

**The Management Agency Biosecurity
(National American Foulbrood Pest
Management Strategy) Order 1998
Financial Statements
For the Year Ended 31 May 2014**

The Management Agency Biosecurity
(National American Foulbrood Pest
Management Strategy) Order 1998
Special Purpose Financial Statements
Year Ended 31 May 2014

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INDEPENDENT AUDITOR'S REPORT TO THE MINISTER OF AGRICULTURE

Report on the Special Purpose Financial Statements

We have audited the special purpose financial statements of The Management Agency Biosecurity (National American Foulbrood Pest Management Strategy) Order 1998 on pages 3 to 7, which comprise the special purpose statement of financial position as at 31 May 2014, the special purpose statement of changes in equity and special purpose statement of comprehensive income for the year then ended and a summary of significant accounting policies and other explanatory information.

The special purpose financial statements have been prepared based on the financial reporting provisions of the Rules within the Management Agency Biosecurity (National American Foulbrood Pest Management Strategy) Order 1998.

Executive Committee Responsibility for the Financial Statements

The Executive Committee is responsible for the preparation of the special purpose financial statements in accordance with the provisions of the Rules of the Management Agency Biosecurity (National American Foulbrood Pest Management Strategy) Order 1998 and for such internal control as the members of the Committee determine is necessary to enable the preparation of special purpose financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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 Strategy) Order 1998.

Opinion

In our opinion, the special purpose financial statements on pages 3 to 7 are prepared, in all material respects, in accordance with the provisions of the Rules of the Management Agency Biosecurity (National American Foulbrood Pest Management Strategy) Order 1998.

Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw your attention to Note 1 to the special purpose financial statements, which describe the basis of accounting. The special purpose financial statements are prepared to comply with the financial reporting provisions of the Management Agency Biosecurity (National American Foulbrood Pest Management Strategy) Order 1998 rules. As a result, the special purpose financial statements may not be suitable for any other purpose. Our report is intended solely for the Management Agency Biosecurity (National American Foulbrood Pest Management Strategy) Order 1998 members and should not be distributed to or used by parties other than the Management Agency Biosecurity (National American Foulbrood Pest Management Strategy) Order 1998.

BDO Tauranga

31 October 2014
525 Cameron Road
Tauranga, New Zealand

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The Management Agency Biosecurity
(National American Foulbrood Pest
Management Strategy) Order 1998
Statement of Financial Performance
As at 31st May 2014

	Note	2014 \$	2013 \$
INCOME			
Penalty on Levy		7,528	8,335
PMS Bio Security Levy		429,486	399,822
Bad Debts Recovered		362	0
Interest Received		10,031	5,114
Grants Received		10,870	0
		<u>458,276</u>	<u>413,271</u>
Levies- Charged Next Year to 31 May	1(b)	500,260	447,948
Less Income in Advance		(500,260)	(447,948)
Total Income		<u>458,276</u>	<u>413,271</u>
LESS EXPENSES			
Accounting & Reporting		6,651	3,511
Aerial Surveillance		6,189	905
ADR Admin		14,374	11,374
ADR (AssureQuality)		43,162	40,472
AFB Recognition Courses		12,564	11,268
AFB Counselling (AssureQuality)		5,223	4,500
AFB Counselling & Audit Admin		5,120	2,675
AFB Videos (DVD)		6,250	0
AFB Audit Inspec (AssureQuality)		27,151	19,341
AFB Hive Inspection Industry		121,470	73,854
AP2 Recruitment & Training		4,648	7,411
Apiary database upgrade		686	1,005
Audit Fees		5,840	5,523
Bad Debts written off		6,321	19,198
Bank Fees		44	11
Beekeeper Communication		205	1,490
Beekeeper Education		210	940
Biosecurity NZ		2,438	2,059
Chargeable Surveillance		483	0
COI Admin		5,456	5,694
COI (AssureQuality)		20,885	15,269
Apiary Levy (AssureQuality)		4,064	2,216
COI Default Inspections		5,993	5,448
Compliance Costs		0	260
Conference Attendance		357	911
Debt Collection Expenses		15,027	11,840
DECA (AssureQuality)		13,234	12,151
DECA Scheme Admin		3,270	5,310
Honoraria		14,941	3,350
Plant & Food Research		14,918	11,968
Suspect substance test		0	605

NOTE: This statement is to be read in conjunction with the Notes to the Financial Statements



The Management Agency Biosecurity
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Statement of Financial Performance
As at 31st May 2014

	Note	2014 \$	2013 \$
Insurance		826	826
Legal Expenses		93	2,819
Magazine Expenditure		7,397	6,192
Management Agency Appointments		0	318
Manager Regional Visits		5,000	8,534
Official Info Act Requests		2,691	0
Operations Manual		95	0
Management Agency Meeting Exps		8,601	10,766
Postage Printing & Stationery		21,491	14,853
Reporting Government		1,578	1,106
Telephone		3,363	4,702
Travel & Accommodation		3,775	5,340
Website		14,711	600
Total Expenses		436,796	336,617
NET SURPLUS		21,481	76,654

NOTE: This statement is to be read in conjunction with the Notes to the Financial Statements



The Management Agency Biosecurity
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Statement of Movements in Equity
As at 31st May 2014

	Note	2014 \$	2013 \$
EQUITY AT START OF PERIOD		83,524	6,870
SURPLUS & REVALUATIONS			
Net Surplus(Deficit) After Tax		<u>21,481</u>	<u>76,654</u>
Total Recognised Revenues & Expenses		21,481	76,654
OTHER MOVEMENTS		-	-
EQUITY AT END OF PERIOD		<u><u>105,004</u></u>	<u><u>83,524</u></u>

NOTE: This statement is to be read in conjunction with the Notes to the Financial Statements



The Management Agency Biosecurity
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Statement of Financial Position
As at 31st May 2014

	Note	2014 \$	2013 \$
CURRENT ASSETS			
Cash at Bank		140,205	175,580
Term Deposits		335,000	260,915
Interest Accrued		1,860	0
Accounts Receivable	1(b)	187,728	156,785
Prepayments		67	370
Total Current Assets		664,860	593,651
TOTAL ASSETS		664,860	593,651
CURRENT LIABILITIES			
GST Payable	1(c)	40,736	42,750
Accounts Payable		18,859	19,429
Income in Advance		500,260	447,948
Total Current Liabilities		559,856	510,127
TOTAL LIABILITIES		559,856	510,127
NET ASSETS		105,004	83,524
Represented by:			
EQUITY			
Funds Settled		(52,064)	(52,064)
Retained Earnings		157,069	135,588
TOTAL EQUITY		105,004	83,524

Treasurer

[Signature]

Chairperson

[Signature]

Date

31/10/2014

31/10/14



NOTE: This statement is to be read in conjunction with the Notes to the Financial Statements

The Management Agency Biosecurity (National American Foulbrood Pest Management Strategy) Order 1998 Notes to the Financial Statements For the Year Ended 31st May 2014

1 REPORTING BASIS AND NATURE OF BUSINESS

The National Beekeepers Association is a non-profit organisation that acts for and facilitates on industry matters for the benefit of its members.

Further to this it has been appointed as the Management Agency for the AFB NPMS. The duties relating to this appointment are set out in the Biosecurity (National American Foulbrood Pest Management Strategy) 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 Management Agency; Biosecurity National American Foulbrood Management Strategy is a non-profit organisation.

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.

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. Bad debts are written off in the year in which they are identified.

Member levies for the year ended 31 May 2015 have been charged prior to 31 May 2014. The amounts unpaid at 31 May 2014 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.

2 AUDIT

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

3 CONTINGENT LIABILITIES

At balance date there are no known contingent liabilities (2013:\$0).

4 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 Strategy) Order 1998 has not granted any securities or guarantees in respect of liabilities payable by any other party whatsoever.



Calculation of 2014 Income in Advance

Levy invoices raised dated 1 April 2014 exASUREQuality:	508,338 (per MYOB GL Account 4-2600)
Less: Reversals after 31 May- 16th July 2014 (no longer beekeeping)	(8,078)
2014 Income in Advance:	500,260