

SUMMARY OF FINAL REPORT FROM MAF AUDIT OF THE ANIMAL WELFARE INSTITUTE OF NEW ZEALAND (AWINZ), DATED 20 JULY 2009

Objectives of the audit

The four main aims of this audit were to:

- determine whether the conditions of approval of AWINZ as an approved organisation under s 122 of the Animal Welfare Act 1999 are being met, taking into account the basic principles of good governance and financial management and the Memorandum of Understanding between the Ministry of Agriculture and Forestry ("MAF") and AWINZ;
- determine whether the current levels of external scrutiny of the accountability arrangements, financial arrangements and management of AWINZ are such that the risk of fraudulent activities (if undertaken) would likely be identified;
- review the content of the Memorandum of Understanding ("MOU") between MAF and AWINZ and the management of the commitments made within it, and
- make recommendations to the Deputy Director-General of MAF Biosecurity New Zealand ("MAFBNZ") into what changes (if any) should be made by AWINZ and/or MAF to reduce the likelihood of non-compliance with section 122 of the Act.

Criteria

MAF's assessment of AWINZ's management and governance systems was primarily conducted against the MAF Criteria for Considering Applications to be an Approved Organisation, dated 18 October 1999 ("the MAF Criteria"), the MAF/AWINZ MOU, the AWINZ Deed of Trust and Revocation (2000 and 2006) and MAF's understanding of best practice for running charitable organisations.

Outcomes of audit

The conclusion of the audit was that MAF found insufficient evidence to be able to give assurance that AWINZ was meeting the conditions of approval specified in s122 of the Act and the MAF Criteria.

Resulting from its findings, MAF made a series of recommendations for AWINZ's accountability arrangements, management and financial arrangements, and for a future MOU with MAF.

MAF concluded that if these requirements were in future embedded into AWINZ, and MAF was able to obtain sufficient ongoing assurance over them, then the Minister should have reasonable comfort that AWINZ is suitable to be an approved organisation subject to the requirements of s122 of the Act.

Other matters

It was not the purpose of MAF's audit to investigate whether fraudulent activities had occurred within AWINZ. However, from the information and records of AWINZ that MAF was able to review, MAF did not find evidence of any fraudulent activities.

The trustees of AWINZ have subsequently made a voluntary decision, which has been advised to the Minister of Agriculture, to relinquish AWINZ's status as an approved organisation under the Act. The MAF recommendations from the audit will therefore not be implemented.

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