Summerfruit
NEW ZEALAND

Annual Report 2026

For the year ended
31 May 2026

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Leadership Report

A year of progress, alignment and investment in the future of New Zealand's summerfruit industry

The 2025–2026 year reinforced both the resilience of our industry and the importance of a focused and capable industry organisation. Seasonal conditions varied significantly between regions and crops, while market, workforce and inflationary pressures continued to test growers and exporters. Against this backdrop, Summerfruit NZ remained committed to supporting a profitable, resilient and sustainable industry while ensuring levy funds were invested responsibly and in accordance with member priorities.

As Chair and Chief Executive, we believe successful industry organisations are built on strong governance, clear strategy, capable management and ongoing engagement with the people they represent. Throughout the year we have continued to listen carefully to grower and exporter feedback, recognising that constructive challenge and diverse perspectives help strengthen both our decisions and our organisation.

A mixed but resilient season

As is often the case in horticulture, the season delivered different outcomes across growing regions, crops and market channels. Hawke's Bay and Marlborough generally experienced favourable growing conditions and strong domestic demand, while Central Otago growers faced a more challenging season characterised by unseasonal rainfall, persistent wind and cooler temperatures. These conditions placed considerable pressure on production and export performance, particularly for cherries.

Despite these challenges, growers continued to demonstrate adaptability, professionalism and a strong commitment to quality. New Zealand summerfruit maintained its reputation for quality in both domestic and export markets and consumers once again enjoyed access to exceptional fruit throughout the season.

Responding to change

Heinz Wattie's decision, announced in September 2025, to purchase fewer Hawke's Bay peaches for canning because of declining demand was a significant setback for the horticulture sector. Horticulture requires long-term investment, and sudden shifts in market demand can have consequences that extend well beyond individual growers, affecting confidence, investment decisions, processing capacity and regional communities. In response, Summerfruit NZ worked to ensure the concerns of industry participants were heard and advocated for greater awareness of the challenges facing the sector. We also encouraged New Zealand consumers to consider the provenance of the products they purchase and the importance of supporting locally grown produce. The strong public response that followed reflected the place both the Heinz Wattie's brand and New Zealand-grown produce hold in the hearts of consumers.

Trudi Webb,
Chair

Dean Smith,
Chief Executive

Strategy, governance and organisational capability

Our Strategic Planning Framework continued to provide the foundation for organisational decision-making throughout the year. The framework creates a clear connection between the industry's long-term aspirations, the Board's strategic priorities and the organisation's annual planning and budgeting processes.

Risk management remains an integral part of this process. The Board and management each undertake annual reviews of strategic risk, ensuring emerging challenges, opportunities and changes in the operating environment are considered before annual priorities and budgets are finalised. This approach helps ensure strategic decisions remain informed, balanced and responsive to industry needs.

During the year, Summerfruit NZ implemented changes to its operating structure aimed at strengthening organisational capability, accountability and succession planning. Responsibility for delivery of our strategic and operational pillars was assigned to internal managers, reducing reliance on outsourced expertise and embedding greater ownership, leadership development and institutional knowledge within the organisation. These changes position Summerfruit NZ well for the future and provide a stronger foundation for delivering long-term value to growers and exporters.

Strengthening our industry organisation

The year also included several important milestones for the organisation itself. Summerfruit NZ welcomed its first Board Observer under the reintroduced observer programme, supported ongoing governance development through the Institute of Directors Governance Essentials programme, and completed the integration of the former Summerfruit Exporters Committee functions into Summerfruit NZ. Together, these initiatives contribute to a stronger, more connected and more sustainable industry organisation.

Most significantly, growers voted overwhelmingly in support of renewing the commodity levy. Following the referendum and approval process, a new levy order was confirmed in July 2026, securing funding certainty for a further six years. This result reflects the confidence members have placed in the organisation and their commitment to continued collective investment in the future of the industry.

Financial stewardship

The financial statements record total trading income of $2.610 million and operating expenses of $2.451 million for the year ended 31 May 2026, resulting in a surplus of $158,927. Net assets at year-end were $3.381 million.

The result reflects contrasting seasonal influences. Strong domestic levy income supported revenue, while reduced export volumes constrained export levy income. Across expenditure, we continued to invest in research, market development, biosecurity, advocacy and organisational capability while maintaining a disciplined approach to cost management.

Importantly, the result was significantly stronger than budget. While the Board had approved a budget that anticipated a deficit for the year, favourable revenue performance and prudent expenditure management resulted in another operating surplus, continuing a pattern of results that have outperformed budget expectations.

The reported surplus was also supported by a one-off bequest of $162,977 received following the dissolution of the Summerfruit Export Council (SEC). Excluding this contribution, the organisation would have recorded a small operating loss for the year, although this would still have been substantially ahead of the budgeted deficit of $214,065.

The Board is conscious that reserve levels are now significantly above those permitted under the organisation's reserves policy. As a result, considerable attention has been given to how we balance financial resilience with levy equity, ensuring the organisation remains appropriately resourced without collecting more levy than is reasonably required to deliver its strategic objectives.

Looking ahead

The year ahead will bring both opportunities and challenges. International market conditions, labour availability, biosecurity risks, regulatory change and broader economic pressures will continue to influence the operating environment. The inflationary impacts arising from the global fuel supply disruption are also expected to place additional pressure on production, freight and operating costs across the supply chain. At the same time, strong grower capability, a clear strategic direction and a financially sound industry organisation provide a solid platform from which to respond.

As Chair and Chief Executive, we remain committed to strong governance, responsible stewardship, constructive engagement and continuous improvement. We thank growers, exporters, directors, staff, advisers and industry partners for their contribution throughout the year and look forward to continuing to work together to support a successful and sustainable future for New Zealand's summerfruit industry.

Trudi Webb, Chair

Dean Smith, Chief Executive

Our Strategic Planning Framework

The framework connects overarching strategy to the strategic imperatives for each operational pillar.
Annual review of risk informs the priorities, actions and resource allocation in the Annual Business Plan.

Our vision

Quality summerfruit produced by a successful, confident New Zealand summerfruit industry.

Our purpose

Delivering services, information and advocacy so New Zealand's summerfruit industry can thrive and produce quality summerfruit.

Our values

- Putting growers first
- Collaborating for impact
- Embracing innovation
- Adopting a value chain mindset
- Championing sustainability
- Operating with integrity

Our priorities

- Supporting pathways for growth
- Enabling industry success
- Fostering industry cohesion
- Operating with efficiency and alignment

Our operational pillars	Our strategic imperatives
Biosecurity & The Right to Farm	• Advocate effectively for resource management settings that enable growers to be world leading • Develop strong partnerships to support the delivery of SNZ's biosecruity imperatives • Ensure SNZ's biosecruity programme is delivered efficiently, effectively and sustainably
Innovation, Research & Technology	• Ensure industry engagement in steering SNZ's research programme • Ensure the R&D budget is invested efficiently and effectively • Ensure research outcomes are communicated clearly to support adoption and industry feedback
Market Development	• Defend and strengthen existing markets – both local and export • Develop new or improved access to existing markets • Ensure market access prioritisation aligns with member expectations
Stakeholder Engagement & Communications	• Enhance communication to improve stakeholder satisfaction • Establish new industry partnerships to drive innovation, efficiency and collaboration • Increase industry participation in SNZ events
People	• Partner to create pathways for quality people to enter the industry and thrive • Advocate and support the industry to ensure seasonal labour supply is sustainable and effective • Develop our own people and build a strong culture
Finance & Administration	• Embrace technology to improve the efficiency of the organisation • Work with the Chair to enhance governance practice • Ensure levy funds are collected and invested responsibly

Annual Business Plan

Identifies specific goals and actions to deliver strategic imperatives

Biosecurity & The Right to Farm

Biosecurity remained a major focus during the year, including two separate fruit-fly responses in Auckland in early 2026. Summerfruit NZ represented the industry through response governance and maintained regular engagement through the Government Industry Agreement framework.

Overview

Biosecurity remained a major focus during the year, including two separate fruit-fly responses in Auckland in early 2026. Summerfruit NZ represented the industry through response governance and maintained regular engagement through the Government Industry Agreement (GIA) framework. Work also continued to strengthen industry preparedness, plant health settings and access to the tools and planting material growers need.

Key actions

- Represented the industry in governance of fruit-fly response activity and contributed financially to the Yellow-Legged Hornet response to maintain industry involvement in governance.
- Participated in preparedness activities, including fruit-fly and Brown Marmorated Stink Bug exercises.
- Progressed Xylella readiness, including operational agreement work, surveillance tools, grower guidance and national awareness initiatives to strengthen preparedness and early detection.
- Contributed to the review of the GIA Deed and future biosecurity governance arrangements.
- Presented at the New Zealand Plant Protection Symposium on plant health and biosecurity risk management.
- Contributed to plant health and import health standard discussions for high-health planting material, including blueberry nursery stock and managed import pathways.
- Progressed work on maintaining pollination access during bee responses.
- Submitted on Agriculture Compounds and Veterinary Medicines (ACVM), Environmental Protection Authority (EPA), and Hazardous Substances and New Organisms (HSNO) matters to support continued access to critical agrichemicals and workable regulatory settings for summerfruit growers.
- Worked with HortNZ and other product groups on resource management, water, plant material, agrichemical access, seasonal worker accommodation and labour settings.
- Developed the 2026 Election Manifesto so the industry's specific priorities were clear to political parties, candidates and officials.

Our approach remains practical and collaborative. On biosecurity, we maintain active involvement in preparedness, response and governance where summerfruit interests are affected. Through our Right to Farm work, we work with HortNZ and other product groups where collective advocacy can achieve the strongest outcome, while speaking directly where summerfruit growers face distinct issues or an industry-specific voice can add weight.

Innovation, Research & Technology

In the year to 31 May 2026, Summerfruit NZ continued to invest in research across crop protection, disease management, fruit quality, productivity and orchard systems. The programme combined work with the Bioeconomy Science Institute, independent research providers, product registrants and the A Lighter Touch programme.

Programme highlights

- Continued biofungicide screening and field work focused on Brown Rot, Botrytis and Bacterial Canker.
- Progressed A Lighter Touch trials for aphid and Carpophilus beetle control.
- Supported commercial product and residue trials, including work needed to respond to lower international maximum residue limits for iprodione.
- Advanced multi-season work on UV-C technology and artificial pollination.
- Monitored multiple canopy types to develop crop coefficients for improved irrigation decision-making.
- Progressed scoping for an international review of rootstock options.
- Completed further extension activity from the understorey project through field walks and case-study development.

Research outputs were shared with growers via a webinar in November 2025, with each provider presenting its work in 15–25-minute segments. The recording is available to members on the Summerfruit NZ portal. Short research summaries were produced and sent to members. They are also available on the portal. Full research reports are available upon request.

A more flexible extension model

During the year, the Board and management considered the way research outcomes are communicated was keeping pace with grower needs. The conclusion was that our extension model should become more flexible, combining in-person activity with focused webinars and concise video summaries. The aim is to provide clear, digestible findings that support orchard decision-making without requiring every grower to work through full technical reports.

Knowledge transfer also extends beyond New Zealand. Given the scale of our research budget compared with larger producing countries, we began strengthening connections with international peers, particularly in Australia, to improve access to relevant research, technology and practical experience.

International collaboration and capability building

Summerfruit NZ also supported a delegation of growers to attend the International Cherry Symposium in Richland, Washington. The event provided valuable exposure to international research, emerging technologies and global best practice, while creating opportunities to build relationships with growers and researchers from other producing regions.

We thank the MG Charitable Trust for its support in helping make the delegation possible. International engagement of this nature is an important complement to our domestic research and extension programme, helping ensure New Zealand growers remain connected to new ideas and industry developments from around the world.

Market Development

Summerfruit New Zealand continued to prioritise both domestic demand and international market opportunity, while strengthening the evidence and systems needed to guide future investment.

International

- Joined the New Zealand Trade and Enterprise (NZTE) delegation to India in September 2025 as trade negotiations progressed.
- Engaged PwC to complete an export market scan to inform future market access strategy and prioritisation, with financial support from the Ministry Of Foreign Affairs and Trade (MFAT).
- Worked with NZTE on research into Vietnam's evolving food and retail market and the long-term opportunity for New Zealand cherries.
- Continued core export programme, registration, market access and regulatory activity.
- Migration of Summerfruit NZ's phytosanitary training programme to an online learning platform.
- Engaged with government agencies and industry partners to maintain existing markets and address non-tariff barriers.

Domestic engagement and awareness

- Continued the partnership with 5+ A Day to promote the taste, seasonality and health benefits of summerfruit.
- Repeated the "Summer for Everyone, Everyday" advertising campaign across television and digital channels.
- Introduced "Charlotte's Summerfruit NZ Takeover", using grower interviews and social content to connect young consumers with the people and stories behind summerfruit.
- Completed a retail quality monitoring pilot project that created a baseline across selected summerfruit categories and will inform future discussion on quality and consumer acceptability.

Going forward we will continue to focus on using data and insights to drive strategic choices. Market development investment must have clear objectives, align with exporter and grower priorities and be regularly reviewed against the value it creates.

Stakeholder Engagement & Communications

Conference 2025

The Summerfruit NZ Conference was held in Blenheim in June 2025 in challenging weather. The theme, "Quality Sells", was reflected across the programme and supported by speakers, exhibitors, sponsors and delegates. The conference concluded with a gala dinner at the Omaka Aviation Heritage Centre, where Sam Hobbs received the Mack Nicol Award and Stephen Darling and Roger Brownlie were awarded Summerfruit NZ Life Membership.

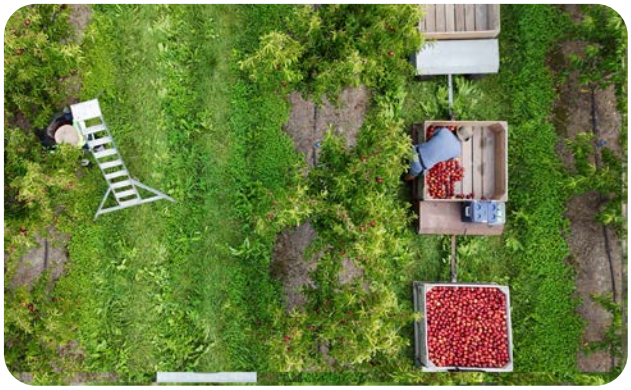
Mid-year events

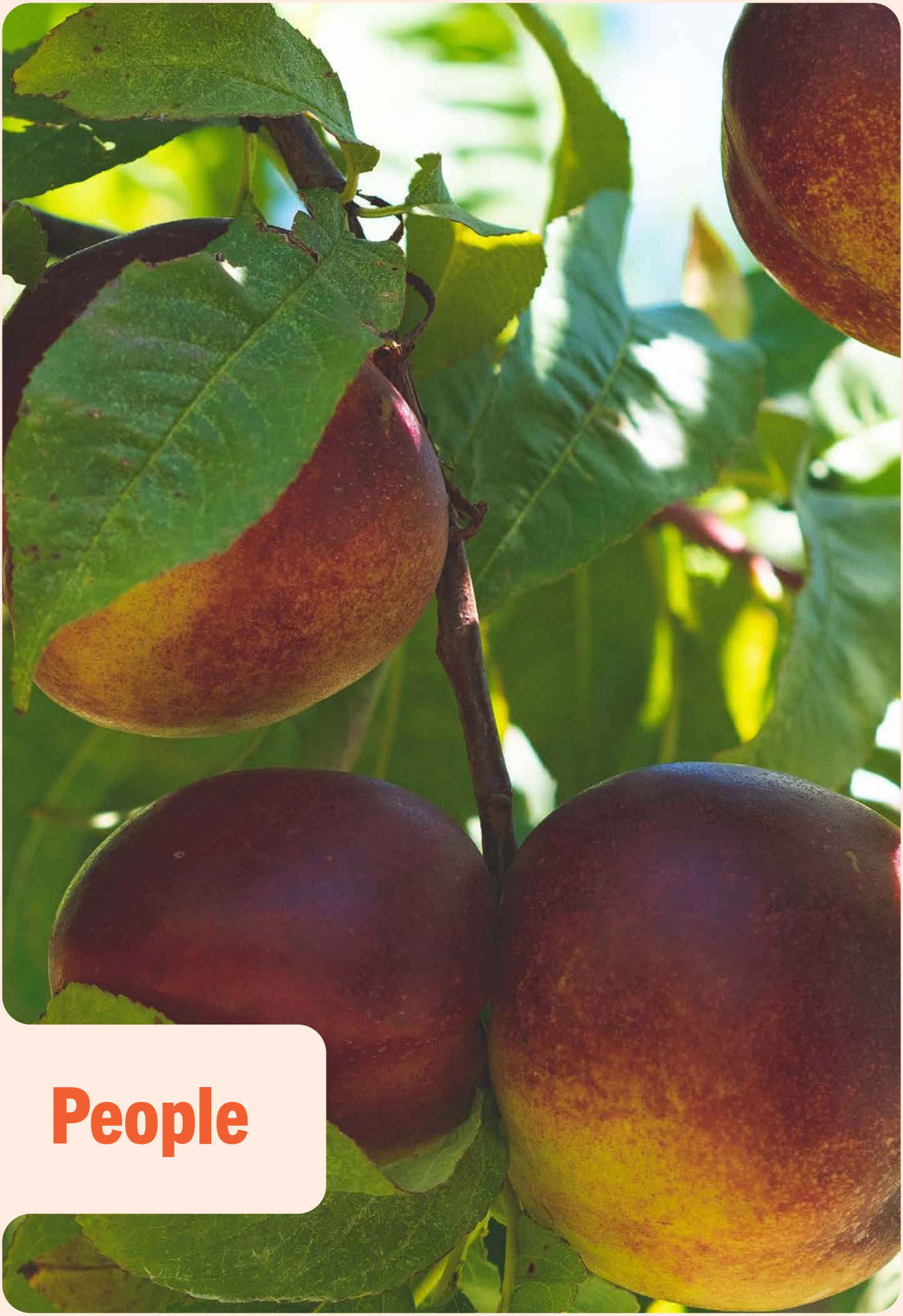
In 2026, mid-year regional events were held in Hawke's Bay and Central Otago. Former All Black and supermarket owner Eric Rush was the guest speaker. The events were preceded by in-field sessions with Australian horticultural researcher Dr Mark O'Connell, focused on precision orchard management and smart technologies for stonefruit production. Sean Gresham provided an update on Summerfruit NZ research activities and strategy, and a brief update on changes to technical extension communications and resources.

Demand for the Central Otago dinner exceeded venue capacity and we were aware that some growers missed out. We have heard the criticism and will improve venue selection, capacity planning and ticket allocation for future events. The Summerfruit NZ Conference returns in 2027.

Communications

- Provided regular member updates through Prunings and the Summerfruit NZ website.
- Published weekly Domestic Market Reports during the season for growers and industry participants.
- Expanded social media activity through the domestic campaign and LinkedIn.
- Used webinars and in-field sessions to make technical information more accessible.





People

Our team

During the year, we implemented an organisational restructure designed to build management capacity within the Summerfruit NZ team. Responsibility for delivery of strategic actions across each operational pillar now sits with an internal pillar lead. This creates clearer accountability, strengthens organisational ownership and institutional knowledge, and provides a stronger basis for engaging external advisers where specialist support is required.

Sean Gresham joined the team as Technical Manager in February 2026, allowing a handover before Richard Mills' retirement. The role was established as part of the new operating model and holds internal responsibility for leading the Innovation, Research & Technology pillar, including delivery of its strategic actions. Sean's appointment adds management capacity and technical leadership within the team, while external experts will continue to be engaged for specialist advice and defined project support. His early focus includes making technical extension and knowledge transfer more accessible, flexible and targeted.

Technical Advisor Richard Mills retired at the end of February 2026 after joining the organisation in 2019. Richard combined market insight with practical extension work and supported growers through production challenges. We thank Richard for his commitment to the industry and for the contribution he made to Summerfruit NZ and its growers.

Building industry capability

Building the next generation is a clear priority. Summerfruit NZ worked alongside HortNZ, product groups, district associations and government on pathways into horticulture and on the broader workforce objectives of the Aotearoa Horticulture Action Plan.

- Sponsored the Hawke's Bay and Central Otago Young Grower of the Year regional events and supported the national final.
- Used National Fieldays and other sector forums to engage decision-makers on industry priorities.
- Participated in the review of the Recognised Seasonal Employer scheme and supported advocacy for settings that remain practical and sustainable.
- Supported HortNZ's submission on the Employment Leave Bill, reflecting summerfruit's reliance on seasonal and casual labour within compressed harvest periods.

Summerfruit NZ Board

2025/26

Trudi Webb
Chair

Blair McLean
Vice Chair

Stewart Burns
Grower representative

Alex Huffadine
Grower representative

Jerf van Beek
Grower representative

Russell Faulknor
Exporter representative

Craig Hall
Exporter representative

Rob Hollier
Seconded director

Sam Hobbs
Board observer

Our People and Advisors

Summerfruit NZ's work is led by a small management team, supported by contracted advisers and specialist professional service providers. Together, they provide the capability needed to deliver the Annual Business Plan across the six operational pillars.

Management team

Dean Smith
BSc, BCom
Chief Executive

Raj Singh
BCom (Hons)
Commercial Manager

Edwin Spencer
MSc (Plant Protection)
Biosecurity and Operations Manager

Sean Gresham
Ph.D (Entomology)
Technical Manager

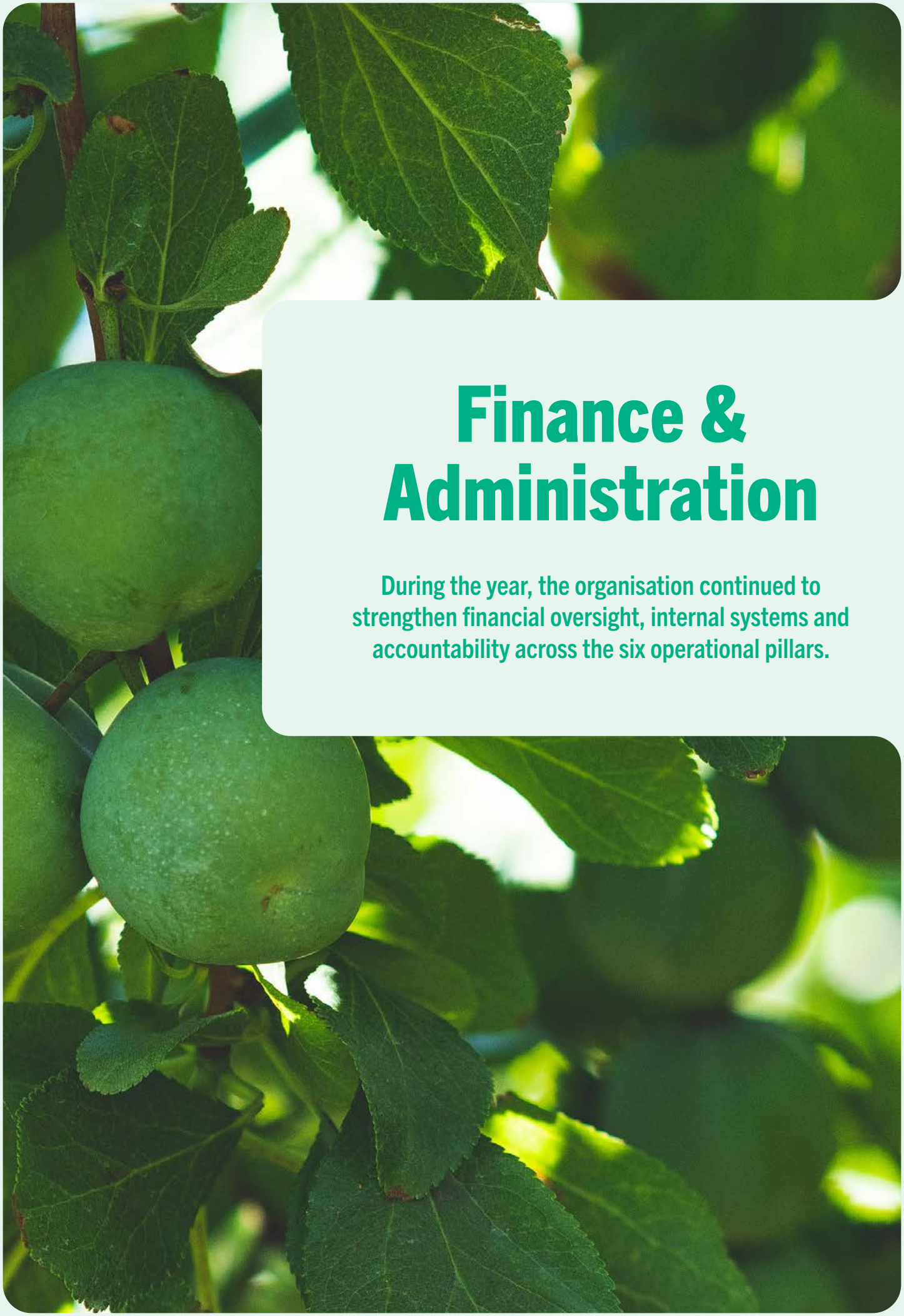
Contracted and administrative support

Andrew Bristol	Communications Advisor
Roger Gilbertson	Market Access Advisor
Lisa Arrell	Accounts Administrator

Professional advisers and banking partners

Connected Accountants	Accountants
Buddle Findlay	Lawyer
BDO	Auditor
ANZ and BNZ	Banking Partners

These acknowledgements recognise the people and organisations that support Summerfruit NZ's governance, operations, financial administration, market access and communications.



Finance & Administration

During the year, the organisation continued to strengthen financial oversight, internal systems and accountability across the six operational pillars.

Financial stewardship

- Realigned management reporting to the Strategic Planning Framework, improving visibility of revenue and expenditure by operational pillar.
- Maintained regular management review of annual work plans, budgets and organisational risk.
- Completed the FY2025 audit with no material findings and agreed a later timetable for the FY2026 audit to improve year-end close and accrual processes.
- Managed delivery and procurement with a continued focus on value for growers and compliance with the organisation's procurement policy.

FY2026 draft financial snapshot

Measure	Draft FY2026
Trading income	$2,610,398
Operating expenses	$2,451,472
Net surplus	$158,927
Total assets	$3,836,088
Total liabilities	$455,371
Net assets / equity	$3,380,716

Reserve levels and levy equity

During consultation on the renewal of the commodity levy, several members raised concerns about both the equity of the levy structure and the organisation's growing level of reserves. In response, the Board asked management to undertake a review of levy equity and reserve levels to assess whether the current arrangements remained appropriate in the context of today's industry.

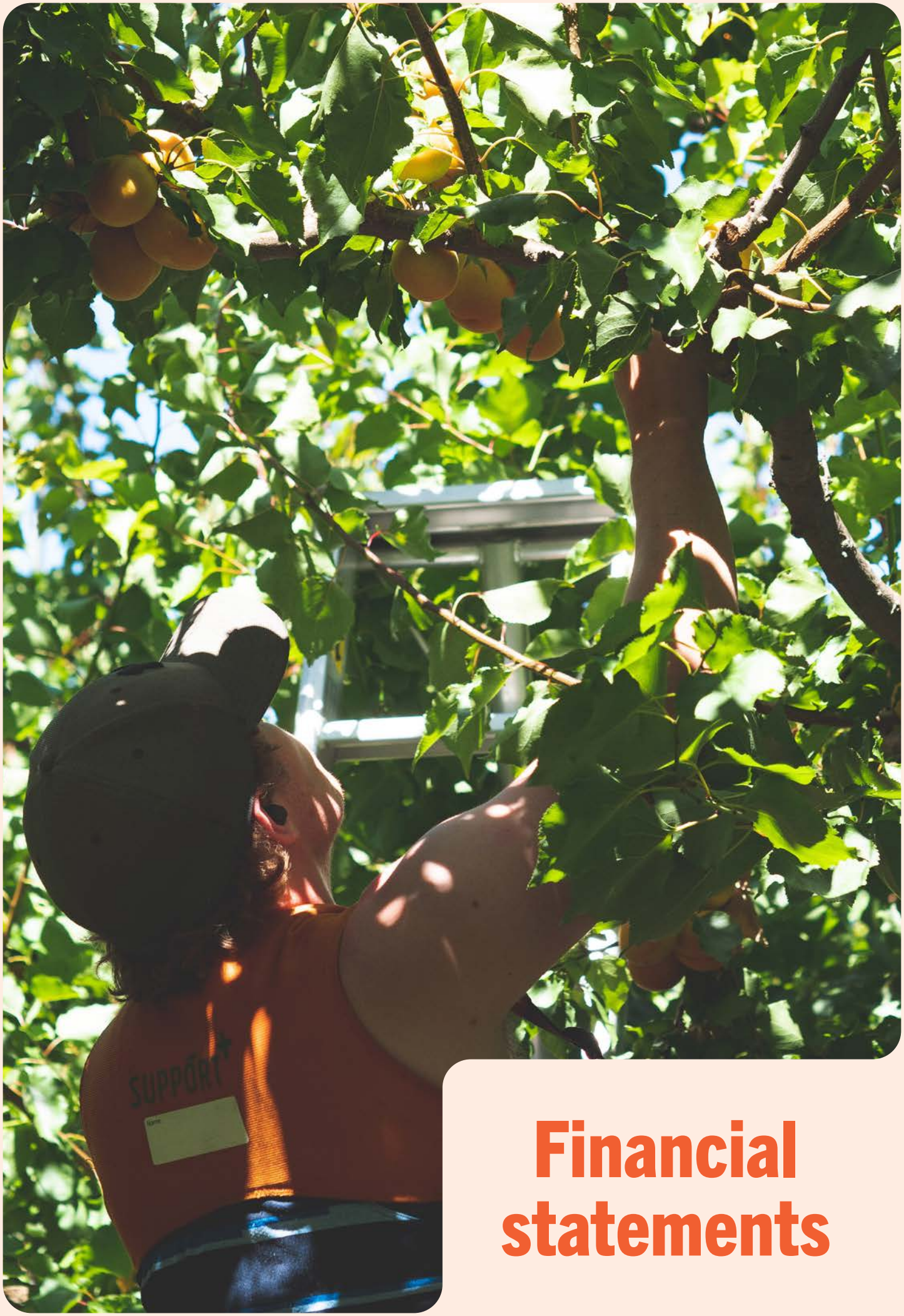
That review recognised that the existing differential levy rates were originally intended as a practical proxy for achieving broadly equitable levy contributions on a per-hectare basis across different crop types. However, changes in production systems, yields and industry economics over time mean it is appropriate to periodically test whether the original intent of the structure is still being achieved.

The analysis informed wider discussions about levy equity, reserve levels and the organisation's future funding requirements. Importantly, management also modelled the impact of the proposed levy change on Summerfruit NZ's financial position and future work programme. Based on that modelling, the Board is confident that the proposed adjustment can be implemented without compromising the organisation's ability to deliver its strategic priorities, maintain service levels or respond to emerging risks.

Following its consideration of levy settings, the Board is proposing a resolution for the 2026 Annual General Meeting seeking member support for a reduction in the non-cherry commodity levy rate while retaining the existing cherry levy rate. The proposal is intended to improve levy equity across the industry while recognising the organisation's strong financial position and reserve levels.

The proposal remains subject to member consideration and should not be regarded as an approved levy change until members vote in support of it.

More broadly, the review has prompted discussion about how levy settings are assessed in the future. While levy rates have historically remained relatively static, the Board's view is that levy equity, reserve levels and funding requirements should be reviewed regularly as part of the annual planning and budgeting process. This will allow the organisation to respond more dynamically to changes in industry circumstances while ensuring levy collections remain aligned with service delivery requirements and strategic priorities.



Financial statements

Independent auditor's report

To the members of Summerfruit New Zealand Incorporated

BDO Wellington Audit Limited

Opinion

We have audited the performance report of Summerfruit New Zealand 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 May 2026, the statement of financial position as at 31 May 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 May 2026;
  - the financial position of the Society as at 31 May 2026, and its financial performance, and cash flows for the year then ended
  - the statement of service performance for the year ended 31 May 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.

Other Matter – Comparative Service Performance Information

The comparative service performance information presented in the statement of service performance for the year ended 31 May 2025 has not been audited. Accordingly, we do not express an audit opinion or any form of assurance conclusion on that comparative service performance information. Our audit opinion on the statement of service performance relates only to the service performance information for the year ended 31 May 2026.

Responsibilities of The Board for the Performance Report

BDO Wellington Audit Limited

The Board are responsible for:

- The preparation, and fair presentation of the performance report in accordance with the Tier 3 NFP Standard.
- 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 Board 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 Board 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 the Board 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/assurancestandards/ 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 Wellington Audit Limited

BDO WELLINGTON AUDIT LIMITED
Wellington
New Zealand
21 October 2026

Entity Information

For the year ended 31 May 2026

Legal Name of Entity
Summerfruit New Zealand Incorporated

Entity Type and Legal Basis
Summerfruit NZ is an Incorporated Society registered under the Incorporated Societies Act 2022.

Registration Number
618563

Entity's Purpose or Mission
Summerfruit New Zealand exists to support, promote and develop the New Zealand summerfruit industry on behalf of growers, exporters and other industry participants. The Society represents and advocates for the industry's interests, facilitates research, education and industry development, promotes domestic and export market opportunities, and works collaboratively with stakeholders to enhance industry performance, sustainability and returns to growers and exporters.

Entity Structure
Summerfruit is a stand-alone Incorporated Society which is governed by a board of directors. The Board is comprised of 8 directors, 5 being Producer Directors and/or Associate Directors, 2 Exporter Directors and 1 Seconded Director. The Directors appoint a Chief Executive Officer to manage the day-to-day operations and implement strategic direction of the organisation.

Entity's Reliance on Volunteers and Donated Goods or Services
Summerfruit does not rely on volunteers or donated goods and services.

Other Entities Controlled by the Entity
There are no other entities controlled by Summerfruit NZ.

Physical Address
Level 4, Kiwi Wealth House, 20 Ballance Street, Wellington, New Zealand, 6011

Postal Address
PO Box 25255, Wellington, New Zealand, 6140

Approval of Financial Report
The Board are pleased to present the approved financial report including the historical financial statements of Summerfruit New Zealand Incorporated for year ended 31 May 2026. Approved:

Dean Smith
Chief Executive
21 October 2026

Trudi Webb
Chair
21 October 2026

Statement of Service Performance

For the year ended 31 May 2026

Description of Medium to Long Term Objectives

Summerfruit NZ delivers services, information and advocacy so New Zealand's summerfruit industry can thrive and produce quality summerfruit. SNZ supports a sustainable, profitable and resilient industry by investing in biosecurity readiness, advocacy, research and innovation, market access, stakeholder engagement, communications and people capability. The measures below have been selected because they are simple, auditable, within SNZ's control, and capable of being measured consistently year to year.

Biosecurity and Advocacy

SNZ supports biosecurity readiness and advocates for settings that enable growers to operate effectively.

Research and Development

SNZ invests in research and supports extension so research outcomes are communicated clearly and can inform grower decision-making.

Market Development and Access

SNZ supports market access and export readiness by helping industry participants meet phytosanitary and regulatory requirements.

Stakeholder Engagement, Communications and People Capability

SNZ fosters industry cohesion and capability through communications, events, engagement and workforce-related initiatives. Measures focus on activity and participation that SNZ can readily count.

Description and Quantification of the Entity's Key Activities

	2026	2025 unaudited
Biosecurity and Advocacy		
Number of Biosecurity Readiness Projects Involving SNZ	25	16
Number of Policy Submissions Reviewed or Submitted	11	10
Research and Development		
Number of Research Projects Progressed or Delivered During the Year	17	14
Total R&D Investment During the Year ($)	482,015	377,327
Market Development and Access		
Number of Industry Participants Who Completed SNZ Phytosanitary Training Course	26	31
Number of Entities Registered for Export (Incl. Growers, Packhouses and Exporters)	177	203
Stakeholder Engagement, Communications and People Capability		
Number of Prunings Newsletters Distributed	16	15
Number of Stakeholder Events, Forums, Webinars or Engagement Activities Delivered	15	10

Statement of Financial Performance

For the year ended 31 May 2026

	Notes	2026	2025
Revenue			
Donations, Koha, Bequests and Other General Fundraising Activities	1	162,977	-
General Grants Received	1	15,000	8,000
Membership Fees and Subscriptions	1/11	1,927,984	2,034,372
Revenue from Commercial Activities	1	414,916	159,810
Interest Income	1	64,955	116,507
Other Revenue	1	24,566	29,189
Total Revenue		**2,610,398**	**2,347,878**
Expenses			
Employee Remuneration and Other Related Expenses	2	685,233	658,917
Expenses Related to Commercial Activities	2	252,364	22,885
Other Expenses Related to Service Delivery	2	1,509,157	1,306,533
Other Expenses	2	4,717	5,728
Total Expenses		**2,451,472**	**1,994,062**
Surplus/(Deficit) for the Year		**158,927**	**353,816**

Statement of Financial Position

As at 31 May 2026

	Notes	2026	2025
Assets			
Current Assets			
Cash and Short-Term Deposits	3	659,436	1,342,032
Debtors and Prepayments	3	238,252	392,883
Investments	3	2,926,164	2,021,464
Other Current Assets	3	5,337	35,543
Total Current Assets		**3,829,189**	**3,791,922**
Non-Current Assets			
Property, Plant and Equipment	6	6,899	7,617
Investments	7	-	10,117
Total Non-Current Assets		**6,899**	**17,734**
Total Assets		**3,836,088**	**3,809,656**
Liabilities			
Current Liabilities			
Creditors and Accrued Expenses	5	402,609	482,943
Deferred Revenue	5	-	212,333
Employee Costs Payable	5	52,762	36,620
Other Current Liabilities	5	-	36,461
Total Current Liabilities		**455,371**	**768,357**
Total Liabilities		**455,371**	**768,357**
Total Assets less Total Liabilities (Net Assets)		**3,380,716**	**3,041,299**
Accumulated Funds			
Restricted and Discretionary Reserves	8–11	3,380,716	3,041,299
Total Accumulated Funds		**3,380,716**	**3,041,299**

Statement of Cash Flows

For the year ended 31 May 2026

	2026	2025
Cash Flows from Operating Activities		
Operating Receipts (Money Deposited into the Bank Account)		
Donations, Koha, Bequests and Other General Fundraising Activities	162,977	-
General Grants	-	8,000
Membership Fees and Subscription Income	2,097,599	1,940,536
Revenue from Commercial Activities	202,583	333,233
Interest Receipts	71,908	126,941
Net GST Received	-	21,548
Other Cash Received	75,697	2,893
Total Operating Receipts (Money Deposited into the Bank Account)	**2,610,764**	**2,433,150**
Operating Payments (Money Withdrawn from the Bank Account)		
Employee Remuneration and Other Related Payments	(669,091)	(637,140)
Payments Related to Commercial Activities	(189,737)	(80,095)
Other Payments Related to Service Delivery	(1,573,436)	(960,062)
Net GST Paid	(42,752)	-
Other Payments	30,206	(12,143)
Total Operating Payments (Money Withdrawn from the Bank Account)	**(2,444,810)**	**(1,689,441)**
Total Cash Flows from Operating Activities	**165,954**	**743,709**
Cash Flows from Other Activities		
Receipts from Other Activities		
Receipts from Sale of Investments	1,056,341	1,213,918
Total Receipts from Other Activities	**1,056,341**	**1,213,918**
Payments from Other Activities		
Payments to Acquire Property, Plant and Equipment	(4,891)	(4,683)
Payments to Purchase Investments	(1,900,000)	(1,123,771)
Total Payments from Other Activities	**(1,904,891)**	**(1,128,454)**
Total Cash Flows from Other Activities	**(848,550)**	**85,465**
Net Increase/(Decrease) in Cash	**(682,596)**	**829,174**
Bank Accounts and Cash		
Opening Cash	1,342,032	512,858
Net Change in Cash for Period	(682,596)	829,174
Closing Cash	659,436	1,342,032

Statement of Accounting Policies

For the year ended 31 May 2026

Basis of Preparation

This performance report is prepared in accordance with the XRB's Tier 3 (NFP) Standard. The entity is eligible to apply these requirements as it does not have public accountability and has total annual expenses of less than $5 million. All transactions in the performance report are reported using the accrual basis of accounting. The performance report is presented in New Zealand dollars (NZD), which is the entity's functional currency. All amounts are rounded to the nearest dollar, unless otherwise stated. This performance report is prepared under the assumption that the entity is a going concern and will continue to operate for the foreseeable future.

Goods and Services Tax (GST)

The entity is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

Income Tax

Summerfruit New Zealand Incorporated is a non-profit body within the terms of the Income Tax Act 2007. All income derived other than interest and conference is from Society members. Tax is payable on the interest received and net conference profit in excess of $1,000.

Cash and Short-Term Deposits

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

Revenue Recognition

Levy revenue is recognised when the entity has a right to receive the levy and the amount can be measured reliably. The amount payable ordinarily cannot be reliably measured until a declaration is received from a grower or collector. Declarations received after balance date and before the performance report is finalised are reviewed to determine whether they relate to levyable sales occurring on or before balance date. Amounts relating to the reporting period are recognised as levy revenue and a receivable. Revenue is recognised for produce sold in the year to 31 May for which a grower's levy declaration has been received by the society. Interest income is recognised using the effective interest method. Revenue from commercial activities, registrations and other service-related income is recognised at the time that services are provided.

Fixed Assets and Depreciation

All fixed assets are recorded at cost less accumulated depreciation. Depreciation of the assets has been calculated at the maximum rates permitted by the Income Tax Act 2007. The entity has the following asset classes:

- Computer Equipment: 40% – 50% Diminishing Value
- Office Assets: 10% – 67% Diminishing Value

Assets purchased on or after 17 March 2021 costing less than $1,000 have been fully depreciated at purchase as allowed by the IRD.

Intangible Assets and Amortisation

The entity has the following classes of intangible assets: Website and Secure Portal. All intangible assets are recorded at cost less accumulated amortisation. Amortisation is calculated at the maximum rates permitted by the Income Tax Act 2007. Website and Secure Portal is amortised at 48% diminishing value.

Changes in Accounting Policies

Summerfruit New Zealand Incorporated is an incorporated society registered under the Incorporated Societies Act 2022. For the year ended 31 May 2026, the Society has transitioned from Special Purpose Financial Reporting to Tier 3 Public Benefit Entity (PBE) reporting, in accordance with the requirements of the Incorporated Societies Act 2022. Classification of revenue, expenses and liabilities have been revised under the new Tier 3 (NFP) Standard and comparative figures have been restated accordingly. There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

Investments

Investments are carried at the lower of cost and net realisable value.

Debtors and Prepayments

Receivables are stated at their estimated realisable value. Bad debts are written off in the year in which they are identified.

Creditors and Accrued Expenses

Creditors are initially recognised at fair value and then subsequently recognised at amortised cost.

Notes to the Performance Report

For the year ended 31 May 2026

1. Analysis of Revenue

	2026	2025
Donations, Koha, Bequests and Other General Fundraising Activities		
Donation Revenue	162,977	-
Total Donations, Koha, Bequests and Other General Fundraising Activities	**162,977**	**-**
General Grants Received	15,000	8,000
Membership Fees and Subscription Income		
Biosecurity Levies		
Apricot Income	7,145	6,533
Cherry Income	54,090	66,300
Nectarine Income	14,225	14,278
Peaches Income	15,605	7,330
Plum Income	4,877	4,705
Other	636	1,156
Total Biosecurity Levies	**96,579**	**100,302**
Export Levies		
Apricot Income	17,463	9,374
Cherry Income	538,961	696,944
Nectarine Income	101	75
Peach Income	1,302	4,783
Plum Income	2,026	2,117
Other	2,295	4,322
Total Export Levies	**562,147**	**717,616**
Domestic Commodity Levies		
Apricot Income	192,277	185,856
Cherry Income	271,603	307,216
Nectarine Income	426,624	428,119
Peach Income	256,799	214,263
Plum Income	140,758	139,013
Other	26,775	22,866
Total Domestic Commodity Levies	**1,314,836**	**1,297,333**
Total Membership Fees and Subscription Income	**1,973,562**	**2,115,250**

1. Analysis of Revenue (continued)

	2026	2025
Revenue from Commercial Activities		
Conference	285,836	20,800
Registrations	129,081	139,010
Total Revenue from Commercial Activities	**414,916**	**159,810**
Interest Revenue	64,955	116,507
Other Revenue		
Commodity Levy	(45,578)	(80,878)
Gain on Disposal of Investments	49,874	0
Share of Profit (Loss) in Associate (HESL)	(34,991)	13,650
Sundry Income	9,683	15,539
Total Other Revenue	**(21,012)**	**(51,689)**

2. Analysis of Expenses

	2026	2025
Employee Remuneration and Other Related Expenses		
ACC	1,293	844
Other Staff Expenses	9,925	37,466
Salaries	663,529	616,936
Staff Training and Professional Development	10,487	3,672
Total Employee Remuneration and Other Related Expenses	**685,233**	**658,917**
Expenses Related to Commercial Activities		
Conference	252,364	22,885
Total Expenses Related to Commercial Activities	**252,364**	**22,885**
Other Expenses Related to Service Delivery		
Biosecurity and the Right to Farm	113,669	98,685
Innovation, Research and Technology	517,722	487,001
Market Development		
NZ Market	147,761	80,290
Japan Market	3,257	8,778
Other Market Development Expenses	188,418	225,366
Total Market Development	**339,437**	**314,434**
Stakeholder Engagement and Communications		
Communications	47,960	1,725
Stakeholder Engagement – Travel and Expenses	29,397	37,292
Grower Events	14,217	13,231
Sponsorship	2,609	-
Industry Liaison	831	2,093
Total Stakeholder Engagement and Communications	**95,014**	**54,340**
Finance and Administration	443,316	352,072
Total Other Expenses Related to Service Delivery	**1,509,157**	**1,306,533**
Other Expenses		
Depreciation	4,717	5,728
Total Other Expenses	**4,717**	**5,728**

3. Analysis of Assets

	2026	2025
Cash and Short-Term Deposits		
Bank Accounts	659,436	1,342,032
Total Cash and Short-Term Deposits	**659,436**	**1,342,032**
Debtors and Prepayments		
Accounts Receivable	232,140	324,096
Prepayments	-	68,787
GST Receivable	6,111	-
Total Debtors and Prepayments	**238,252**	**392,883**
Investments		
Term Deposits	2,926,164	2,021,464
Total Investments	**2,926,164**	**2,021,464**
Other Current Assets		
Income Tax	5,337	35,543
Total Other Current Assets	**5,337**	**35,543**

4. Income Tax

	2026	2025
Assessable Interest and Conference Income for the Year	(8,489)	61,452
Less Exemption	-	(1,000)
Prior Year Losses Brought Forward	(22,642)	(83,095)
Total Current Year Taxable Income to Carry Forward	**(31,131)**	**(22,643)**
Current Year Tax Provision	-	-
Tax Provision Applied Thereon at 28%	-	-
RWT Paid (Received)	(5,337)	(35,543)
Tax Payable (Refund) for the Year	**(5,337)**	**(35,543)**

5. Analysis of Liabilities

	2026	2025
Creditors and Accrued Expenses		
Accounts Payable	396,949	477,728
Credit Cards	5,661	5,215
Total Creditors and Accrued Expenses	**402,609**	**482,943**
Employee Costs Payable		
Annual Leave Liability	34,656	23,669
Wages Payable	18,106	12,951
Total Employee Costs Payable	**52,762**	**36,620**
Deferred Revenue		
Income Received in Advance	-	212,333
Total Deferred Revenue	**-**	**212,333**
Other Current Liabilities		
GST Payable	-	36,461
Total Other Current Liabilities	**-**	**36,461**

6. Property, Plant and Equipment

	2026	2025
Computer Equipment		
Opening Balance	3,545	5,596
Plus Purchases	3,780	1,206
Less Disposals	(892)	(843)
Less Depreciation	(1,813)	(2,414)
Total Computer Equipment	**4,620**	**3,545**
IT Rebuild		
Opening Balance	1,287	2,475
Plus Purchases	-	-
Less Disposals	-	-
Less Depreciation	(618)	(1,188)
Total IT Rebuild	**669**	**1,287**
Office Assets		
Opening Balance	2,785	3,433
Plus Purchases	1,111	3,477
Less Disposals	-	(1,999)
Less Depreciation	(2,287)	(2,125)
Total Office Assets	**1,610**	**2,785**
Total Property, Plant and Equipment	**6,899**	**7,617**

7. Investments

	2026	2025
Opening Carrying Amount	10,117	(3,533)
Share in Profit (Loss) in Associate	(34,991)	13,650
Carrying Amount Derecognised on Disposal	**(24,874)**	**10,117**
Less Share Buy Back Sale Price	(25,000)	-
Plus Gain (Loss) on Disposal	49,874	-
Total Investment in Associate at Year End	**-**	**10,117**

Summerfruit NZ no longer held an interest on HESL as at 31 May 2026. In assessing whether HESL represented an associate and determining when significant influence ceased, consideration was given to the guidance contained in the PBE IPSAS 36 Investments in Associates and Joint Ventures. Investments are derecognised when the Society ceases to hold the investment or no longer retains significant influence over the investee.

8. Reserves

Summerfruit New Zealand maintains reserves to support the long-term financial resilience of the organisation and to ensure it can meet its strategic, operational, biosecurity and export-related obligations. The Board is responsible for the management of reserves under the Integrated Reserves Policy, which establishes the purpose, categorisation, targets and permitted use of reserve funds.

Reserves are maintained across four categories: Industry Reserve, Operational Reserve, Biosecurity Reserve Fund and SEC Reserve. Reserve levels are determined in accordance with policy parameters, including a cap on the combined Industry and Operational Reserves of one year's commodity levy income based on a three-year rolling average. Separate reserve targets apply to biosecurity obligations, and certain reserves are restricted to specific purposes.

The Board reviews reserve levels and adequacy as part of its financial governance responsibilities. The adequacy of the Biosecurity Reserve is reviewed annually, and the overall reserves policy is formally reviewed at least every three years or more frequently if required. Expenditure from reserves is subject to defined approval processes, with withdrawals from the Biosecurity Reserve and expenditure from the SEC Reserve requiring Board approval.

Reserve balances, contributions and withdrawals are monitored through regular financial reporting and disclosed in the annual financial statements to ensure transparency and accountability to members.

9. Accumulated Funds: Current Year

Description	Accumulated Surpluses (Deficits)	Industry Reserves	Operational Reserves	Biosecurity Reserves	Summerfruit Export Committee (SEC)	Total
Opening Balance	-	1,010,858	1,628,166	402,276	-	3,041,299
Adjustment to Accumulated Funds: Prior Period Correction (Late Levy Submission)	180,491					180,491
Surplus (Deficit)	158,927	-	-	-	-	158,927
Transfer to Restricted or Discretionary Reserves	(339,418)	64,955	120,488	-	153,975	-
Closing Balance	**-**	**1,075,813**	**1,748,654**	**402,276**	**153,975**	**3,380,716**

10. Correction of Prior Period Error: Levy Revenue

During the preparation of the performance report for the year ended 31 May 2026, the entity identified levy revenue of $180,491 relating to levyable sales in the year ended 31 May 2025 that had not been recognised in the prior-year performance report. The related declarations were submitted after the performance report for the year ended 31 May 2025 had been completed, and the revenue was subsequently recorded in the entity's accounting records during the year ended 31 May 2026.

The error has been corrected in the current-year performance report by adjusting the opening accumulated funds at 1 June 2025 by $180,491. In accordance with the Tier 3 NFP Standard, the comparative information for the year ended 31 May 2025 has not been restated.

11. Accumulated Funds: Prior Year

Description	Accumulated Surpluses (Deficits)	Industry Reserves	Operational Reserves	Biosecurity Reserves	Total
Opening Balance	-	894,352	1,793,132	-	2,687,484
Surplus (Deficit)	353,816	-	-	-	353,816
Transfer to Restricted or Discretionary Reserves	(353,816)	116,506	(164,966)	402,276	-
Closing Balance	**-**	**1,010,858**	**1,628,166**	**402,276**	**3,041,299**

12. Commitments

	2026	2025
Research and Development Projects		
Current Commitments	134,605	100,135
Term Commitments	577	89,572
Total Research and Development Projects	**135,182**	**189,707**
Other Commitments		
Current Commitments	28,927	94,313
Term Commitments	-	-
Total Other Commitments	**28,927**	**94,313**

Other commitments are related to communications and advisory services contract, premium partner Sponsorship for HB Young Fruit Grower of the Year and office lease agreement for co-working space.

13. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 31 May 2026 (2025 – Nil).

14. Related Party Transactions

	Related Party Expense 2026	Related Party Expense 2025	Related Party Payable 2026	Related Party Payable 2025
Director & Meeting Fees	47,627	43,906	39,133	1,575
Chair's Honoraria	36,000	15,000	36,000	15,000

The Directors are also growers and/or trade members and pay levies at rates consistent with all other growers and/or a trade membership fee.

Full day meeting rate for Director Fees $450.

15. Events After the Balance Date

There were no events that have occurred after the balance date that would have a material impact on the Performance Report (2025: Nil).

16. Ability to Continue Operating

The entity will continue to operate for the foreseeable future.

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