

# ANNUAL REPORT

2024



**Fishserve**



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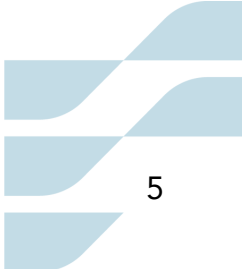
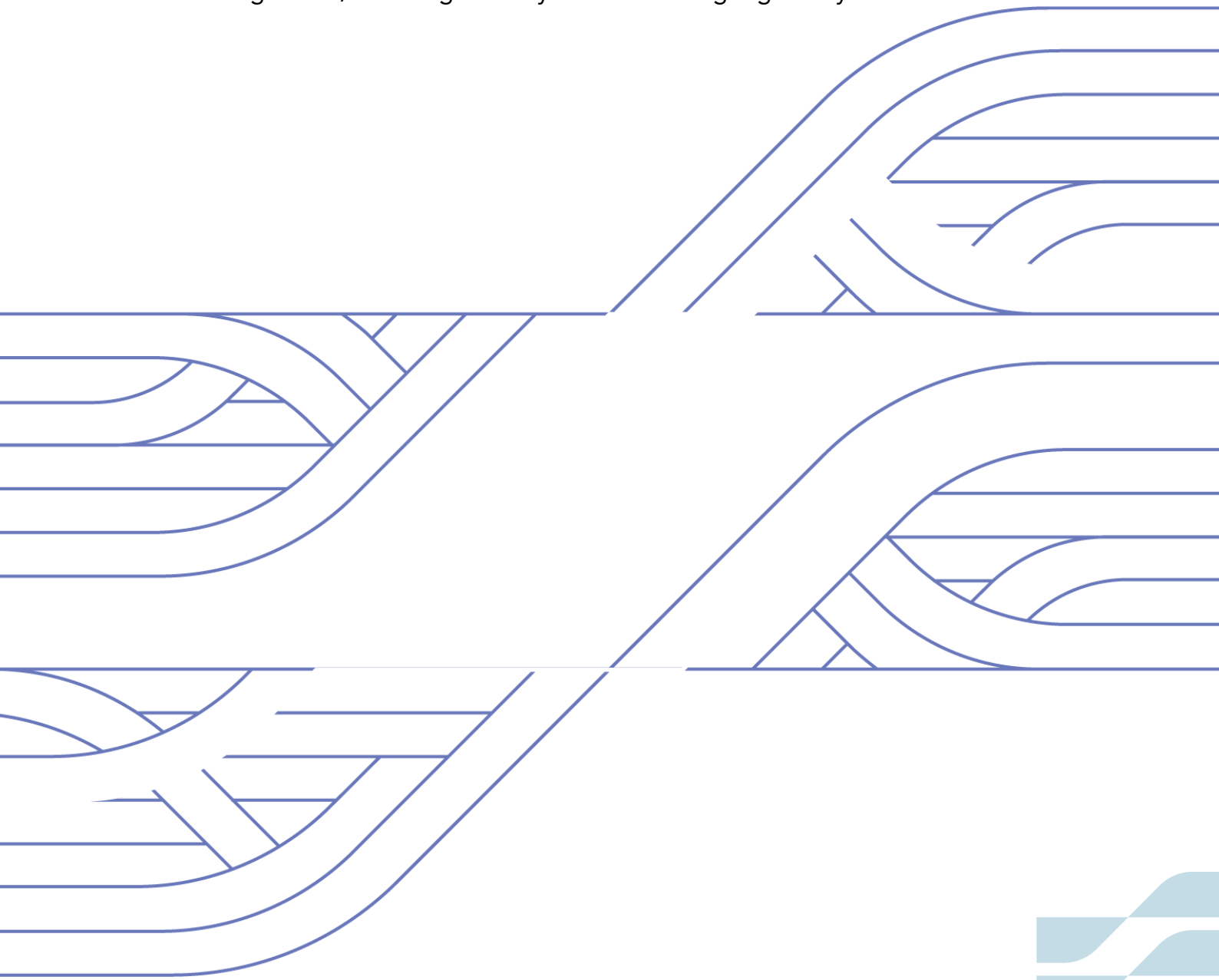


# About

Fishserve is a seafood industry owned company that has a discrete and prescribed role within the sector. Since 1999, Fishserve has provided the systems and tools that support and enhance the operation of the Quota Management System (QMS) underpinning the sustainability of Aotearoa New Zealand's fisheries.

Fishserve is the Approved Service Delivery Organisation (ASDO), accountable to the Minister for Oceans and Fisheries for a range of statutory functions and duties under the Fisheries Act. We also provide registry services to Fisheries New Zealand and information services to Sector Representative Entities (SREs) to support the management of fisheries.

Passionate about supporting sustainable fisheries, our in-house team is dedicated to delivering responsive, data-driven services to meet the evolving needs of Aotearoa New Zealand's commercial fishing sector, including and beyond the existing regulatory functions.



# Update from the Chair

New strategic direction takes time to embed, and so it was encouraging to watch the steady progress Fishserve has made over the last year in implementing its new strategy.

Having secured the extension of the Registry Services Delivery Agreement (RSDA) with the Ministry for Primary Industries (MPI) in late 2023, Fishserve was able to focus its attention on the delivery of its strategy. Significant milestones were achieved, including the successful exit of activities formally conducted within its consultancy subsidiary (FINNZ), and the implementation of changes to accounting standards.



The co-location of industry bodies at 12/7 Waterloo Quay is proving to be another positive shift, helping to establish closer working relationships and delivering further efficiencies for industry.

Important governance work was undertaken with the revision of Fishserve's constitution and COI policy by the Board and Management. The result is a clearer and more robust framework that defines independence and how conflicts are identified and managed. This ultimately provides us with greater clarity and confidence in Fishserve's role to deliver its services unhindered.

Given the progress, made the Board has continued confidence in the strategic direction that is being pursued by Caroline and her team, and we thank them for their ongoing commitment and contribution to the industry.

I also extend my thanks to my fellow Board members G T (Stan) Crothers ONZM and Dame Kerry Prendergast DNZM, CNZM and extend a warm welcome to Lisa Futschek, CE Seafood New Zealand, who joined the Board in June. Following his departure in July, I would like to acknowledge Dr Jeremy Helson for his four years of service and wish him the best for his new endeavours. Each member has shown great generosity in their sharing of time and knowledge, which has supported the positive progress made by the business and I look forward to continuing to work alongside them in the coming year.

**Tom McClurg**  
**Chairperson**

# Update from the CE



We gained significant momentum in operationalising our strategy over the last year. The business remains focused on the building blocks that are required to enable us to launch the strategic information services that will support the sustainability of Fisheries.

Our progress was marked by the completion of a number of key goals. Finalising the close-down of our consulting subsidiary FINNZ, with the successful transition of all non-fishing clients to Deloitte, saw us complete the refocusing of our business that we envisaged in 2022.

The restructure of our ASDO charging arrangements, simplifying them and reducing the administrative overhead, was the first step to reforming this part of our business, and is work that we will continue to build on next year.

Progress towards the implementation of a new finance system was another example of our ongoing work to improve the systems our business relies on, modernising the tools we use to improve the efficiency and effectiveness of our organisation.

The implementation of the regulatory change to the northern Mussel Spat collectors (GLM9) during the year was a good example of how small policy changes can require significant implementation at the cost of other projects. This combined with continued discovery work on our Fisheries Management System (FMS) highlighted the need for us to modernise our technology platform to support the generation of smart information services.

In parallel to this work on our legacy technology, we successfully negotiated a new Data Management Protocol with Ministry for Primary Industry (MPI). This was a significant step to enabling us to use the data we collect to add value through smart information services.

We continued to strengthen our relationships with industry, identifying and leveraging opportunities to expose our team to the actual daily tasks they support. A highlight was visiting Talley's and seeing a big factory vessel and the associated processes in operation.

Fishserve's 25th anniversary was appropriately celebrated alongside industry at the Federation of Commercial Fishermen conference in May. The opportunity to reflect on all that the organisation has achieved, offered a suitable platform for us to look forward to the bright future we see for Aotearoa fisheries.

Next year will see the business in a period of stability in our funding cycle, which we plan to use to take larger risks to enable step change in our capability as a product and services business. A core focus will be the continued modernisation of our technology systems to position us to make better use of the data that flows through them. We will also focus on introducing a customer management system that allows us to better understand our customers experience and consequently improve our service provision.

I would like to thank Tom and the Board for their support through the year and their focus and wise counsel on maintaining our strategic direction.

# Statement of Strategic Direction

## Our vision

Supporting fishers to feed the world for generations to come.

## Our purpose

Enabling successful and sustainable fisheries through smart information services.

## Strategic drivers

- We deliver value into Aotearoa New Zealand's fisheries (through both government and industry)
- Our work has a positive impact on the environmental, social, and economic sustainability of Aotearoa New Zealand's fisheries
- People want to work for us
- We are a purpose-driven company.

## Strategies

In the delivery of smart information services, we are:

- **Helpful** – We are focused on meeting customer needs through the excellent operationalisation of information services – that means through our software solutions and our service support.
- **Trusted** – We are the trusted provider of information services – we get it right when it comes to regulatory reporting, and we provide trustworthy information to support better decisions.
- **Cost-effective** – As an industry-owned company using cost-recovery funds, we focus on creating greatest value at least cost.
- **Innovative** – We are enablers of change, we seek ways to make it easier to improve the environmental, social, and economic sustainability of fishing through connected information services that underpin regulatory processes, fisheries management processes and business decisions.
- **Collaborative** – We are actively engaged with industry and others who are seeking to improve fisheries management through the innovative use of data and science.

## Performance indicators

In assessing our success in delivering our strategic goals we will review our performance based on how much:

- Our people are helpful and solutions focused
- Our products and services are valued, reliable, user-friendly, and modern
- Our business approach is simple, clear, and purpose driven
- Our information services and partnerships improve fisheries management.

## Our strategic moves

To achieve our strategic outcomes, we will:

- Have a leadership, culture, and structure that attracts and retains talent
- Have a modern platform that supports the delivery of smart information services
- Have our brand excellence recognised by those we serve and those we partner with.



# Te Tauākī O Te Rautaki Ahunga

Te Reo translation by Engaging Well Ltd. ([www.engaging-well.com](http://www.engaging-well.com))

## Ko tā mātou tirohanga whakamua

Ka tautoko i ngā kaihao ki te whāngai i te ao hei ngā reanga haere ake nei.

## Ko tō mātou kaupapa

Mā ngā ratonga pārongo koi e angitū ai, e toitū ai te haonga ika.

## Ko te pūtaketanga o ngā rautaki

- Ka whakawāia e mātou te haonga ika o Aotearoa (mā te kāwanatanga me te ahumahi)
- He pānga whaihua o ā mātou mahi ki te toitūtanga ā-taiao, ā-pāpori, ā-taiōhanga hoki o te haonga ika o Aotearoa
- Kei te pīrangī a ngāi tāngata ki te mahi ngātahi me mātou
- He kamupene whai kaupapa mātou.

## Ko ngā rautaki

Mā roto mai i ngā ratonga pārongo koi, he kamupene pēnei mātou:

- **Mō te āwhina** – Ka aro mātou ki te whakatutuki i ō te kiritaki hiahia mā roto mai i te hiranga o ā mātou mahi ratonga pārongo – arā, mā roto mai i ā mātou mehanga pūmanawa rorohiko me ā mātou ratonga tautāwhi.
- **Mō te tautoko** – Ko mātou te kaituku ratonga pūrongo e kaha tautokona ana – he tika ā mātou mahi rīpoata waeture, he tika hoki ā mātou mahi tuku pārongo hei tautoko i ngā whakatau pai ake.
- **Mō te whai whakaaro ā-utu** – Hei kamupene nā te ahumahi e whakamahi nei i ngā pūtea whakahoki-utu, ka aro mātou ki te whakatupu i te wāriu mā roto i te utu paku.
- **Mō te auaha** – He kaiwhakapanoni mātou, ka whai huarahi e māmā ai te whakapakari i te toitūtanga ā-taiao, ā-pāpori, ā-taiōhanga hoki o te hao ika mā roto mai i te ratonga pārongo hei tūāpapa mō ngā hātepe waeture, mō ngā hātepe whakahaere haonga ika, mo ngā whakataunga pakihī hoki.
- **Mō te mahi ngātahi** – Ka tūhonohono mātou ki te ahumahi me ērā atu e ngana ana ki te whakapakari i te whakahaere o te haonga ika mā roto mai i te whakamahinga o ngā raraunga me te pūtaiao.

## Ngā tohu paearu whakatutuki

I a mātou e whakamātautau ana i tō mātou angitū ki te whakatutuki i ngā whāinga rautaki, ka arotaketia mēnā rānei:

- Kei te aro ō mātou tāngata ki te āwhina me te whaimehanga
- Ko ā mātou hanganga me ā mātou ratonga kei te whāihua, kei te tika, he māmā te whakamahi, he hou anō hoki
- Ko tō mātou aronga pakihī he māmā, he mārama, ka ū hoki ki tō mātou kaupapa
- Ko ā mātou ratonga pārongo me ngā rangapū kei te kaha whakapakari i ngā whakahaere haonga ika.

## Ko ā mātou mahi rautaki

E tutuki ai ā mātou whāinga rautaki:

- Me whai ahurea hautūtanga, me whai ahurea, me whai hanganga anō hoki e tō mai ai i ngā pūkenga, e puritia ai aua pūkenga
- Me whai tūāpapa hou e tautoko ai i te tuku a ngā ratonga pārongo koi
- Me whakamana te papai o tō mātou waitohu me ō mātou rangapū e te kiritaki me ō mātou hoa mahi ngātahi

# Our Priorities

## 2024

- Continue to position Fishserve as a product and services business focused on creating value and supporting sustainable practice.
- Continue to deliver exceptional statutory services, while progressing the opportunities for more responsive services presented by electronic reporting.
- Invest in both culture and skills development to support delivery of our plan and retain our talented team.

## 2025

- Invest in and continue to modernise our technology platform to ensure it is fit for purpose to support Fishserve as a products and services business.
- Manage the balance of our revenue model through improvements to our systems and processes to reduce time and cost, carefully planned and implemented fee changes and expanding our product offering.
- Support the continued growth of our team's capability, with a focus on customer experience.



# Statutory Services

## Snapshot

We continue to support the industry with electronic reporting and operating within the Quota Management System through our Fisheries Management System software, our call centre, and industry conferences.

Over the year, the team completed 30 production releases. This included maintaining and updating the Fisheries Management System to continue to meet the needs of industry and to align with regulation changes through the year. This included implementing changes in fishing year for Green Lipped Mussel stock in Area 9, changes to the fishing method reporting for escape tubes and the addition of further validation rules.

### Customer service



**80,775**

registry reports



**5,044**

helpline calls



**19,613**

non-statutory  
client reminders

### Software performance



**99.75%**

system availability



**Zero**

system failures

### Service volumes



**11,380**

Annual Catch Entitlement  
(ACE) transfers



**167**

quota transactions



**293**

vessel registrations

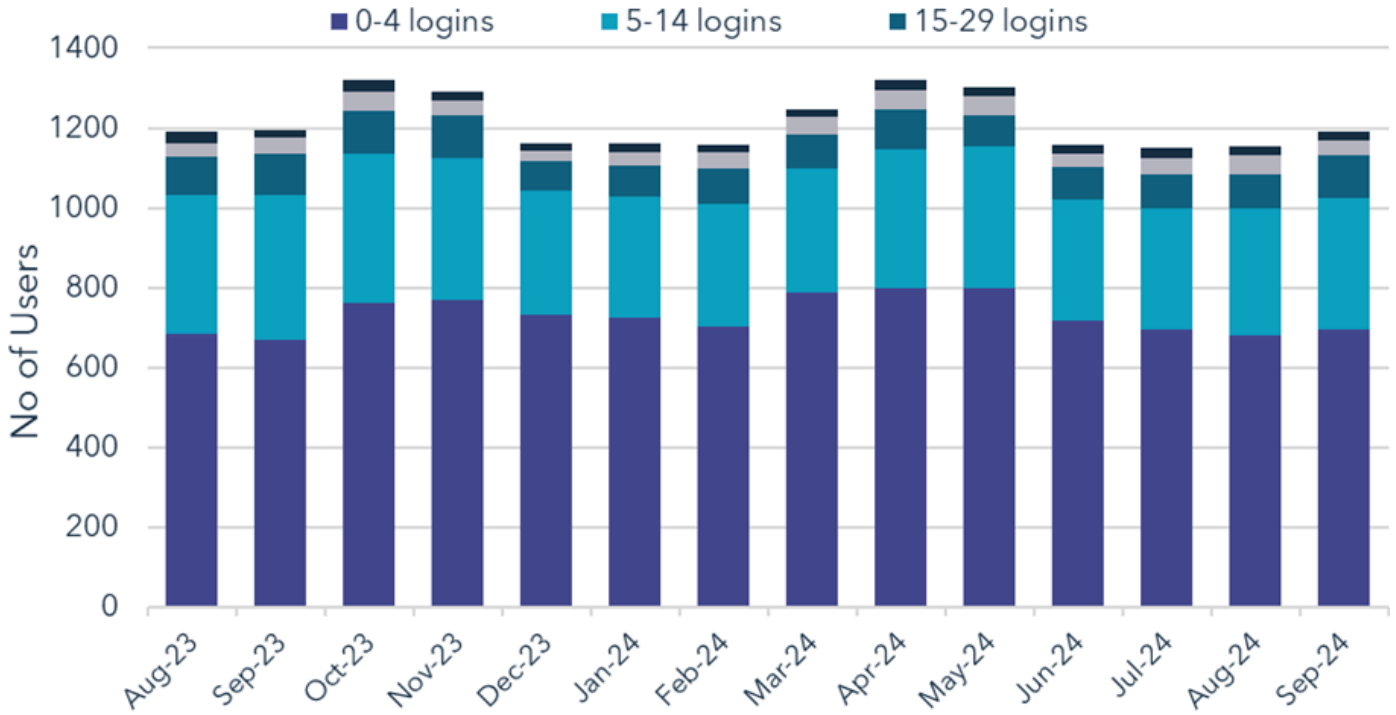


**212**

permit applications

# Fisheries Management System usage

## Number of users per month with detail on login frequency



## Industry information services

Fishserve builds services to support the implementation of individual fisheries management rules and to provide information to industry that supports more sustainable management of fisheries.



**198**

ACE Shelving transactions



**2,371**

Sub-stock split transactions

# Shared Services

## Snapshot

Fishserve provides shared corporate services to nine industry bodies within the seafood sector to ensure that resource efficiencies can be achieved across financial, payroll, and administration needs.

Services include supporting financial management (levy collections, invoicing, debt recovery, financial reporting and management), and wider corporate services (payroll, call centre services, IT support, and event support).



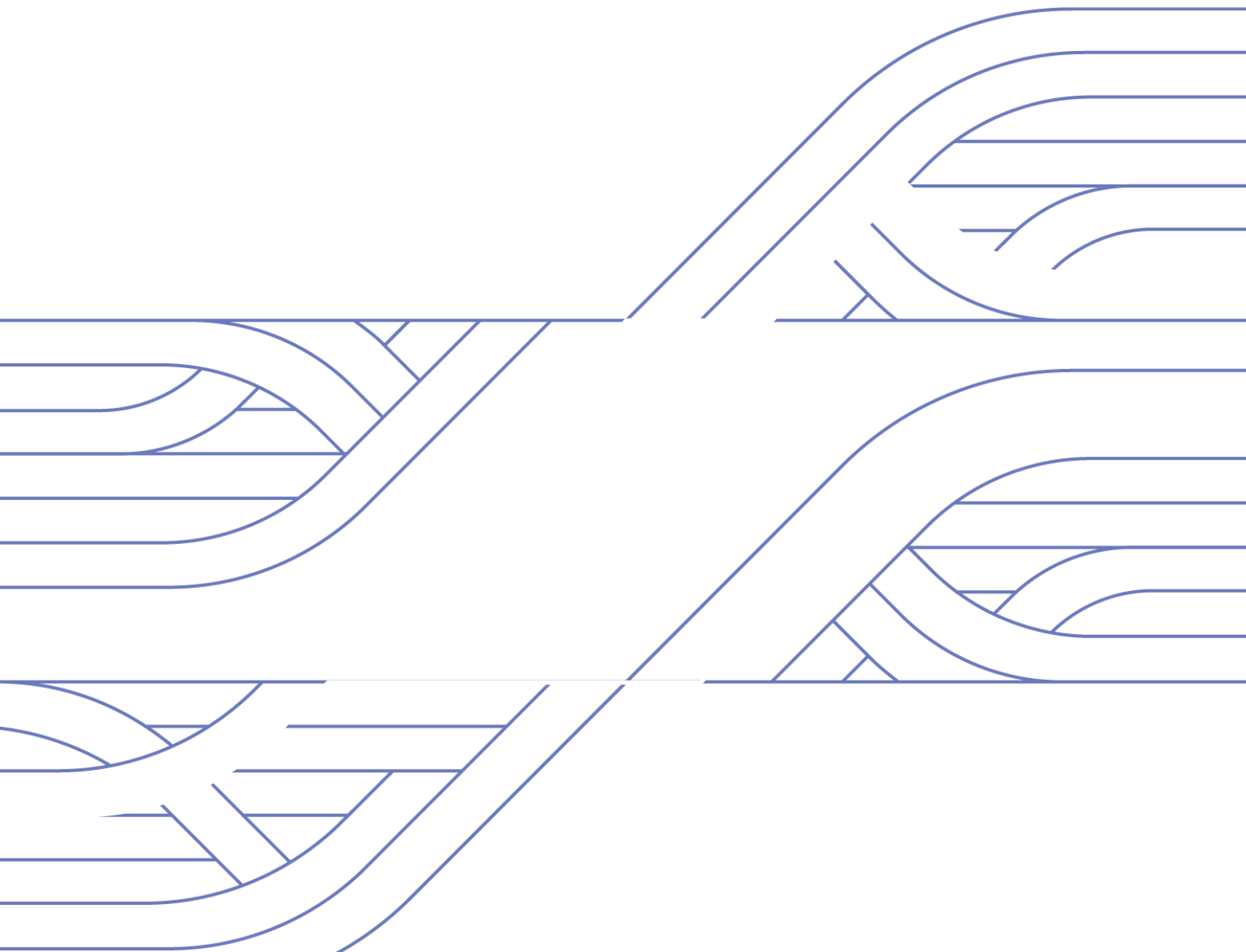
**110**

service desk support  
requests processed



Commercial Fisheries Services Limited  
Financial Statements

For the year ended 30 September 2024





**Commercial Fisheries Services Limited**

**Financial Statements**

**For the year ended 30 September 2024**



**Commercial Fisheries Services Limited**  
**Financial Statements**  
**For the year ended 30 September 2024**

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**Commercial Fisheries Services Limited**  
**Financial Statements**  
**For the year ended 30 September 2024**

**DIRECTORY**

**Directors**

Thomas McClurg (Chairman)	Chairman
Grant (Stan) Crothers	Director
Lisa Futschek (appointed 26 June 2024)	Director
Jeremy Helson (resigned 26 June 2024)	Director
Kerry Prendergast	Director

**Premises**

Level 12  
7 Waterloo Quay  
Wellington

**Website**

[www.fishserve.co.nz](http://www.fishserve.co.nz)

**Auditor**

BDO Wellington Audit Limited

**Bank**

Bank of New Zealand

**Solicitor**

Chapman Tripp



## Commercial Fisheries Services Limited

### Financial Statements

#### For the year ended 30 September 2024

#### DIRECTORS' REPORT

The Directors submit this Report, which forms part of the financial statements, for the year ended 30 September 2024.

#### Activities

The principal activity of Commercial Fisheries Services Limited is to provide registry services to the NZ Seafood Industry.

#### Results

The total net surplus/(deficit) after tax for the year ended 30 September 2024 was: \$ (9,566)

Equity at 30 September 2024 was: \$ 3,669,874

#### Financial Position

The state of the Company's affairs at 30 September 2024 was:

Assets totalled: \$ 5,377,296

Financed by: \$ 3,669,874

Shareholders equity: \$ 1,707,422

Liabilities: \$ 5,377,296

#### Directors' Interest

Transactions in which the Directors have held an interest have been noted in the Interests Register.

There were no loans made by the Company to Directors.

#### Use of Company Information

There were no notices from Directors of the Company requesting to use company information received in their capacity as Directors which would not otherwise have been available to them.

#### Directors' Remuneration & Benefits

Remuneration is paid to Directors as detailed in Note 3.

#### Insurance of Directors

The Directors of the Company are insured under the group insurance policy operated by Seafood New Zealand Limited in respect of liability and costs permitted in accordance with the Companies Act 1993.

#### Share Dealings

There were no share dealings during the year.

#### Auditors

It is proposed that BDO Audit Wellington Limited continue as auditors for the coming year.

#### Remuneration of Employees

During the year the following number of employees received remuneration of at least \$100,000:

\$100,000 - \$110,000	1
\$110,001 - \$120,000	2
\$120,001 - \$130,000	2
\$130,001 - \$140,000	2
\$140,001 - \$150,000	1
\$150,001 - \$160,000	1
\$160,001 - \$170,000	2
\$170,001 - \$180,000	1
\$180,001 - \$190,000	1
\$190,001 - \$200,000	1
\$200,001 - \$210,000	1
\$210,001 - \$220,000	1
\$220,001 - \$230,000	1
\$230,001 - \$240,000	1
\$240,001 - \$250,000	1
\$250,001 - \$260,000	1
\$260,001 - \$270,000	1
\$270,001 - \$280,000	1
\$280,001 - \$290,000	1
\$290,001 - \$300,000	1
\$300,001 - \$310,000	1



## Commercial Fisheries Services Limited

### Financial Statements

For the year ended 30 September 2024

#### STATEMENT OF SERVICE PERFORMANCE

##### Who we are

Fishserve is a seafood industry owned company that has a discrete and prescribed role within the fisheries sector. Since 1999, Fishserve has provided the systems and tools that support and enhance the operation of the Quota Management System (QMS) underpinning the sustainability of Aotearoa New Zealand's fisheries.

As an island nation, fishing, and access to our valuable kai moana, is embedded in many Kiwi's DNA. Our fishing industry plays a key role in our country's economy, contributing over \$1.4 billion in export earnings and employing more than 13,500 people across the motu.

Protecting these resources has never been more important. At Fishserve we are dedicated to delivering our vision to 'Support fishers to feed the world for generations to come - Ka tautoko i ngā kaihao ki te whāngai i te ao hei ngā reanga haere ake nei.

Our purpose (Ko tō mātou kaupapa) is to enable successful and sustainable fisheries through smart information services - mā ngā ratonga pārongo koi e angitū ai, e toitū ai te haonga ika.

This requires a diverse multi-disciplinary team of customer service specialists, software developers, technical experts and support staff all working together to deliver trusted information services.

##### Our Work

Fishserve delivers a range of administrative services under the Fisheries Act 1996 as an Approved Service Delivery Organisation (ASDO) and under contract to Fisheries New Zealand. It also provides information services to the industry to support their collective fishing activities.

##### Our Delivery

We support fishers with meeting their statutory obligations including electronic reporting through our Fisheries Management System website and our call centre.

<b>Service Volumes</b>	<b>2024</b>	<b>2023</b>
Annual Catch Entitlement (ACE) Transfers	11,380	11,762
Quota Transactions	167	197
Vessel Registrations	293	356
Permit Applications	212	290
Electronic Catch and Position Reports Received	474,406	454,364



**Commercial Fisheries Services Limited**  
**Financial Statements**  
**For the year ended 30 September 2024**

**Customer Service and Support**

Our customer support team provide wrap-around support to our online services through direct one-on-one engagement for troubleshooting, providing proactive reminders and follow-up to meet statutory requirements, and facilitating information requests.

	<b>2024</b>	<b>2023</b>
Registry Reports provided	80,775	80,196
Helpline Calls received	5,044	5,185
Client Reminders sent	19,613	20,445

**Industry Information Services**

Fishserve builds and delivers services to support the implementation of individual fisheries management rules and to provides information to the sector to inform more sustainable fisheries management decision-making.

	<b>2024</b>	<b>2023</b>
ACE Shelving transactions	198	209
Sub-stocks split transactions	2,371	2,211

**Fisheries Management System (FMS)**

Fishserve services are provided through a web-based software application that has inbuilt validation and permissions to ensure it complies with the fisheries regulations.

This FMS is continuously maintained and updated to meet the needs of its users and to align with regulation changes. In 2023-24 this included completing changes in fishing year for Green Lipped Mussel stock in Area 9, changes to the fishing method reporting for escape tubes and adding further validation rules.

	<b>2024</b>	<b>2023</b>
Total Production Releases	30	20
System Availability	99.75%	99.52%
System Failures (within contract limits)	0	1
System Failures (outside contract limits)	0	0



**Commercial Fisheries Services Limited**  
**Statement of Comprehensive Revenue & Expense**  
**For the year ended 30 September 2024**

	Note	2024 \$	2023 \$
<b>Revenue from Exchange Transactions</b>	2	7,120,365	5,210,062
<b>Operating Expense</b>	3, 4	(7,055,567)	(5,773,043)
<b>Operating Surplus / (Deficit)</b>		<b>64,798</b>	<b>(562,981)</b>
Interest Income		26,019	13,652
Reversal of Impairment in Subsidiary		-	29,558
<b>Net Surplus / (Deficit) before taxation</b>		<b>90,817</b>	<b>(519,771)</b>
Income Taxation (Expense)/Credit	5	(100,383)	151,953
<b>Net Surplus / (Deficit) after taxation</b>		<b>(9,566)</b>	<b>(367,818)</b>
<b>Total Comprehensive Revenue &amp; Expense</b>			
Net Surplus / (Deficit) after taxation		(9,566)	(367,818)
<b>Total Comprehensive Surplus / (Deficit)</b>		<b>(9,566)</b>	<b>(367,818)</b>

The accompanying notes form part of, and should be read in conjunction with, these Financial Statements.



**Commercial Fisheries Services Limited**  
**Statement of Changes in Net Assets/Equity**  
**For the year ended 30 September 2024**

	Note	2024 \$	2023 \$
<b>Accumulated Losses</b>			
Opening Balance		(6,925,086)	(6,557,268)
Elimination FINNZ Markup Portion of Kupe FMS		(220,462)	-
Net Surplus / (Deficit) after Taxation		(9,566)	(367,818)
<b>Closing Balance</b>		<u>(7,155,114)</u>	<u>(6,925,086)</u>
<b>Share Capital</b>			
Capital Reserve	7	10,823,988	10,823,988
Share Capital	7	1,000	1,000
		<u><b>10,824,988</b></u>	<u><b>10,824,988</b></u>
<b>Total Net Assets/Equity at end of Year</b>		<u><u><b>3,669,874</b></u></u>	<u><u><b>3,899,902</b></u></u>

The accompanying notes form part of, and should be read in conjunction with, these Financial Statements.


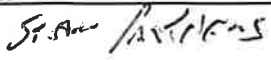


**Commercial Fisheries Services Limited**  
**Statement of Financial Position**  
**As at 30 September 2024**

	Note	2024 \$	2023 \$
<b>Assets</b>			
Cash and Cash Equivalents		1,549,258	898,457
Trade Receivables from Exchange Transactions		203,513	158,851
Provision for Doubtful Debts		(3,843)	-
Intercompany Receivables	6	30,633	73,758
Accrued Revenue		2,500	10,000
Prepayments		106,969	38,526
Current Tax Asset	5	25,144	39,556
<b>Total Current Assets</b>		<b>1,914,175</b>	<b>1,219,148</b>
Property, Plant & Equipment	8	1,124,276	1,200,238
Intangible Assets	9	1,964,776	1,615,430
Investment in Subsidiaries	14	-	281,901
Intercompany Tax Receivables	6	374,070	652,507
<b>Total Non Current Assets</b>		<b>3,463,121</b>	<b>3,750,076</b>
<b>Total Assets</b>		<b>5,377,296</b>	<b>4,969,224</b>
<b>Liabilities</b>			
Trade Creditors and Other Payables under Exchange Transactions	10	292,723	203,209
Customers Deposits in Advance		55,166	38,054
Intercompany Payable	6	10,258	13,822
Fees & Levies in Advance		716,537	118,051
GST Payable		105,406	67,601
Employee Entitlements	11	264,317	315,381
<b>Total Current Liabilities</b>		<b>1,444,406</b>	<b>756,118</b>
Deferred Tax liability	5	101,524	126,867
Rent Rebate		161,492	186,337
<b>Total Non Current Liabilities</b>		<b>263,016</b>	<b>313,204</b>
<b>Total Liabilities</b>		<b>1,707,422</b>	<b>1,069,322</b>
<b>Equity</b>			
Share Capital	7	1,000	1,000
Capital Reserve	7	10,823,988	10,823,988
Accumulated Losses		(7,155,114)	(6,925,086)
<b>Total Equity</b>		<b>3,669,874</b>	<b>3,899,902</b>
<b>Total Equity and Liabilities</b>		<b>5,377,296</b>	<b>4,969,224</b>

For and on behalf of the Directors who approved the issue of these Financial Statements on 13/12/24

  
 Chairman

  
 Director 

The accompanying notes form part of, and should be read in conjunction with, these Financial Statements.



**Commercial Fisheries Services Limited**  
**Statement of Cash Flows**  
**For the year ended 30 September 2024**

	Note	2024 \$	2023 \$
<b>Cash Flow From Operating Activities</b>			
<i>Cash Was Provided From:</i>			
Receipts From Customers		7,335,008	5,382,291
Interest Received		26,019	13,652
		<u>7,361,027</u>	<u>5,395,943</u>
<i>Cash Was Applied to:</i>			
Payments to Suppliers and Employees		(6,658,214)	(5,429,782)
		<u>(6,658,214)</u>	<u>(5,429,782)</u>
Net Cash Flows From Operating Activities		<u>702,813</u>	<u>(33,838)</u>
<b>Cash Flow From Investing Activities</b>			
<i>Cash Was Applied to:</i>			
Purchase of Property, Plant & Equipment & Intangible Assets		(290,524)	(169,373)
Cash Acquired on Amalgamation		238,512	-
Net Cash Flows From Investing Activities		<u>(52,012)</u>	<u>(169,373)</u>
Net Increase/(Decrease) in Cash Held		650,801	(203,212)
Add Cash at Start of Year		898,457	1,101,669
<b>Balance at End of Year</b>		<u><b>1,549,258</b></u>	<u><b>898,457</b></u>

The accompanying notes form part of, and should be read in conjunction with, these Financial Statements.





# Commercial Fisheries Services Limited

## Notes to the Financial Statements

### For the year ended 30 September 2024

#### 1 Statement of Accounting Policies

##### Reporting Entity

Commercial Fisheries Services Limited (CFS) is a Company registered under the Companies Act 1993. It is 100% owned by Seafood New Zealand Limited.

##### Basis of Preparation

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand ("NZ GAAP"). They comply with the Public Benefit Entity Standards Reduced Disclosure Regime ("PBE Standards RDR") as appropriate for Tier 2 not-for-profit public benefit entities, and disclosure concessions have been applied.

The Company qualifies as a Tier 2 reporting entity as for the two most recent reporting periods it is not publicly accountable and not large (operating expenditure has been between \$2m and \$30m in the current and prior period).

The financial statements have been prepared in accordance with the requirements of the Financial Reporting Act 2013 and the Companies Act 1993.

Commercial Fisheries Services Limited is domiciled and incorporated in New Zealand. The Company provides registry based services to the commercial seafood industry in New Zealand.

The financial statements of the Company are presented in NZ dollars, which is the Company's functional currency.

##### Measurement Base

The general accounting policies recognised as appropriate for the measurement and reporting of financial performance and the financial position under the historical cost method have been followed in the preparation of these financial statements.

##### Accounting Policies

The following specific accounting policies that materially affect the measurement of financial performance and financial position have been applied.

##### a) Goods and Services Tax

The financial statements have been prepared on a GST exclusive basis, with the exception of receivables and payables, which are shown GST inclusive.

##### b) Trade and Other Receivables

Trade and other receivables are stated at their cost less impairment losses

##### c) Depreciation & Amortisation

Depreciation and amortisation has been calculated on a straight line basis at a rate calculated to allocate the asset's cost over its estimated useful life, as follows:

Cabling and Telecommunications	3 Years
Equipment CEDRIC Software	10 Years
CatchCast	6 Years
Fisheries Management System	6 Years
Fishserve Website	3 Years
Furniture and Fittings	10 Years
Leasehold Improvements	8-25 Years
Office Equipment	5-8 Years

It has been determined that the depreciation and amortisation methods adopted continue to reflect the assets pattern of consumption of future economic benefits.

##### d) Property, Plant & Equipment

(i) Fixed assets are recorded at original cost less accumulated depreciation less any provision for obsolescence or impairment

(ii) Fisheries software has been classified as intangible assets.

##### e) Capital Work in Progress

Capital work in progress is stated at cost. Work in progress is transferred to Intangible Assets on completion of the project.

##### f) Intangible Assets

The Company has developed internally generated intangible assets. Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically or commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and use or sell the asset. The expenditure capitalised includes the cost of materials and direct labour costs that are directly attributable to preparing the asset for its intended use. Other development expenditure is included in the Statement of Revenue & Expense when incurred. Intangible assets held by the Company have finite useful lives. The useful lives of intangible assets are reviewed by Directors for appropriateness at year end.

## **Commercial Fisheries Services Limited**

### **Notes to the Financial Statements**

### **For the year ended 30 September 2024**

#### **1 Statement of Accounting Policies (continued)**

##### **g) Taxation**

Income tax comprises current and deferred tax. Income tax expense is recognised in the Statement of Comprehensive Revenue & Expense except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted at the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

##### **h) Financial Instruments**

###### **(i) Recognition and initial measurement**

Trade receivables are initially recognised when originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue.

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

###### **(ii) Classification and subsequent measurement**

###### **Financial assets**

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive revenue and expense (FVOCI) - debt investment and equity investment; or fair value through surplus or deficit (FVTSD).

The Company currently only has Financial Assets at Amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its management model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the management model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTSD:

- it is held within a management model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

###### **Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest**

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g., liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g., non-recourse features).

###### **Financial assets - Subsequent measurement and gains and losses**

Financial assets at amortised cost:

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, and impairment are recognised in surplus or deficit. Any gain or loss on derecognition is recognised in surplus or deficit.

## Commercial Fisheries Services Limited

### Notes to the Financial Statements

#### For the year ended 30 September 2024

### 1 Statement of Accounting Policies (continued)

#### Financial liabilities - Classification, subsequent measurement and gains and losses

The Company's Financial liabilities are classified as measured at amortised cost and are subsequently measured using the effective interest method. Interest expense is recognised in surplus or deficit. Any gain or loss on derecognition is also recognised in surplus or deficit.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in surplus or deficit.

#### i) Operating Leases

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

#### j) Impairment

The carrying amount of the Company's assets are reviewed at each reporting date to determine whether there is any objective evidence of impairment. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses directly reduce the carrying amount of assets and are recognised in the Statement of Comprehensive Revenue & Expense.

#### k) Changes in Accounting Policies

There have been no changes to the accounting policies during the financial year.

#### l) Use of judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Changes in accounting estimates:

There have been no changes in accounting estimates this year.

#### m) Revenue Recognition from Exchange Transaction

##### Ministry for Primary Industries

Revenue is recognised on an accrual basis in the period to which it relates.

##### Fishing Industry Activities

Revenue is recognised over the period of the subscription. Amounts received in advance for subscriptions relating to future periods are recognised as a liability until such time that period covering the subscription occurs.

### 2 Revenue from Exchange Transactions

	2024 \$	2023 \$
Revenue from Ministry for Primary Industries	4,930,980	3,460,066
Revenue from other Fishing Industry Activities	2,189,384	1,749,996
<b>Total Operating Income</b>	<b>7,120,365</b>	<b>5,210,062</b>

### 3 Directors' Remuneration

	2024 \$	2023 \$
The following remuneration has been paid during the year:		
Thomas McClurg (Chairman)	16,800	16,800
Grant (Stan) Crothers	13,250	13,250
Lisa Futschek (paid to Seafood New Zealand). Appointed 26 June 2024	3,313	-
Jeremy Helson (paid to Seafood New Zealand). Resigned 26 June 2024	9,938	13,250
Kerry Prendergast	13,250	13,250
<b>Total Directors' Remuneration</b>	<b>56,550</b>	<b>56,550</b>

**Commercial Fisheries Services Limited**  
**Notes to the Financial Statements**  
**For the year ended 30 September 2024**

<b>4 Net Surplus / (Deficit) before taxation is stated after charging:</b>	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Depreciation on Property, Plant and Equipment	95,271	92,111
Amortisation on Intangible Assets	394,627	291,057
Rental & Lease Expenditure	677,883	655,375
Salaries, Wages and Contractors	3,739,544	3,181,000
KiwiSaver Employer Contribution	96,983	77,123
Audit Fees	41,467	15,235
<b>5 Income Tax Expenses/(Benefit)</b>	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>(a) Components of income tax expense</b>		
Current taxation		
- current period domestic tax	-	-
Deferred taxation		
- recognition / utilisation of tax losses	8,598	(157,344)
- adjustments from prior periods	70,379	(447)
- temporary differences	(64,329)	5,838
- Elimination FINNZ Portion of Kupe FMS	85,735	-
	<b>100,383</b>	<b>(151,953)</b>
<b>(b) Reconciliation of effective tax rate</b>		
Operating Profit/(Loss) before taxation	90,817	(519,771)
Income tax using Company tax rate 28%	25,429	(145,536)
<i>Adjustments:</i>		
Prior year tax adjustment	70,379	(447)
Non-assessable income	-	(8,276)
Non-deductible expenses	4,575	2,306
	<b>100,383</b>	<b>(151,953)</b>
<b>(c) Income tax payable/(receivable)</b>		
Opening balance	(39,556)	53,784
Opening transferred on amalgamation	(14,756)	-
Prior period adjustment	1,058	-
Current tax year expense	-	2,740
Tax (payments) / refunds	28,110	(96,080)
	<b>(25,144)</b>	<b>(39,556)</b>
<b>(d) Deferred tax assets and liabilities</b>		
Deferred tax assets and liabilities disclosed in the statement of financial position are a combination of deferred tax on unused tax losses and deferred tax on temporary differences.		
<b>Deferred tax on unused tax losses</b>		
Opening balance	157,344	-
Tax losses utilised in the year	(8,598)	-
Tax losses recognised in the year		157,344
Adjustments from prior periods	(56,693)	-
Closing asset /(liability) balance	92,053	157,344
<b>Deferred tax on temporary differences</b>		
Opening balance	(284,210)	(281,559)
Opening transferred on amalgamation	38,933	-
Temporary difference movements	64,329	(5,838)
Adjustments from prior periods	(12,628)	3,187
	<b>(193,577)</b>	<b>(284,210)</b>
<b>Total deferred tax (liability)</b>	<b>(101,524)</b>	<b>(126,866)</b>

Deferred tax on unused tax losses is recognised as a deferred tax asset when management consider it probable that future tax profits will be available against which tax losses will be utilised.

## Commercial Fisheries Services Limited

### Notes to the Financial Statements

### For the year ended 30 September 2024

#### 5 Income Tax Expenses/Benefit (continued)

The Company offsets assets and liabilities if, and only if, it has a legal enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

##### Reconciliation of temporary differences

Deferred tax arising from temporary differences can be summarised as follows:

	2024 \$	2023 \$
Accelerated depreciation for tax purposes	(302,564)	(390,872)
Movement in employee entitlements	31,297	53,398
Movement in other provisions	13,652	3,483
Movement in rent rebate	45,218	52,174
Other items	18,821	(2,394)
<b>Total deferred tax on temporary differences</b>	<b>(193,576)</b>	<b>(284,210)</b>
<b>Imputation Credit Account</b>		
Opening balance at beginning of year	110,492	14,412
Opening transferred on amalgamation	201,458	
Net tax payments	(28,110)	96,080
<b>Closing balance at end of year</b>	<b>283,840</b>	<b>110,492</b>

The closing balance represents imputation credits available to be attached to any further distributions from the Company's reserves, subject to certain shareholder continuity provisions.

#### 6 Related Parties

##### (a) Identity of Related Parties

Commercial Fisheries Services Limited is part of the SNZL group, which is made up of the following companies:

* Seafood New Zealand Limited (SNZL)	Ultimate parent
* Commercial Fisheries Services Limited (CFS)	100% owned by SNZL
* Seafood Innovations Limited (SIL)	90% owned by SNZL

All these related parties have 30 September balance dates. They are all separate legal entities.

##### (b) Types of Related Party Transactions

On 1 October 2023, Fishserve Innovations New Zealand Limited (FINNZ), a wholly owned subsidiary, was amalgamated into Commercial Fisheries Services Limited (CFS). No further consideration was transferred as FINNZ was already 100% owned by CFS. As stated below in Note 15.

CFS paid to FINNZ last year 2023: \$61,075 (During the year \$nil) in regards to CFS charges incurred by FINNZ as well as a Fisheries Management Database Project. The balance payable at last year 2023 was \$5,571 (During the year \$nil). The Company had a service level agreement with FINNZ to provide its staffing, premises and administrative support. Invoice was raised by CFS each month and paid by FINNZ for the chargeback of these services. The total amount invoiced during the last year 2023 was \$687,035 (During the year \$nil).

The Company has entered into a service level agreement with SNZL to provide accounting and IT support. Furthermore, SNZL subleases premises from CFS and this, along with office services charges, are oncharged. An invoice is raised by CFS each month and paid by SNZL for the chargeback of these services. The total amount invoiced during the year was \$290,599 (2023: \$198,362). SNZL also charged CFS for insurance costs incurred on behalf of the group as well as Directors' Fees. The total amount invoiced during the year was \$95,234 (2023: \$58,481). The balances outstanding at year end are stated below, in Note 6 (c).

The Company has entered into a service level agreement with SIL to provide accounting, administrative and IT support. An invoice is raised by CFS each month and paid by SIL for the chargeback of these services. The total amount invoiced during the year was \$38,154 (2023: \$86,137). The balance outstanding at year end is stated below, in Note 6 (c).

##### Directors' Related Party Transactions:

Ngati Mutunga O Wharekauri Asset Holding Company Limited

Thomas McClurg Director

The total amount invoiced to Ngati Mutunga O Wharekauri Asset Holding Company Limited during the year was \$1,190 (2023: \$1,504). At balance date Ngati Mutunga O Wharekauri Asset Holding Company Limited owed Commercial Fisheries Limited \$55 (2023: \$117). The transactions were on an arm's length basis.

Maruehi Fisheries Limited

Thomas McClurg Director

The total amount invoiced to Maruehi Fisheries Limited during the year was \$164 (2023: \$199). At balance date Maruehi Fisheries Limited owed Commercial Fisheries Services Limited \$10 (2023: \$18). The transactions were on an arm's length basis.

## Commercial Fisheries Services Limited

### Notes to the Financial Statements

For the year ended 30 September 2024

#### 6 Related Party (continued)

Port Nicholson Fisheries Limited Partnership  
Thomas McClurg

Director

The total amount invoiced to Port Nicholson Fisheries Limited Partnership during the year was \$7,232 (2023: \$8,370). At balance date Port Nicholson Fisheries Limited Partnership owed Commercial Fisheries Services Limited \$609 (2023: \$641). The transactions were on an arm's length basis.

Sanford Limited  
Thomas McClurg

Director

The total amount invoiced to Sanford Limited during the year was \$35,252 (2023: n/a - not a Director of Sanford Limited). At balance date Sanford Limited owed Commercial Fisheries Services Limited \$2,885 (2023: n/a - not a Director of Sanford Limited) The transactions were on an arm's length basis.

#### Key Management Personnel Compensation

During the year Key Management Personnel received total remuneration of \$1,074,585 for 4.5 FTEs (2023: \$1,012,909 for 5 FTEs). The GM Finance and Shared Services resigned in March 2024 and this role was subsequently disestablished.

#### (c) Related Party Balances - Current

	2024 \$	2023 \$
Receivable from FINNZ	-	30,180
Receivable from SIL	3,451	4,985
Receivable from SNZL	27,182	38,594
	<u>30,633</u>	<u>73,759</u>
Payable to FINNZ	-	5,571
Payable to SNZL	10,258	8,251
	<u>10,258</u>	<u>13,822</u>

#### (d) Related Party Balances-Non Current

	2024 \$	2023 \$
(Payable)/Receivable from SNZL	389,625	581,972
Receivable from FINNZ	-	75,206
(Payable)/Receivable from SIL	(15,555)	(4,671)
	<u>374,070</u>	<u>652,507</u>

#### 7 Share Capital

The Company is 100% owned by Seafood New Zealand Limited. All shares are fully paid and the profile of its share capital is as follows:

	2024 \$	2023 \$
<b>Ordinary Shares</b>		
Seafood New Zealand Limited	1,000	1,000
<b>Total Share Capital</b>	<u>1,000</u>	<u>1,000</u>

#### (a) Ordinary Shares

1,000 \$1.00 shares issued to Seafood New Zealand Limited. The ordinary shares are fully paid and have equal voting rights and share equally in dividends and surplus on winding up.

#### (b) Capital Reserve

In 2005 a gain of \$10,823,988 was transferred to the capital reserve from acquisition of preference shares from the parent. The shares were cancelled on acquisition.

#### 8 Property, Plant & Equipment

	2024 \$	2023 \$
<b>Furniture &amp; Fittings</b>		
Opening Cost	47,300	47,300
Additions	-	-
Disposals	(26,753)	-
Closing Cost	<u>20,547</u>	<u>47,300</u>
Opening Accumulated Depreciation	42,805	41,356
Depreciation for Current Year	343	1,449
Disposals	(26,753)	-
Closing Accumulated Depreciation	<u>16,395</u>	<u>42,805</u>
<b>Closing Net Book Value</b>	4,152	4,495

**Commercial Fisheries Services Limited**  
**Notes to the Financial Statements**  
**For the year ended 30 September 2024**

<b>8 Property, Plant &amp; Equipment (continued)</b>	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Computer Hardware</b>		
Opening Cost	631,009	600,900
Additions	27,102	34,238
Disposals	(503,042)	(4,129)
Closing Cost	<u>155,069</u>	<u>631,009</u>
Opening Accumulated Depreciation	591,089	564,568
Depreciation for Current Year	23,163	28,144
Disposals	(502,392)	(1,624)
Closing Accumulated Depreciation	<u>111,859</u>	<u>591,089</u>
Closing Net Book Value	43,210	39,921
<b>Leasehold Improvements</b>		
Opening Cost	1,164,450	1,139,242
Additions	-	25,208
Disposals	(27,032)	-
Closing Cost	<u>1,137,418</u>	<u>1,164,450</u>
Opening Accumulated Depreciation	86,361	35,220
Depreciation for Current Year	51,417	51,140
Disposals	(27,032)	-
Closing Accumulated Depreciation	<u>110,746</u>	<u>86,361</u>
Closing Net Book Value	1,026,672	1,078,089
<b>Office Equipment</b>		
Opening Cost	82,971	13,983
Additions	-	68,988
Disposals	(16,413)	-
Closing Cost	<u>66,558</u>	<u>82,971</u>
Opening Accumulated Depreciation	15,035	10,438
Depreciation for Current Year	13,683	4,596
Disposals	(9,997)	-
Closing Accumulated Depreciation	<u>18,721</u>	<u>15,035</u>
Closing Net Book Value	47,837	67,936
<b>Telecommunications and Cabling</b>		
Opening Cost	45,373	44,617
Additions	-	1,999
Disposals	(26,734)	(1,243)
Closing Cost	<u>18,639</u>	<u>45,373</u>
Opening Accumulated Depreciation	35,578	29,383
Depreciation for Current Year	6,666	6,782
Disposals	(26,009)	(587)
Closing Accumulated Depreciation	<u>16,235</u>	<u>35,578</u>
Closing Net Book Value	2,404	9,795
<b>Total Property, Plant &amp; Equipment</b>		
Opening Cost	1,971,103	1,846,042
Additions	27,102	130,433
Disposals	(599,974)	(5,371)
Closing Cost	<u>1,398,232</u>	<u>1,971,103</u>
Opening Accumulated Depreciation	770,867	680,965
Depreciation for Current Year	95,271	92,113
Disposals	(592,183)	(2,211)
Closing Accumulated Depreciation	<u>273,955</u>	<u>770,867</u>
<b>Total Property, Plant &amp; Equipment Closing Net Book Value</b>	<b><u>1,124,276</u></b>	<b><u>1,200,237</u></b>

**Commercial Fisheries Services Limited**  
**Notes to the Financial Statements**  
**For the year ended 30 September 2024**

**9 Intangible Assets**

	<b>2024</b>	<b>2023</b>
	\$	\$
<b>Fishserve Fisheries Management System Software</b>		
Opening Cost	8,893,634	8,847,164
Additions	200	46,470
Disposals	(2,046,158)	-
Closing Cost	<u>6,847,676</u>	<u>8,893,634</u>
Opening Accumulated Amortisation	7,295,528	7,013,350
Amortisation for Current Year	228,396	282,178
Disposals	(1,739,960)	-
Closing Accumulated Amortisation	<u>5,783,964</u>	<u>7,295,528</u>
Closing Net Book Value	1,063,712	1,598,106
<b>Computer Software</b>		
Opening Cost	141,578	141,578
Additions	-	-
Disposals	(1,539)	-
Closing Cost	<u>140,039</u>	<u>141,578</u>
Opening Accumulated Amortisation	141,578	141,578
Amortisation for Current Year	-	-
Disposals	(1,539)	-
Closing Accumulated Amortisation	<u>140,039</u>	<u>141,578</u>
Closing Net Book Value	-	-
<b>FRED</b>		
Opening Cost	5,346	5,346
Additions	-	-
Disposals	-	-
Closing Cost	<u>5,346</u>	<u>5,346</u>
Opening Accumulated Amortisation	5,346	5,346
Amortisation for Current Year	-	-
Disposals	-	-
Closing Accumulated Amortisation	<u>5,346</u>	<u>5,346</u>
Closing Net Book Value	-	-
<b>Fishserve Website</b>		
Opening Cost	348,332	348,332
Additions	41,062	-
Disposals	(298,329)	-
Closing Cost	<u>91,064</u>	<u>348,332</u>
Opening Accumulated Amortisation	348,332	348,332
Amortisation for Current Year	4,562	-
Disposals	(298,329)	-
Closing Accumulated Amortisation	<u>54,564</u>	<u>348,332</u>
Closing Net Book Value	36,500	-
<b>PIC &amp; RLIC Levy Model Software</b>		
Opening Cost	13,006	13,006
Additions	-	-
Disposals	-	-
Closing Cost	<u>13,006</u>	<u>13,006</u>
Opening Accumulated Amortisation	13,006	13,006
Amortisation for Current Year	-	-
Disposals	-	-
Closing Accumulated Amortisation	<u>13,006</u>	<u>13,006</u>
Closing Net Book Value	-	-



## Commercial Fisheries Services Limited

### Notes to the Financial Statements

#### For the year ended 30 September 2024

<b>9 Intangible Assets (continued)</b>	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Catch Effort Data Return Information Capture Software</b>		
Opening Cost	1,503,328	1,503,328
Additions	-	-
Disposals	-	-
Closing Cost	<u>1,503,328</u>	<u>1,503,328</u>
Opening Accumulated Amortisation	1,486,001	1,477,122
Amortisation for Current Year	2,798	8,879
Disposals	-	-
Closing Accumulated Amortisation	<u>1,488,799</u>	<u>1,486,001</u>
Closing Net Book Value	14,529	17,327
<b>CatchCast</b>		
Additions - Cost taken up on amalgamation	786,746	-
Additions	30,739	-
Disposals	-	-
Closing Cost	<u>817,485</u>	<u>-</u>
Opening Accumulated Amortisation	-	-
Amortisation for Current Year	158,871	-
Disposals	-	-
Closing Accumulated Amortisation	<u>158,871</u>	<u>-</u>
Closing Net Book Value	658,614	-
<b>Total Intangible Assets (excluding WIP)</b>		
Opening Cost	10,905,224	10,858,754
Additions - Cost taken up on amalgamation	786,746	-
Additions	72,001	46,470
Disposals	(2,346,026)	-
Closing Cost	<u>9,417,944</u>	<u>10,905,224</u>
Opening Accumulated Amortisation	9,289,790	8,998,733
Amortisation for Current Year	394,627	291,057
Disposals	(2,039,828)	-
Closing Accumulated Amortisation	<u>7,644,589</u>	<u>9,289,790</u>
<b>Total Intangible Closing Net Book Value (excluding WIP)</b>	<b><u>1,773,355</u></b>	<b><u>1,615,434</u></b>
<b>Intangible Assets Work in Progress</b>		
Opening Work in Progress	-	5,614
Additional Work in Progress	191,421	40,856
Capitalised to Fixed Assets	-	(46,470)
Closing Work in Progress	<u>191,421</u>	<u>-</u>
The Company's Capital Work in Progress relates to the integration of the Fisheries Management Software with Business Central.		
<b>Total Intangible Assets</b>	<b><u>1,964,776</u></b>	<b><u>1,615,430</u></b>
<b>10 Trade Creditors and Other Payables under Exchange Transactions</b>		
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Creditors	143,840	101,115
Accruals	148,883	102,094
<b>Total Trade Creditors and Other Payables under Exchange Transactions</b>	<b><u>292,723</u></b>	<b><u>203,209</u></b>
<b>11 Employee Entitlements</b>		
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Remuneration Owing to Employees	115,923	111,973
Unused Annual Leave Owing to Employees	148,394	203,408
<b>Total Employee Entitlements</b>	<b><u>264,317</u></b>	<b><u>315,381</u></b>

## Commercial Fisheries Services Limited

### Notes to the Financial Statements

#### For the year ended 30 September 2024

## 12 Financial Instruments

### (a) Nature of Activities and Management Policies with respect to Financial Instruments

#### 1) Credit Risk

In the normal course of business the Company incurs credit risk from trade debtors and financial institutions. There are no significant concentrations of credit risk from trade debtors. The Company does not require any collateral or security to support financial instruments held with financial institutions.

Maximum Exposures to Credit Risk at Balance Date are:

	2024	2023
	\$	\$
<b>Financial Assets at Amortised Cost</b>		
Trade Receivables	203,513	158,851
Intercompany Receivables	30,633	73,758
Cash and cash equivalents	1,549,258	898,457
<b>Total Financial Assets</b>	<b>1,783,404</b>	<b>1,131,066</b>
<b>Financial Liabilities at Amortised Cost</b>		
Trade creditors and other payables under exchange transactions	292,723	203,209
Intercompany Payables	10,258	13,822
Fees & Levies in Advance	716,537	118,051
Customer Deposits in Advance	55,166	38,054
<b>Total Financial Liabilities</b>	<b>1,074,684</b>	<b>373,136</b>

The above maximum exposures are net of any recognised provision for losses on these financial instruments. No collateral is held on the above amounts. No impairment has occurred on trade debtors and receivables.

#### 2) Currency Risk and Interest Rate Risk

The Company has no exposure to currency risk and interest rate risk is considered minimal.

#### 3) Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

#### (b) Fair Value

The fair value of all financial instruments is equivalent to the carrying amount disclosed in the Statement of Financial Position.

## 13 Operating Lease Commitments

	2024	2023
	\$	\$
Less than one year	713,582	696,177
Between one and five years	3,037,237	2,963,158
Greater than five years	1,216,012	2,003,672
<b>Total Operating Lease Commitments</b>	<b>4,966,830</b>	<b>5,663,008</b>

## 14 Investment in Subsidiaries

	2024	2023
	\$	\$
Number of shares held	-	550,000
Percentage held	-	100%
Investment in Fishserve Innovations New Zealand Limited	-	252,343
Impairment of Investment in Subsidiary	-	29,558
<b>Total Investment in Subsidiaries</b>	<b>-</b>	<b>281,901</b>

On 1 October 2023, Fishserve Innovations New Zealand Limited (FINNZ), a wholly owned subsidiary, was amalgamated into Commercial Fisheries Services Limited (CFS). Refer to note 15 (PBE Combination) for further details.

## Commercial Fisheries Services Limited

### Notes to the Financial Statements

### For the year ended 30 September 2024

#### 15 PBE Combination

On 1 October 2023, Fishserve Innovations New Zealand Limited (FINNZ), a wholly owned subsidiary, was amalgamated into Commercial Fisheries Services Limited (CFS). No further consideration was transferred as FINNZ was already 100% owned by CFS. The initial investment in FINNZ was \$550,000.

The amalgamation of FINNZ was a consequence of a change in strategy for the company to focus resources on the delivery of information services to the New Zealand Fisheries Industry.

CFS acquired and assumed the following amounts of assets and liabilities as at acquisition date, and any material gain or loss recognised subsequently up until reporting date:

	<b>1-Oct-23</b>	<b>Eliminations</b>	<b>Adjusted Amt Taken Up On Almagamation</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cash and cash equivalents	238,512		238,512
Trade receivables (from exchange transactions)	277,969		277,969
Intercompany receivables	5,571	(5,571)	-
Withholding tax receivable	526		526
Stock on hand	1,197		1,197
Accrued revenue	30,856		30,856
Prepayments	77,571		77,571
Deferred Tax	38,933		38,933
Provision for tax	14,230		14,230
Property, plant and equipment (net book value)	412		412
Intangible assets (WIP)	786,746		786,746
<b>Total Assets</b>	<b>1,472,523</b>	<b>(5,571)</b>	<b>1,466,952</b>
Payables (from exchange transactions)	(172,455)		(172,455)
GST payable	(9,663)		(9,663)
Intercompany payables	(30,180)	30,180	-
Intercompany tax payable	(278,438)	75,206	(203,232)
Income in advance	(676,460)		(676,460)
Accruals and provisions	(49,939)		(49,939)
<b>Total Liabilities</b>	<b>(1,217,135)</b>	<b>105,386</b>	<b>(1,111,749)</b>
<b>Net identifiable assets acquired via amalgamation</b>	<b>255,388</b>	<b>99,815</b>	<b>355,203</b>

#### 16 Contingent Liabilities

There are no contingent liabilities as at balance date. (2023: \$nil)

#### 17 Subsequent Events

There are no subsequent events.

**INDEPENDENT AUDITOR'S REPORT  
TO THE SHAREHOLDER OF COMMERCIAL FISHERIES SERVICES LIMITED**

**Opinion**

We have audited the financial statements of Commercial Fisheries Services Limited (“the Company”), which comprise the financial statements on pages 21-35 and the statement of service performance on pages 19-20. The complete set of financial statements comprise the statement of financial position as at 30 September 2024, the statement of comprehensive revenue and expense, statement of changes in net assets/equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the accompanying financial statements presents fairly, in all material respects:

- the financial position of the Company as at 30 September 2024, and (of) its financial performance, and its cash flows for the year then ended; and
- the service performance for the year ended 30 September 2024, in accordance with the entity’s service performance criteria,

in accordance with Public Benefit Entity Standards Reduced Disclosure Regime (“PBE Standards RDR”) issued by the New Zealand Accounting Standards Board.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the service performance information in accordance with the ISAs and New Zealand Auditing Standard (NZ AS) 1 *The Audit of Service Performance Information (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 Company 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 Company.

**Other Information**

The directors are responsible for the other information. The other information obtained at the date of this auditor’s report is information contained in the annual report, but does not include the service performance information and the financial statements and our auditor’s report thereon.

Our opinion on the service performance information and financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon. In connection with our audit of the service performance information and financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the service performance information and the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor’s report, 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.

## Directors' Responsibilities for the Financial Statements

Those charged with governance are responsible on behalf of the Company for:

(a) the preparation and fair presentation of the financial statements and service performance information in accordance with Public Benefit Entity Standards RDR issued by the New Zealand Accounting Standards Board;

(b) service performance criteria that are suitable in order to prepare service performance information in accordance with Public Benefit Entity Standards RDR; and

(c) such internal control as those charged with governance determine is necessary to enable the preparation of the financial statements and service performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements those charged with governance are responsible for assessing the Company'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 those charged with governance either intend to liquidate the Company 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, and the service performance information 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) and NZ AS 1 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 or collectively, they could reasonably be expected to influence the decisions of users taken on the basis of this financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located at the XRB's website at <https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-14/>

## Who we Report to

This report is made solely to the Company's Shareholder, 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 Company and the Company's Shareholders, 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  
17<sup>th</sup> December 2024





Fishserve