

**The Management Agency Biosecurity
(National American Foulbrood Pest
Management Plan) Order 1998
Financial Statements
For the Year Ended 31 May 2025**

The Management Agency Biosecurity
(National American Foulbrood Pest
Management Plan) Order 1998
Special Purpose Financial Statements
For the Year Ended 31 May 2025

<u>CONTENTS</u>	PAGE
Independent Auditor's Report.....	2
Statement of Financial Performance.....	4-5
Statement of Movements in Equity.....	6
Statement of Financial Position.....	7
Notes to the Financial Statements.....	8-10

INDEPENDENT AUDITOR'S REPORT

To the Board Members of The Management Agency Biosecurity (National American Foulbrood Pest Management Plan) Order 1998

Opinion

We have audited the financial statements of The Management Agency Biosecurity (National American Foulbrood Pest Management Plan) Order 1998 on pages 4 to 10, which comprise the statement of financial position as at 31 May 2025, and the statement of financial performance and the statement of movements in equity for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information. In our opinion, the accompanying financial statements are prepared, in all material respects, in accordance with the accounting policies stated in Note 1.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of The Management Agency Biosecurity (National American Foulbrood Pest Management Plan) Order 1998 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 Management Agency Biosecurity (National American Foulbrood Pest Management Plan) Order 1998.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements have been prepared for use by the board members of The Management Agency Biosecurity (National American Foulbrood Pest Management Plan) Order 1998, and for accounting to the Minister for Biosecurity. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Board's Responsibility for the Financial Statements

The Board are responsible on behalf of the entity for determining that the Special Purpose framework adopted is acceptable in The Management Agency Biosecurity (National American Foulbrood Pest Management Plan) Order 1998's circumstances, the preparation of financial statements, and for such internal control as the Board determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board are responsible on behalf of the entity for assessing the entity'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 Board either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ainger Tomlin Audit Ltd.

Ainger Tomlin Audit Limited
Christchurch
18 August 2025

The Management Agency Biosecurity
(National American Foulbrood Pest
Management Plan) Order 1998
Statement of Financial Performance
For the Year Ended 31 May 2025

	Note	2025 \$	2024 \$
INCOME			
Levy Income			
PMS Bio Security Levy		1,405,392	1,378,501
Penalty on cost recovery		3,788	2,342
Penalty on Levy		25,506	26,316
Bad Debts Recovered		13,694	319
Total Levy Income		1,448,381	1,407,478
Training			
Course Fees Received		49,962	34,539
Total Training		49,962	34,539
Cost Recovery			
Default COI Inspections		51,813	29,504
High Risk Beekeepers		-	182
Total Cost Recovery		51,813	29,686
Apiary Data Licence			
Data Processing		274	326
MPI Revenue		50,000	50,000
Total Apiary Data Licence		50,274	50,326
Levies- Charged Next Year to 31 May	1(b)	1,366,821	1,382,536
Less Income in Advance		(1,366,821)	(1,382,536)
Total Income		1,600,430	1,522,028
LESS EXPENSES			
Training			
Trainer Recruitment & Training		11,262	664
AFB Recognition Course Costs		16,132	30,750
Salaries & Remuneration- Training		31,869	30,542
Commercial Beekeeper Training		15,798	4,302
Total Training		75,061	66,258
Extension, Research & Communications			
Suspect AFB Tests		7,535	7,185
Website		-	35
Conference Expenses		-	3,537
Magazine Expenditure		-	17,922
Beekeeper Communication		8,713	16,786
Total Extension, Research & Communications		16,248	45,465
Monitoring & Audit			
Honey Surveillance		-	44,258
Apiary Inspections		287,647	336,062
AFB Auditor Recruit/Training		61,169	64,289
Salaries & Rem- Monitoring & Audit		102,287	94,280
Total Monitoring & Audit		451,103	538,888
Apiary Register			
NBHS Operating Expenses		72,769	74,598
Salaries & Remuneration- NBHS		156,198	155,319
Total Apiary Register		228,967	229,917
Compliance & Enforcement			
High Risk Beekeepers		41,925	20,015
S122 Notice Default		4,567	7,603
COI Default Inspections		63,014	48,428
Salaries & Rem-Compliance & Enforcement		98,472	94,280
Total Compliance & Enforcement		207,978	170,326

The Management Agency Biosecurity
(National American Foulbrood Pest
Management Plan) Order 1998
Statement of Financial Performance
For the Year Ended 31 May 2025

	Note	2025 \$	2024 \$
Overheads			
Accounting General		9,908	18,103
Audit Fees		6,500	13,675
Bad Debts written off		47,973	11,645
Bank Fees		2,757	1,501
Board Meeting Exps & Honoraria		37,779	47,258
Computer & IT Expenses		11,081	26,303
Debt Collection Expenses		12,872	3,174
Insurance		5,653	4,350
Legal Expenses		31,022	13,705
Loss on Disposal of Assets		241	115
Post Print Stationery & Misc Office		72,119	38,361
Premises		27,631	37,181
Salaries & Remuneration-Administration		251,270	232,214
Telephone		11,974	5,866
Travel & Accommodation		19,308	26,836
Total Overheads		548,088	480,287
Total Expenses		1,527,445	1,531,141
Operating Surplus (Deficit)		72,985	(9,112)
Other Income			
Interest Income		53,913	53,841
Grants Income		5,102	2,009
Total Other Income		59,015	55,850
Other Expenses			
Depreciation		31,741	6,429
Amortisation		143,700	143,700
Total Other Expenses		175,441	150,129
(Net Deficit)		<u>(43,441)</u>	<u>(103,391)</u>

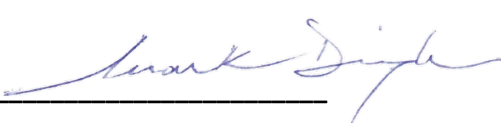
The Management Agency Biosecurity
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Management Plan) Order 1998
Statement of Movements in Equity
For the Year Ended 31 May 2025

	Note	2025 \$	2024 \$
EQUITY AT START OF PERIOD		889,580	992,971
SURPLUS & REVALUATIONS			
(Deficit)/Surplus		(43,441)	(103,391)
Total Recognised Revenues & Expenses		(43,441)	(103,391)
OTHER MOVEMENTS		-	-
EQUITY AT END OF PERIOD		<u>846,139</u>	<u>889,580</u>

The accompanying notes form part of these financial statements and should be read in conjunction with the Independent Auditor's Report.

The Management Agency Biosecurity
(National American Foulbrood Pest
Management Plan) Order 1998
Statement of Financial Position
As at 31 May 2025

	Note	2025 \$	2024 \$
Current Assets			
Cash at Bank		478,136	714,886
Term Deposits	9	1,350,000	1,150,000
Interest Accrued		9,584	16,713
Accounts Receivable	1(b)	512,822	424,747
Fixed Assets	2(a)	81,483	-
Intangible Assets	2(b)	107,775	-
Total Current Assets		2,539,800	2,306,346
Non Current Assets			
Fixed Assets	2(a)	-	46,751
Intangible Assets	2(b)	-	251,475
Total Non Current Assets		-	298,226
TOTAL ASSETS		2,539,800	2,604,572
Current Liabilities			
Accounts Payable	1(c)	37,896	73,394
Employee Liabilities		49,651	46,857
Accrued Expenses		50,330	25,794
GST Payable		188,963	186,411
Income in Advance	7	1,366,821	1,382,536
Total Current Liabilities		1,693,661	1,714,992
TOTAL LIABILITIES		1,693,661	1,714,992
NET ASSETS		846,139	889,580
Represented by:			
EQUITY			
Retained Earnings		846,139	889,580
TOTAL EQUITY		846,139	889,580

Board Member  Chairperson 
Date 15/08/2025 Date 15/08/2025

The Management Agency Biosecurity (National American Foulbrood Pest Management Plan) Order 1998

Notes to the Financial Statements For the Year Ended 31 May 2025

1 REPORTING BASIS AND NATURE OF BUSINESS

Apiculture New Zealand Incorporated is a non-profit organisation that acts for and facilitates on industry matters for the benefit of its members.

Further to this Apiculture New Zealand Incorporated has been appointed as the Management Agency for the American Foulbrood National Pest Management Strategy (AFB NPMS). The duties relating to this appointment are set out in the Biosecurity (National American Foulbrood Pest Management Plan) Order 1998. Levies used to pay for the running of the AFB NPMS are collected through the Biosecurity (American Foulbrood - Apiary & Beekeeper Levy) Order 2003. Pursuant to the Biosecurity Act 1993 the Management Agency must provide transparent financial records with respect to the management of the AFB NPMS Levy Order and this is what is reported in these statements.

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical cost basis have been used, with the exception of certain items for which specific accounting policies have been identified.

These are special purpose financial statements prepared for accounting to the Minister for Biosecurity in terms of The Management Agency Biosecurity (National Foulbrood Pest Management Plan) Order 1998.

a. Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on bases consistent with those used in previous years.

b. Receivables

Receivables are stated at their estimated realisable value after making appropriate provision for any doubtful debts. Bad debts are written off in the year in which they are identified.

Member levies for the year ended 31 May 2026 have been invoiced prior to 31 May 2025. The amounts unpaid at 31 May 2025 are included in the Accounts Receivable balance. An adjustment for levies charged in advance is shown in the Statement of Financial Performance.

c. Goods & Services Tax

These Financial Statements have been prepared on a GST exclusive basis with the exception of Accounts Receivable and Accounts Payable which are shown inclusive of GST.

- d. Fixed Assets are stated at cost less accumulated depreciation and amortisation. Gains and losses on disposal of fixed assets are taken into account in determining the operating result for the year. Low value assets (under \$1000) are expensed in the year of purchase. The following rates of depreciation and amortisation have been used:

	<u>Rate</u>	<u>Method</u>
Signage	30%	Diminishing Value
Software & Computers	40%	Diminishing Value
Office Furniture	20%	Diminishing Value
Intangible Assets & Database	20%	Straight Line

The Management Agency Biosecurity (National American Foulbrood Pest Management Plan) Order 1998

Notes to the Financial Statements For the Year Ended 31 May 2025

e. Intangible Assets Policy

Measurement: Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include the cost of materials and services, employee costs and any directly attributable overheads. Costs of software updates or upgrades are capitalised only when they increase the usefulness or value of the asset. All other costs are expensed when incurred.

Amortisation: The carrying value of an intangible asset is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases when the asset is derecognised. The amortisation charge for each financial year is recognised in the surplus or deficit. The amortisation rate for intangible assets is listed in Note 1(d) above.

2

a. Fixed Assets

	<u>Cost</u>	<u>Depreciation</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Signage	\$3156	\$33	\$3080	\$76
Software	\$110160	\$28561	\$44124	\$66036
Office Equpt	\$9641	\$803	\$4390	\$5251
<u>Computers</u>	<u>\$25451</u>	<u>\$2344</u>	<u>\$15332</u>	<u>\$10119</u>
Total	\$148408	\$31741	\$66926	\$81482

b. Intangible Assets

	<u>Cost</u>	<u>Amortisation</u>	<u>Accumulated Amortisation</u>	<u>Net Book Value</u>
Database	\$718500	\$143700	\$610725	\$107775

3 AUDIT

These financial statements have been subject to audit; please refer to Independent Auditor's Report.

4 NON ADJUSTING EVENTS AFTER THE END OF THE REPORTING PERIOD

Pursuant to section 100(4)(b) of the Biosecurity Act 1993, the Minister for Biosecurity gave notice that New Zealand Bee Health & Biosecurity Trust has been appointed as the Management Agency for the Biosecurity (National American Foulbrood Pest Management Plan) Order 1998 under section 100(4)(a), following the resignation of Apiculture New Zealand Incorporated.

The resignation of Apiculture New Zealand and the appointment of New Zealand Bee Health & Biosecurity Trust takes effect on 1 July 2025.

5 SECURITIES AND GUARANTEES

There was no secured overdraft as at balance date nor was any facility arranged. The Management Agency Biosecurity (National American Foulbrood Pest Management Plan) Order 1998 has not granted any securities or guarantees in respect of liabilities payable by any other party whatsoever.

6 RELATED PARTIES

The following members of the Board pay levies to the Management Agency, either directly or via associated entities: Val Graham, Mark Dingle, Jane Rollin, Trent Proffit, Murray Elwood, and Lubomir Dudek.

The following Honoraria were paid to Board Members during the year (balance outstanding at year end): Jane Rollin \$3395 (\$0), Murray Elwood \$2975 (\$0), Mark Dingle \$6437 (\$0), Trent Proffit \$2975 (\$1092), Val Graham \$3350 (\$1483), Lubomir Dudek \$2829 (\$1290)

The Management Agency Biosecurity (National American Foulbrood Pest Management Plan) Order 1998

Notes to the Financial Statements For the Year Ended 31 May 2025

7 REVENUE RECOGNITION

Invoiced levies are recognised as income in the year to which they relate. Levies invoiced for future years are treated as Income in Advance in the year invoiced. Penalties are recognised as income when invoiced. Interest income from deposit accounts and term deposits is recognised on an accruals basis in the period in which it was earned. Course fees are recognised on an accruals basis. MPI revenue is recognised as income when the service is provided.

8 INCOME TAX

The Management Agency; Biosecurity (National American Foulbrood Management Plan) Order 1998 is exempt from income tax under Section CW49 of the Income Tax Act 2007.

9 TERM DEPOSITS

Term Deposits comprises all funds held at ANZ Bank under a term deposit arrangement, regardless of the original time to maturity.

10 LEASE COMMITMENTS

The Management Agency has a lease on office premises in Rolleston, expiring in March 2026. The cost is \$2021 plus GST per month.

11 OTHER COMMITMENTS

The Management Agency has a contract until July 2025 with Smartapps to maintain and support the Hivehub database. The cost of this maintenance and support is \$2833 plus GST per month.