766	1,625,852
Total Membership fees and subscriptions	2,967,590	2,845,242
Government service delivery contracts		
Wild Kiwifruit - BOPRC	125,180	119,750
Total Government service delivery contracts	125,180	119,750
Non-government service delivery contracts		
Wild Kiwifruit	258,131	250,330
Emergency Response Management	50,000	100,000
Admin Support Cost Recovery	40,000	50,000
Biosecurity Response Cost Recovery	95,053	36,868
Total Non-government service delivery contracts	443,184	437,198

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

	2026	2025
	Cents	Cents
Current Rates Levied (per tray)		
Biosecurity (National Pathway Management Plan - Kiwifruit Levy) Order 2022	0.6	0.6
Biosecurity (Readiness and Response - Kiwifruit Levy) Order 2015	0.8	0.8

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 KVH, as the management agency, on all commercial varieties of kiwifruit, except Actinidia arguta, exported to countries other than Australia. Following approval at the 2025 KVH AGM, this levy rate was set for collection from 1 April 2025 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 KVH, as the Government Industry Agreement (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 2025 KVH AGM, this levy rate was set for collection from 1 April 2025 at 0.8 cents.

	2026	2025
2. ANALYSIS OF EXPENSES		
Employee remuneration and other related expenses		
Staff Salaries	1,271,466	1,315,643
Accident compensation	3,250	2,475
Total Employee remuneration and other related expenses	1,274,717	1,318,118
Expenses related to commercial activities	18,833	-
Other expenses related to service delivery		
Emergency Response Management		
Capability development	28,657	69,874
Resourcing- ERM	13,500	26,060
Readiness work- ERM	2,804	713
Stakeholder engagement	4,255	3,353
Total Emergency Response Management	49,215	100,000
GIA Operational Agreement		
GIA Operational Agreement	113,658	114,393
Incursion Response Costs	986,823	749,237
Total GIA Operational Agreement	1,100,480	863,630
Governance		
Director Fees	149,221	145,250
Directors Meeting, Mileage & Expenses	42,240	25,150
Annual General Meeting Costs	14,509	14,585
Total Governance	205,970	184,985
Office Expenses		
Rent	54,661	48,564
Other Office Expenses	173,336	174,897
Total Office Expenses	228,026	223,461
Professional Services		
Audit Fee	16,175	12,075
Other Professional Services	47,779	76,387
Total Professional Services	63,954	88,462
Bad debts	18,833	-
Education and Awareness	107,321	113,387

	2026	2025
Operations	185,582	170,017
Research & Development	5,000	20,000
Strategic Projects	41,900	36,282
Wild Kiwifruit	692,869	751,894
Total Other expenses related to service delivery	2,699,150	2,552,118
Other expenses		
Depreciation	6,341	10,980
Total Other expenses	6,341	10,980

3. ANALYSIS OF ASSETS

Cash and short-term deposits

ANZ Current Account	541,246	540,314
ANZ Savings Account	-	-
Westpac Current Account	158,804	82,746
Westpac Online Saver	409,260	757,362
Total Cash and short-term deposits	1,109,311	1,380,422

Debtors and prepayments

Accounts Receivable	352,444	20,367
Accrued Income	29,032	305,925
Prepayments	19,982	16,607
GST	23,759	57,146
Total Debtors and prepayments	425,217	400,046

4. ANALYSIS OF LIABILITIES

Creditors and accrued expenses

Westpac Visa Credit Cards	1,138	4,408
Accounts Payable	395,890	224,867
Accrued Expenses	55,535	40,872
Total Creditors and accrued expenses	452,563	270,147

Employee costs payable

Holiday Pay Accrual	64,607	49,599
Total Employee costs payable	64,607	49,599

Other current liabilities

Provision for Incursion Costs	706,232	710,080
Total Other current liabilities	706,232	710,080

	2026	2025
Deferred revenue		
Deferred revenue	52,060	49,000
Total Deferred revenue	52,060	49,000

5. PROPERTY, PLANT AND EQUIPMENT

Office Equipment

Opening Balance	10,157	11,412
Depreciation	(1,111)	(1,255)
Closing Balance	9,046	10,157

Computer Equipment

Opening Balance	8,250	13,569
Purchases	7,607	4,406
Depreciation	(5,230)	(9,726)
Closing Balance	10,627	8,250

Total Property, Plant and Equipment

19,673 18,407

6. INVESTMENTS

Current Term Deposits

Term Deposit - ANZ

Opening Balance	510,902	-
Additional Funds Invested/ (Withdrawn)	17,986	510,902
Closing Balance	528,888	510,902

Term Deposit - Westpac - Current

Opening Balance	796,411	1,073,176
Additional Funds Invested/ (Withdrawn)	(230,718)	(276,766)
Closing Balance	565,693	796,411

Total Current Term Deposits

1,094,581 1,307,313

Non Current Term Deposits

Term Deposit - Westpac - Non Current

Opening Balance	565,693	-
Additional Funds Invested/ (Withdrawn)	262,256	565,693
Closing Balance	827,949	565,693

Total Non Current Term Deposits

827,949 565,693

Total Investments

1,922,530 1,873,006

The investments in Term Deposits are stated at cost.

2026 2025

7. ACCUMULATED FUNDS**Restricted Reserves**

Opening Balance	2,593,054	2,899,007
Adjustment on first-time adoption of PBE Tier 3 (NFP) Reporting Standard	-	72,725
Surplus/Deficit from Operations	(391,785)	(378,678)
Total Restricted Reserves	2,201,269	2,593,054
Total Accumulated Funds	2,201,269	2,593,054

Adjustment on first-time adoption of PBE Tier 3 (NFP) Reporting Standard:

On transition from special purpose financial statements to the PBE Tier 3 (Not-for-Profit) Reporting Standard, comparative figures were adjusted to align income recognition with the requirements of the standard.

These adjustments relate primarily to the timing of recognition of biosecurity levies and service delivery contract income and have been reflected as an adjustment to opening accumulated funds.

BREAKDOWN OF RESTRICTED RESERVES**Biosecurity Reserves**

Opening Balance	2,421,171	2,796,162
Adjustment on first time adoption of PBE Tier 3 (NFP) Reporting Standard	-	68,843
Surplus/ (Deficit) for the year	(444,340)	(443,834)
Closing Balance	1,976,831	2,421,171

Pathway Reserves

Opening Balance	171,883	102,845
Adjustment on first time adoption of PBE Tier 3 (NFP) Reporting Standard	-	3,882
Surplus/ (Deficit) for the year	51,770	65,156
Closing Balance	223,653	171,883

Emergency Response Management

Opening Balance	-	-
Surplus/ (Deficit) for the year	785	-
Closing Balance	785	-

Reserves Policy:

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 \$400,000 each year

Reconciliation to 2025 Special Purpose Financial Report

Result for the year ended 31 March 2025 as stated under special purpose financial reporting regime	
Revenue Recognition changes on 1 April 2024	(533,777)
Contributions now recognised in 2024, previously recognised in 2025	(120,475)
BOPRC income now recognised in 2025, previously recognised in 2024	26,500
Kiwifruit Breeding Centre Ltd income now recognised in 2025, previously recognised in 2024	21,250
	(72,725)
Revenue Recognition changes for 31 March 2025	
Contributions now recognised in 2025, previously recognised in 2026	276,822
BOPRC income now recognised in 2026, previously recognised in 2025	(27,750)
Kiwifruit Breeding Centre Ltd income now recognised in 2026, previously recognised in 2025	(21,250)
	227,822
Restated result for the year ended 31 March 2025	(378,680)

	2026	2025
8. COMMITMENTS		
Commitments to Lease Office Space		
Less than one year	67,569	60,503
1-5 years	260,902	223,217
Greater than 5 years	191,820	222,400
Total Commitments to Lease Office Space	520,291	506,120

KVH leases office space at 25 Miro Street, Mount Maunganui from Zespri.

9. RECONCILIATION TO INCOME TAX EXPENSE

Interest Received	72,873	139,373
Taxable Profit (Loss)	72,873	139,373
Income Tax Expense at 28%	20,404	39,024

10. CONTINGENT LIABILITIES AND GUARANTEES**Contingent liabilities**

Biosecurity Response Costs Maximum Liability	6,200,000	6,200,000
Total Contingent liabilities	6,200,000	6,200,000

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 KVH 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.

KVH signed the GIA Deed in May 2014.

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

- (i) Fruit Fly Readiness and Response Operational Agreement: signed May 2016;
- (ii) Sector Operational Agreement for Readiness and Response - Kiwifruit and Kiwi berry sectors: signed March 2017;
- (iii) Brown Marmorated Stink Bug (BMSB) Operational Agreement: signed July 2017;
- (iv) Plant Production Biosecurity Scheme Operational Agreement: signed November 2021;
- (v) Lepidoptera Readiness Operational Agreement: signed February 2023;
- (vi) Vespa Velutina 2025 Operational Agreement for Response: signed May 2026

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. As such these costs are part of KVH'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. KVH's liability to response costs is capped within the OAs.

Currently KVH's potential liability to response costs is estimated at \$6.2 million. KVH plans to provide for this liability by a combination of biosecurity reserves held in KVH, and a right to call on Members by way of an increase to the Biosecurity levy, as provided for in the levy regulations.

No guarantees have been provided by KVH.

11. RELATED PARTY TRANSACTIONS

Total Revenue

GIA Operations Limited	3,682	3,949
New Zealand Kiwifruit Growers Incorporated	47,959	56,945
Zespri International Limited	3,396,612	2,893,493
Total Total Revenue	3,448,253	2,954,388

Total Expenses

GIA Operations Limited	105,016	109,477
New Zealand Kiwifruit Growers Incorporated	455	-
Zespri International Limited	100,905	82,900
Total Total Expenses	206,376	192,377

Receivable Balance at Year End

GIA Operations Limited	-	-
New Zealand Kiwifruit Growers Incorporated	4,045	4,924
Zespri International Limited	311,126	-
Total Receivable Balance at Year End	315,171	4,924

	2026	2025
Payable Balance at Year End		
GIA Operations Limited	26,873	14,832
New Zealand Kiwifruit Growers Incorporated	-	-
Zespri International Limited	-	77,574
Total Payable Balance at Year End	26,873	92,406

GIA Operations Limited - KVH's share in GIA Operations Limited as at 31 March 2026 is 4.55% (2025: 5.00%)

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

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

Simon Cook is a Director of Trevelyan's Growers Limited and KVH. There were no transactions between these two parties in 2026.

12. EVENTS AFTER THE BALANCE DATE

Subsequent to balance date, KVH approved funding of \$300,000 towards the Yellow-Legged Hornet Response. This commitment relates to ongoing biosecurity response activities and was authorised after balance date by the KVH Board. As the commitment did not exist at balance date, it has not been recognised as a liability in these financial statements but is disclosed as a significant event occurring after balance date. (2025 - nil).

13. ABILITY TO CONTINUE OPERATING

The entity will continue to operate for the foreseeable future.

