
13TH MEETING OF THE FINANCE AND ADMINISTRATION COMMITTEE (FAC)

Panama City, Panama, 26 to 27 February 2026

FAC 13 – Doc 07 Annual Financial Statements for the Financial Year 2024-25 *Secretariat*

1. Summary and recommendations

This paper reports the audited financial statements for the financial year 2024-25.

The FAC is invited to:

- **Note** that improvements have been made to the process and substance of the financial statements to increase the scope, rigour and transparency.
- **Comment** on the audit report for forwarding to the Commission.

2. Background

Financial Regulation 10 sets out the process for SPRFMO's external annual audit, which is required under Article 15 paragraph 10 of the Convention.

On 27 November 2025 the Executive Secretary conveyed to Heads of Delegation (letter R18-2025) the Independent Auditor's Report for the financial year ending 30 June 2025 pursuant to Financial Regulation 10.8 which requires that '*The auditors shall submit their report to the Commission through the Executive Secretary not later than 90 days after having received the year's financial statements from the Executive Secretary.*'

The Finance and Administration Committee (FAC), '*shall forward to the Commission its comments, if any, on the audit report*', following which '*the Commission shall signify its acceptance of the audited financial statements or take such action as it may consider appropriate*' (Financial Regulations 10.9 & 10.10).

3. Key Points

Importantly, page 1 of the Independent Auditor's report states that:

"In our opinion, the accompanying special purpose financial statements present fairly, in all material respects, the financial position of the Organisation as at 30 June 2025, and its financial performance and its cash flows for the year then ended in accordance with the accounting policies as disclosed in Note 2 of the special purpose financial statements."

In compiling the financial statements, the Secretariat, with the support of Findex New Zealand, has made a number of improvements, some of which are reflected in the notes to the financial statements, e.g.:

- All numbers and reporting have been held to multiple levels of scrutiny through Findex's internal review processes.
- A more simplified summary of the fixed asset holdings is reported, with a separate detailed schedule.
- Grant income is now fully included in the financial statements and audit, as reflected in the 'changes in accounting policies' (note 2, page 9).
- More transparency is provided around grants and voluntary contributions, with explanatory notes for both on pages 12 and 13.



- A standalone report to FAC on the Accumulated Surplus Account is provided consistent with reporting on other SPRFMO funds (FAC13-Doc08).
- All reporting has been conducted through the Secretariat's accounting software (Xero) to improve data integrity, validation, and compatibility in future years.

SPRFMO SPECIAL PURPOSE FINANCIAL STATEMENTS

For the year ended 30 June 2025

SPRFMO FINANCIAL REPORT
SPRFMO Secretariat

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INDEPENDENT AUDITOR'S REPORT**To the Finance and Administration Committee of South Pacific Regional
Fisheries Management Organisation****Opinion**

We have audited the special purpose financial statements of South Pacific Regional Fisheries Management Organisation (the Organisation) on pages 6 to 15, which comprise the Statement of Financial Position as at 30 June 2025 and Statement of Income and Expenditure for the year then ended, and notes to the special purpose financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying special purpose financial statements present fairly, in all material respects, the financial position of the Organisation as at 30 June 2025, and its financial performance and its cash flows for the year then ended in accordance with the accounting policies as disclosed in Note 2 of the special purpose financial statements.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Special Purpose Financial Statements* section of our report. We are independent of the Organisation 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 Organisation.

Emphasis of Matter – Basis of Accounting and Restriction on Distribution

We draw attention to Note 2 to the special purpose financial statements, which describes the basis of accounting. The special purpose financial statements are prepared to comply with the Financial Regulations of the Commission. As a result, the special purpose financial statements may not be suitable for another purpose. Our report is intended solely for the Organisation's Finance and Administration Committee, as a body. Our opinion is not modified in respect of this matter.

Information Other Than the Special Purpose Financial Statements and Auditor's Report

The Management are responsible for the other information. The other information comprises the information included in the Directory on page 5 and Depreciation Schedule on page 16, but does not include the special purpose financial statements and our auditor's report thereon.

Our opinion on the special purpose financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

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In connection with our audit of the special purpose financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the special purpose financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities for the Special Purpose Financial Statements

The Secretariat is responsible on behalf of the Organisation for the preparation and fair presentation of the special purpose financial statements in accordance with the Financial Regulations of the Commission and for such internal control as Management determine is necessary to enable the preparation of special purpose financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Organisation'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 Management either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Special Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the special purpose 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 special purpose 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 special purpose 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 Organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by Management and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association'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 special purpose 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 Association to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the special purpose financial statements, including the disclosures, and whether the special purpose financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Management 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.

Restriction on Use

This report is made solely to the Organisation's Finance and Administration Committee, as a body. Our audit has been undertaken so that we might state to the Organisation's Finance and Administration Committee those matters 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 Organisation's Finance and Administration Committee as a body, for our audit work, for this report, or for the opinions we have formed.



Crowe New Zealand Audit Partnership
CHARTERED ACCOUNTANTS
26 November 2025

Directory

South Pacific Regional Fisheries Management Organisation For the year ended 30 June 2025

Nature of Business

Inter-Governmental Organisation for ensuring the long-term conservation and sustainable use of fisheries resources and, in so doing, to safeguard the marine ecosystems in which these resources occur.

Members of the Commission

Australia
Belize
Republic of Chile
People's Republic of China
Cook Islands
Republic of Cuba
Republic of Ecuador
European Union
The Kingdom of Denmark in respect of Faroe Islands
Republic of Korea
New Zealand
Republic of Panama
Republic of Peru
Russian Federation
Chinese Taipei
The United States of America
Republic of Vanuatu

Executive Secretary

Mr James Brown

Commission Chairperson

Ms Jung-re Riley Kim

Finance & Administration Committee Chairperson

Mr Juan Santibáñez

Accountants

Findex NZ Limited

Auditors

Crowe New Zealand Audit Partnership

Bankers

Bank of New Zealand

Statement of Income and Expenditure

South Pacific Regional Fisheries Management Organisation For the year ended 30 June 2025

	NOTES	BUDGET AFTER TRANSFERS (UNAUDITED)	2025	2024
Income				
Member Contributions	10	1,825,500	1,859,850	1,554,315
CNCP Voluntary Contributions	11	-	64,981	51,702
Voluntary Contributions (Non-project)	12	-	96,616	42,142
Grant Funds Utilised		-	189,082	-
Foreign Exchange Gain/(Loss)		-	(802)	(2,758)
Interest Received		-	68,825	81,260
Other Sources		52,000	-	-
Total Income		1,877,500	2,278,551	1,726,661
Operating Expenses				
Personnel Cost	13	1,173,000	1,172,760	1,030,127
Premises and Equipment	14	93,500	78,624	72,194
Meetings and Travel	15	177,900	147,954	143,609
Information and Communication	16	125,000	76,840	48,569
Operational Expenses	17	35,000	20,013	47,573
SPRFMO VMS	18	107,000	105,479	85,995
Non-Routine Expenses	19	110,100	22,241	285,936
Subtotal		1,821,500	1,623,912	1,714,003
Other Expenses				
Depreciation and Amortisation		-	69,377	43,933
Contingency Fund		30,000	-	-
Developing States		35,000	31,724	19,126
Scientific Support		40,000	148,110	107,264
Grant Expenditure		-	189,082	-
Less Voluntary Contributions Affecting the Budget		(49,000)	(191,422)	(159,191)
Total Expenses		1,877,500	1,870,783	1,725,134
Commission Surplus/(Deficit) for the Period		-	407,768	1,527

This statement should be read in conjunction with the statement of accounting policies and notes to the financial statements.

Statement of Changes in Equity

South Pacific Regional Fisheries Management Organisation For the year ended 30 June 2025

	2025	2024
Equity		
Opening Balance	1,308,218	1,306,691
Increases		
Surplus/(Deficit) for the Period	407,768	1,527
Total Increases	407,768	1,527
Total Equity	1,715,986	1,308,218

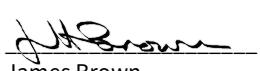
This statement should be read in conjunction with the statement of accounting policies and notes to the financial statements.

Statement of Financial Position

South Pacific Regional Fisheries Management Organisation As at 30 June 2025

	NOTES	30 JUN 2025	30 JUN 2024
Assets			
Current Assets			
Cash and Cash Equivalents	3	2,132,304	1,669,057
Accounts Receivable and Accrued Income	4	955,149	932,397
Prepayments		86,434	3,185
GST Receivable		-	5,663
Total Current Assets		3,173,887	2,610,303
Non-Current Assets			
Term Deposits	5	580,000	580,000
Property, Plant and Equipment		58,074	57,518
Intangible Assets		296,755	134,920
Total Non-Current Assets		934,829	772,438
Total Assets		4,108,716	3,382,741
Liabilities			
Current Liabilities			
Accounts Payable and Accrued Expenses	6	217,080	117,779
Member Contributions Received in Advance	7	1,904,821	1,859,850
Voluntary Contributions Received in Advance	8	30,879	-
Grants Received in Advance	9	231,330	96,894
GST Payable		8,620	-
Total Current Liabilities		2,392,730	2,074,523
Total Liabilities		2,392,730	2,074,523
Net Assets		1,715,986	1,308,218
Equity			
Retained Earnings		1,715,986	1,308,218
Total Equity		1,715,986	1,308,218

The Executive Secretary presents the approved Financial Statements:



James Brown

26 November 2025

Date

This statement should be read in conjunction with the statement of accounting policies and notes to the financial statements.

Notes to the Financial Statements

South Pacific Regional Fisheries Management Organisation For the year ended 30 June 2025

1. Reporting Entity

The Special Purpose Financial Statements presented here are for the entity South Pacific Regional Fisheries Management Organisation.

2. Statement of Accounting Policies

Basis of Preparation

These financial statements have been prepared in accordance with the Special Purpose Framework for use by For-Profit Entities (SPFR for FPEs) published by Chartered Accountants Australia and New Zealand.

Historical Cost

These financial statements have been prepared on a historical cost basis. The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$, except when otherwise indicated.

Changes in Accounting Policies

Grant income and expenditure has historically not been recognised on the Statement of Profit or Loss. This year we have recognised the Grant income offset against the expenditure that utilised the income in the Statement of Profit & Loss. There have been no other changes in accounting policies. All other policies have been applied on a consistent basis with those of the previous reporting period.

Revenue Recognition

Membership income is recognised as a liability on invoice. On the first day of the reporting period the prior year liability is recognised as income regardless if payment has been received.

Interest received is recognised on a cash basis.

Grants received are recognised as a liability on receipt. The grants received in advance are recognised as income as the grants are utilised.

Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less any accumulated depreciation and impairment losses. Historical cost includes expenditure directly attributable to the acquisition of assets, and includes the cost of replacements that are eligible for capitalisation when these are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

Upon derecognition, the asset revaluation reserve relating to the asset disposed shall be transferred to retained earnings.

Depreciation

Account	Method	Rate
Database Asset	Diminishing Value	25%
Computer Equipment	Diminishing Value	25%
Office Equipment	Diminishing Value	12% - 40%

Depreciation rates are provided as determined by the Inland Revenue Department for Office Equipment. Computer Equipment is depreciated based on the estimated useful life of an asset as determined by the Executive Secretary.

Income Tax

The Commission is exempt from income tax under Article 28 of the Vienna Convention on Diplomatic Relations.

Goods and Services Tax

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

	2025	2024
3. Cash and Cash Equivalents		
Bank Accounts and Cash		
BNZ - Main Account	1,284,275	793,283
Rapid Save Account	361,574	347,860
Developing States Fund	210,716	191,620
Scientific Support Fund	40,862	127,328
Contingency Fund	232,513	197,816
Cash on Hand	-	200
Deposit NZ Vault	200	200
Total Bank Accounts and Cash	2,130,140	1,658,307
BNZ - Credit Cards	2,164	10,751
Total Cash and Cash Equivalents	2,132,304	1,669,057

SPRFMO holds a BNZ Business Visa Facility with the Bank of New Zealand. As at 30 June 2025 the facility limit (5 credit cards) was NZ\$100,000 (2024: NZ\$100,000)

	2025	2024
4. Accounts Receivable and Accrued Income		
Accounts Receivable	894,886	885,271
Accrued VMS Recharges	11,114	15,384
Grants Receivable	36,077	-
Accrued Interest Income	9,990	29,912
Sundry Debtors	3,081	3,081
Total Accounts Receivable and Accrued Income	955,149	933,647

	2025	2024
5. Term Deposits		
Term Deposit 93012520-00002	80,000	80,000
Term Deposit 93012520-00003	300,000	300,000
Term Deposit 93012520-00004	200,000	200,000
Total Term Deposits	580,000	580,000
Term Deposit 00002 matures 3 October 2025.		
Term Deposit 00003 matures 1 October 2025.		
Term Deposit 00004 matures 1 October 2025.		
	2025	2024
6. Accounts Payable and Accruals		
Accounts Payable	104,227	26,137
Accruals	35,786	12,470
Accrued Employee Entitlements	77,067	79,172
Total Accounts Payable and Accruals	217,080	117,779
	2025	2024
7. Member Contributions Billed in Advance		
Australia	104,839	104,007
Belize	12,470	10,730
Chile	135,367	135,367
China	504,459	493,408
Cook Islands	62,340	66,215
Cuba	16,141	16,325
Ecuador	12,629	13,080
European Union	212,716	204,917
The Kingdom of Denmark in respect of Faroe Islands	66,512	61,955
Korea	63,637	65,816
New Zealand	234,950	233,360
Panama	44,220	42,363
Peru	47,215	39,995
Russia	101,761	92,965
Chinese Taipei	51,538	58,788
United States of America	160,324	158,076
Vanuatu	73,703	62,483
Total Member Contributions Billed in Advance	1,904,821	1,859,850
	2025	2024
8. Voluntary Contributions Received in Advance		
Liberia	30,879	-
Total Voluntary Contributions Received in Advance	30,879	-

	2025	2024
9. Grants Received in Advance		
EU Grants		
EU Grant SI2.808674 SPRFMO Regional OP	50,215	71,756
EU Grant SI2.829333 SPRFMO Science and Data MGMT	-	63
EU Grant 101089755 Science-based decision making	-	37,735
EU Grant 101189418 Support to Science based decision making	181,115	(28,525)
Total EU Grants	231,330	81,028
NOAA MoU		
MoU between NOAA and SPRFMO	-	15,865
Total NOAA MoU	-	15,865
Total Grants Received in Advance	231,330	96,894

EU Grants:

- EU Grants have a majority of the original Grant paid up front with the remaining tranche to be paid on project completion. Grants can be reviewed and changed to increase or lessen the final payment or extend the Grant term.
- Grant SI2.808674 is used for regional observer programme. This Grant has an end date of 31 December 2025.
- Grant 101189418 is used for supporting science based decisions. This Grant has an end date of 31 May 2026.

NOAA MoU:

- SPRFMO received an annual payment from NOAA. This payment can be used for any expenditure agreed upon in advance.
- Use-or-return conditions for unspent monies not used in the NOAA reporting period are determined on a yearly basis, and can be amended at any time.

	2025	2024
10. Member Contributions		
Australia	104,007	87,913
Belize	10,730	8,949
Chile	135,367	135,367
China	493,408	401,047
Cook Islands	66,215	45,416
Cuba	16,325	14,003
Ecuador	13,080	11,722
European Union	204,917	164,429
The Kingdom of Denmark in respect of Faroe Islands	61,955	52,380
Korea	65,816	59,009
New Zealand	233,360	198,379
Panama	42,363	35,470
Peru	39,995	36,844
Russia	92,965	71,592
Chinese Taipei	58,788	50,652
United States of America	158,076	130,484
Vanuatu	62,483	50,659
Total Member Contributions	1,859,850	1,554,315

	2025	2024
11. CNCP Voluntary Contributions		
Curacao	34,199	25,907
Liberia	30,782	25,795
Total CNCP Voluntary Contributions	64,981	51,702

	2025	2024
12. Voluntary Contributions (Non-Project)		
China	30,648	25,202
United States of America	16,260	16,940
Vanuatu	49,018	-
Other Voluntary Contributions	689	-
Total Voluntary Contributions (Non-Project)	96,616	42,142

The China voluntary contribution has been used for squid research credited to the Scientific Support Fund.

The voluntary contribution from the United States of America has been used for supporting Scientific Committee expert participation and jack mackerel MSE work credited to the Scientific Support Fund.

The Vanuatu voluntary contribution is for supporting science and other priorities, including jack mackerel research credited to the Scientific Support Fund.

	2025	2024
13. Personnel Cost		
Wages & Salaries	1,120,058	980,795
Medical Insurance	36,808	33,535
Life Insurance	2,339	3,233
ACC Levies	343	436
Home Leave	9,576	8,048
Staff Training expenses	3,636	4,080
Total Personnel Cost	1,172,760	1,030,127

	2025	2024
14. Premises and Equipment		
Cleaning	3,080	2,898
Insurance	3,877	3,270
Office Equipment Less than \$1,000	2,901	181
Office Supplies	1,243	282
Power	5,394	5,417
Rent	62,129	60,145
Total Premises and Equipment	78,624	72,194

	2025	2024
15. Meetings and Travel		
CTC, FAC, and Annual Commission Meeting	44,854	30,087
SPRFMO Meeting Related Expenses	16,072	1,817
Travel SPRFMO Meetings	87,028	111,705
Total Meetings and Travel	147,954	143,609
	2025	2024
16. Information and Communication		
Computer expenses and IT Support	21,476	10,125
Database expenses	37,115	26,406
Software IT	7,295	5,745
Telephone & Internet	2,385	2,358
Website expenses	8,568	3,935
Total Information and Communication	76,840	48,569
	2025	2024
17. Operational Expenses		
Audit Fees	9,883	11,630
Bank Fees	892	448
Consulting Fees	-	30,171
Freight & Courier - National	1,467	1,662
Freight and Courier - International	377	406
General Expenses	2,022	193
Hospitality	1,778	1,830
Printing & Stationery	3,595	1,233
Total Operational Expenses	20,013	47,573
	2025	2024
18. SPRFMO VMS		
VMS Project	105,479	85,995
Total SPRFMO VMS	105,479	85,995
	2025	2024
19. Non-Routine Expenses		
Data Manager Recruitment Cost	-	104,495
Executive Secretary Recruitment	15,176	-
Hosting the 2024 Annual meeting in Ecuador	-	165,429
Legal expenses	7,066	-
Total Non-Routine Expenses	22,241	269,924

	2025	2024
20. Lease Commitments		
Current (<1 Year)	59,633	59,054
Non-current (1-5 Years)	345,976	405,609
Total Lease Commitments	405,609	464,663

21. Contingent Liabilities

There were no contingent liabilities as at 30 June 2025 (2024: Nil).

22. Subsequent Events

A former employee made allegations in August 2025 related to the application and adherence to established procedures and internal policies relating to financial management of the organisation. The Organisation is currently evaluating the merits of the claim. Due to being in the very early stages of the review the Organisation is unable to quantify the amount or range of any potential implications, though the Organisation does not expect the matter to have a material adverse effect on its financial position.

Depreciation Schedule

South Pacific Regional Fisheries Management Organisation For the year ended 30 June 2025

COST ACCOUNT	COST	OPENING VALUE	PURCHASES	DISPOSALS	DEPRECIATION	CLOSING VALUE
Computer Equipment	120,505	39,554	12,659	-	11,105	41,108
Database Asset	496,840	134,920	217,050	-	55,215	296,755
Office Equipment	44,068	17,964	2,059	-	3,057	16,966
Total	661,413	192,438	231,768	-	69,377	354,829

This statement should be read in conjunction with the statement of accounting policies and notes to the financial statements.