

**Mercury Bay Aero Club Inc**  
**Financial Statements**

**FOR THE YEAR ENDED 28 FEBRUARY, 2014**

# Mercury Bay Aero Club Inc

## Report on the Engagement to Compile Financial Statements

For the Year Ended 28 February 2014

### COMPILATION REPORT TO MERCURY BAY AERO CLUB INC

#### Reporting Scope

On the basis of information that you provided we have compiled, in accordance with "Service Engagement Standard Number 2: Compilation of Financial Information", the financial statements of Mercury Bay Aero Club Inc for the year ended 28 February 2014 as set out on the following pages.

These are special purpose financial statements and as such are intended for tax purposes only and should not be relied upon for any other purpose.

#### Responsibilities

You are solely responsible for the information contained in the financial statements and have determined that the financial reporting basis stated above is appropriate to meet your needs and for the purpose that the financial statements were prepared. The financial statements were prepared exclusively for your benefit. We do not accept responsibility to any other person for the contents of the financial statements.

#### No Audit or Review Engagement Undertaken

Our procedures use accounting expertise to undertake the compilation of the financial statements from information that you provided. Our procedures do not include verification or validation procedures. No audit or review engagement has been performed and accordingly no assurance is expressed.

#### Ownership of Work papers

Material that you provided to us remains yours and will be returned to you when the engagement is completed. Work papers that we create remain our property. However if your affairs at some time in the future are handled by another Chartered Accountant, we will make available, as required by the code of ethics, such information regarding your affairs that is essential to enable your new Chartered Accountant to perform the services we previously provided.

#### Disclaimer

As mentioned earlier in our reports, we have compiled the financial information based on information provided to us. We have not performed an audit or review on the financial statements and therefore neither we nor our employees accept any responsibility for the accuracy of the material from which the financial statements have been prepared. Further, the financial statements have been prepared at the request of, and for the purposes of, our client and neither we nor any of our employees accept any responsibility on any grounds whatever, including liability in negligence, to any person.

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**Hart & Associates Limited**

**Chartered Accountants**

**HUNTLY**

**1 April 2014**

# Mercury Bay Aero Club Inc

## Directory

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As at 28 February 2014

<b>Nature of Business</b>	Aero Club
<b>Inland Revenue Information</b>	IRD Number 010-560-144 GST Registration Two Monthly/Payment Basis
<b>Accountants</b>	Hart & Associates Limited Chartered Accountants 168 Main Street HUNTLY
<b>Bankers</b>	Bank of New Zealand Whitianga
<b>IRD Number</b>	010-560-144

# Mercury Bay Aero Club Inc

## Divisional Statement of Financial Performance

For the Year Ended 28 February 2014

	Note	2014 \$	2013 \$
<b>BAR &amp; CATERING INCOME</b>			
<b>Operating Revenue</b>			
Sales		3,179	4,867
<b>Less Cost of Sales</b>			
Opening Stock		-	512
Purchases - Bar		2,175	2,103
		<b>2,175</b>	<b>2,615</b>
Closing Stock		(136)	-
<b>Total Cost of Sales</b>		<b>2,039</b>	<b>2,615</b>
<b>Gross Surplus from Trading</b>		<b>1,140</b>	<b>2,252</b>

These financial statements are to be read in conjunction with the accompanying Notes and the Compilation Report. These statements have been compiled without undertaking an audit or review engagement.

# Mercury Bay Aero Club Inc

## Divisional Statement of Financial Performance (continued)

For the Year Ended 28 February 2014

	Note	2014 \$	2013 \$
<b>AIRFIELD INCOME</b>			
<b>Operating Revenue</b>			
Hangarage		30,836	26,755
Hire & Dual - less Landing Fees & Instructing		30,748	36,841
Landing Fee/Airway		17,271	18,334
Automatic Weather Station/Airway		900	900
Access Right to Airfield		-	6,427
<b>Total Sales</b>		<b>79,755</b>	<b>89,257</b>
<b>Less Cost of Sales</b>			
Aircraft Fuel		621	5,281
Aircraft Insurance		4,483	3,798
Aircraft Maintenance Provision		6,440	5,451
Repair & Maintenance - Aircraft		10,348	7,508
<b>Total Cost of Sales</b>		<b>21,892</b>	<b>22,038</b>
<b>Gross Surplus from Trading</b>		<b>57,863</b>	<b>67,219</b>

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# Mercury Bay Aero Club Inc

## Combined Statement of Financial Performance

For the Year Ended 28 February 2014

	Note	2014 \$	2013 \$
<b>Divisional Income</b>			
Surplus from Bar & Catering Income		1,140	2,252
Surplus from Airfield Income		57,863	67,219
<b>Total Divisional Income</b>		<b>59,003</b>	<b>69,471</b>
<b>Operating Income</b>			
Subscriptions		8,903	9,727
Pub Charity Grant		-	18,365
Z Energy - Lease & Annual Check		2,500	2,500
Club Room Hire		7,918	2,517
Rent - House		10,920	10,920
Rent - Office		1,001	2,929
Event/Airshow - Net Income		3,936	-
Hay & Sileage less Costs		3,850	4,643
Speedway Income		-	1,736
Interest Received		2,070	1,532
Sundry Income		148	1,715
Loss on Sale of Fixed Assets		(285)	-
<b>Total Operating Income</b>		<b>40,961</b>	<b>56,584</b>
<b>Net Revenue</b>		<b>99,964</b>	<b>126,055</b>
<b>Less Expenses</b>			
<b>Administration Expenses</b>			
Accountancy Fees		3,600	2,599
Advertising		285	465
Bank Fees & Charges		190	305
Computer Expenses		683	982
Printing & Stationery		185	1,332
Subscriptions		4,961	4,257
Telephone & Tolls		984	1,376
		<b>10,888</b>	<b>11,316</b>
<b>Overhead Expenses</b>			
ACC Levies		155	638
Electricity		3,136	2,814
General Expenses		213	2,790
Insurance		6,615	6,585
Motor Vehicle Expenses		1,504	2,975
Repair & Maintenance - Airfield		5,910	10,181
Repair & Maintenance - Buildings		2,725	3,990
Repair & Maintenance - House		-	448
Repair & Maintenance - Plant		923	2,602
Rates		5,840	3,084
Security		923	764
Wages		7,976	25,142
		<b>35,920</b>	<b>62,013</b>

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# Mercury Bay Aero Club Inc

## Combined Statement of Financial Performance (continued)

For the Year Ended 28 February 2014

	Note	2014	2013
		\$	\$
<b>Non Cash Expenses</b>			
Depreciation		8,621	7,091
<b>Total Expenses</b>		<b>55,429</b>	<b>80,420</b>
<b>Net Surplus</b>		<b>44,535</b>	<b>45,635</b>

These financial statements are to be read in conjunction with the accompanying Notes and the Compiation Report. These statements have been compiled without undertaking an audit or review engagement.

# Mercury Bay Aero Club Inc

## Statement of Movements in General Funds

For the Year Ended 28 February 2014

	2014	2013
	\$	\$
<b>Revenues and Expenses</b>		
Net Surplus	44,536	45,635
<b>Total Recognised Revenues and Expenses</b>	<b>44,536</b>	<b>45,635</b>
General Funds at the Beginning of the Year	2,515,453	2,469,818
<b>General Funds at the End of the Year</b>	<b>2,559,989</b>	<b>2,515,453</b>

These financial statements are to be read in conjunction with the accompanying Notes and the Compilation Report. These statements have been compiled without undertaking an audit or review engagement.



# Mercury Bay Aero Club Inc

## Statement of Financial Position

As at 28 February 2014

	Note	2014 \$	2013 \$
<b>Represented by:</b>			
<b>Current Assets</b>			
Cash	2	50	50
BNZ - 00 Current A/C	2	2,616	9,862
BNZ - 97 Engine A/C	2	18,171	17,797
BNZ - Rapid Saver	2	100,418	33,731
BNZ - 10 Rental A/C	2	-	7,461
Other Receivables	3	27,179	26,927
GST Receivable		-	540
Prepayments	4	2,938	1,836
Stock on Hand	5	137	-
<b>Total Current Assets</b>		<b>151,509</b>	<b>98,204</b>
<b>Non Current Assets</b>			
Property, Plant & Equipment		2,538,233	2,547,139
<b>Total Assets</b>		<b>2,689,742</b>	<b>2,645,343</b>
<b>Current Liabilities</b>			
Sundry Creditors	6	7,834	10,342
GST Payable		4,631	-
Provision	7	30,288	23,848
Other Current Liabilities	8	8,700	8,700
<b>Total Current Liabilities</b>		<b>51,453</b>	<b>42,890</b>
<b>Non Current Liabilities</b>			
Deferred Income	9	78,300	87,000
<b>Total Liabilities</b>		<b>129,753</b>	<b>129,890</b>
<b>Net Assets</b>		<b>2,559,989</b>	<b>2,515,453</b>
<b>Owners Equity</b>			
<b>Total Owners Funds</b>		<b>2,559,989</b>	<b>2,515,453</b>

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## Mercury Bay Aero Club Inc

### Statement of Movements in Equity

For the Year Ended 28 February 2014

	2014	2013
	\$	\$
<b>Owner's Equity</b>		
Opening Balance	2,515,454	2,469,818
Net Surplus	44,535	45,635
	<b>2,559,989</b>	<b>2,515,453</b>
<b>Total Owner's Equity</b>	<b>2,559,989</b>	<b>2,515,453</b>

These financial statements are to be read in conjunction with the accompanying Notes and the Compilation Report. These statements have been compiled without undertaking an audit or review engagement.

# Mercury Bay Aero Club Inc

## Depreciation Schedule

For the Year Ended 28 February 2014

	RATE & TYPE	% PVT USE	Cost on HAND	OPENING WDV	ADDITIONS	DATE of ADDITION	SALE PRICE	PARTSALE PRICE	PROFIT (LOSS)	DISPOSAL DATE	Cost	CAPITAL GAIN/LOSS	DEPN	ACCUM DEPN	PRIVATE DEPN	ACCUM PRIVATE	CLOSING WDV
<b>Freehold Land - At cost</b>																	
Land	.00D		1,800,000	1,800,000	-	01/03/02	-	-	-		-	-	-	-	-	-	1,800,000
Buildings	.00D		338,012	338,012	-	01/03/02	-	-	-		-	-	-	-	-	-	338,012
Hangar	.00P		174,331	132,491	-	01/03/02	-	-	-		-	-	-	41,840	-	-	132,491
Concrete Pad	.00D		27,143	27,143	-	21/12/11	-	-	-		-	-	-	-	-	-	27,143
Carpet & Vinyl - Clubrooms	15.60P		2,428	2,240	-	27/09/12	-	-	-		-	-	379	567	-	-	1,861
Cafe Fitout	10.00P		10,325	10,076	-	24/12/12	-	-	-		-	-	1,032	1,281	-	-	9,044
Avgas Installation	.00D		10,739	10,739	-	01/11/12	-	-	-		-	-	-	-	-	-	10,739
Hangar Fitout	10.00P		18,365	18,224	-	28/02/13	-	-	-		-	-	1,836	1,977	-	-	16,388
			<b>2,381,343</b>	<b>2,338,925</b>	<b>-</b>								<b>3,247</b>	<b>45,665</b>	<b>-</b>	<b>-</b>	<b>2,335,678</b>
<b>Plant &amp; Equipment</b>																	
Plant & Equipment	12.50D		33,549	4,308	-	28/01/02	-	-	-		-	-	538	29,779	-	-	3,770
Fridge	22.00D		311	33	-	20/02/04	-	-	-		-	-	7	285	-	-	26
Cashmanager Software	48.00D		-	2	-	29/05/03	-	-	(2)	28/02/14	866	-	-	-	-	-	-
Fieldmaster Rotary Slasher	39.60D		3,375	58	-	08/02/05	-	-	-		-	-	23	3,340	-	-	35
Patio Heater	39.60D		-	2	-	02/12/04	-	-	(2)	28/02/14	166	-	-	-	-	-	-
Brother Fax 2850	39.60D		-	7	-	01/02/05	-	-	(7)	28/02/14	409	-	-	-	-	-	-
4 Camera Video Surveillance System	39.60D		-	243	-	24/11/05	-	-	(243)	28/02/14	9,510	-	-	-	-	-	-
New Computer	60.00D		-	6	-	09/08/06	-	-	(6)	28/02/14	2,093	-	-	-	-	-	-
Ride on Mower	48.00D		4,667	89	-	01/02/07	-	-	-		-	-	43	4,621	-	-	46
Trailer for Mower	48.00D		373	7	-	28/02/07	-	-	-		-	-	3	369	-	-	4
MFC Laser HP Multifunction Printer	60.00D		-	25	-	06/07/09	-	-	(25)	28/02/14	649	-	-	-	-	-	-
Aviation Radio Set (Office)	24.00D		1,803	761	-	28/01/10	-	-	-		-	-	183	1,225	-	-	578
Elba Free Standing Range Stove	25.00D		888	438	-	02/09/10	-	-	-		-	-	110	560	-	-	328
Website (www.mbas.co.nz)	60.00D		2,540	59	-	30/01/09	-	-	-		-	-	35	2,516	-	-	24

These financial statements are to be read in conjunction with the accompanying Notes and the Compilation Report. These statements have been compiled without undertaking an audit or review engagement.

# Mercury Bay Aero Club Inc

## Depreciation Schedule (continued)

For the Year Ended 28 February 2014

	RATE & TYPE	% PVT USE	Cost on HAND	OPENING WDV	ADDITIONS	DATE of ADDITION	SALE PRICE	PARTSALE PRICE	PROFIT (LOSS)	DISPOSAL DATE	Cost	CAPITAL GAIN/LOSS	DEPN	ACCUM DEPN	PRIVATE DEPN	ACCUM PRIVATE	CLOSING WDV
Brother MFC360N	30.00P		245	160	-	23/01/12	-	-	-		-	-	73	158	-	-	87
Accomplish Software	100.00P		-	-	-	23/03/11	-	-	-	28/02/14	328	-	-	-	-	-	-
Computer	40.00P		600	281	-	25/11/11	-	-	-		-	-	240	559	-	-	41
Security Alarm	21.00P		1,574	1,299	-	29/05/12	-	-	-		-	-	331	606	-	-	968
			<b>49,924</b>	<b>7,777</b>	-				<b>(285)</b>		<b>14,021</b>	-	<b>1,586</b>	<b>44,018</b>	-	-	<b>5,906</b>
<b>Vehicles &amp; Aircraft</b>																	
Cessa 172SP CWD	.00D		176,158	176,158	-	01/01/07	-	-	-		-	-	-	-	-	-	176,158
John Deere 4720 Tractor & Loader	15.60D		42,000	24,279	-	08/12/09	-	-	-		-	-	3,788	21,509	-	-	20,491
			<b>218,158</b>	<b>200,437</b>	-				-		-	-	<b>3,788</b>	<b>21,509</b>	-	-	<b>196,649</b>
<b>TOTAL</b>			<b>2,649,425</b>	<b>2,547,139</b>	-				<b>(285)</b>		<b>14,021</b>	-	<b>8,621</b>	<b>111,192</b>	-	-	<b>2,538,233</b>

These financial statements are to be read in conjunction with the accompanying Notes and the Compilation Report. These statements have been compiled without undertaking an audit or review engagement.

# Mercury Bay Aero Club Inc

## Notes to and forming part of the Financial Statements

For the Year Ended 28 February 2014

### 1 Statement of Accounting Policies

#### Reporting Entity

Mercury Bay Aero Club Inc is a society.

These financial statements have not been prepared for external use. They are prepared for tax purposes only and should not be relied on for any other purpose. They are therefore defined as special purpose reports. These financial statements have been prepared on a historical cost basis unless otherwise stated.

The society is involved in the business of Aero Club.

#### Statement of Compliance and Basis of Preparation

The accounting principles recognised as appropriate for the measurement and reporting of the Statement of Financial Performance and Statement of Financial Position on a historical cost basis are followed by the society. The information is presented in New Zealand dollars.

#### Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of the Statement of Financial Performance and Statement of Financial Position have been applied:

(a) Revenue

Revenue is recognised when goods are despatched to the customer.

(b) Expenses

Expenses have been classified on their business function.

(c) Inventories

Inventories are recognised at lower of cost and net realisable value, determined on a first-in first out-basis.

(d) Trade Receivables

Trade Receivables are recognised at estimated realisable value.

(e) Property, Plant & Equipment

Property, Plant & Equipment are recognised at Cost less aggregate depreciation. Depreciation has been calculated using the maximum rates permitted by the Income Tax Act 2007. Gains and losses on disposal of fixed assets are taken into account in determining the operating result for the year.

(f) Income Tax

The income tax expense recognised in the Statement of Financial Performance is the estimated income tax payable in the current year, adjusted for any differences between the estimated and actual income tax payable in prior years.

(g) Goods and Services Taxation (GST)

Revenues and expenses have been recognised in the financial statements exclusive of GST except that irrecoverable GST input tax has been recognised in association with the expense to which it relates. All items in the Statement of Financial Position are stated exclusive of GST except for receivables and payables which are stated inclusive of GST.

# Mercury Bay Aero Club Inc

## Notes to and forming part of the Financial Statements (continued)

For the Year Ended 28 February 2014

<b>2</b>	<b>Cash &amp; Bank Balances</b>	<b>2014</b>	<b>2013</b>
		\$	\$
	<b>Cash Balance</b>		
	Cash	50	50
	<b>Bank Account Balances</b>		
	BNZ - 00 Current A/C	2,616	9,862
	BNZ - 97 Engine A/C	18,171	17,797
	BNZ - Rapid Saver	100,418	33,731
	BNZ - 10 Rental A/C	-	7,461
		<b>121,205</b>	<b>68,851</b>
	<b>Total Cash &amp; Bank Balances</b>	<b>121,255</b>	<b>68,901</b>
<b>3</b>	<b>Current Receivables</b>	<b>2014</b>	<b>2013</b>
		\$	\$
	<b>Other Receivables</b>		
	Bills Receivable	27,179	26,927
	<b>Total Current Receivables</b>	<b>27,179</b>	<b>26,927</b>
<b>4</b>	<b>Prepayments</b>	<b>2014</b>	<b>2013</b>
		\$	\$
	Prepayments	2,938	1,836
	<b>Total Prepayments</b>	<b>2,938</b>	<b>1,836</b>
<b>5</b>	<b>Inventories</b>	<b>2014</b>	<b>2013</b>
		\$	\$
	<b>Stock on Hand</b>		
	Stock on Hand	137	-
	<b>Total Inventories</b>	<b>137</b>	<b>-</b>
<b>6</b>	<b>Payables &amp; Accruals</b>	<b>2014</b>	<b>2013</b>
		\$	\$
	<b>Accounts Payable</b>		
	Sundry Creditors	7,834	10,342
	<b>Total Payables &amp; Accruals</b>	<b>7,834</b>	<b>10,342</b>

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# Mercury Bay Aero Club Inc

## Notes to and forming part of the Financial Statements (continued)

For the Year Ended 28 February 2014

<b>7 Provisions</b>	<b>2014</b>	<b>2013</b>
	\$	\$
<b>Employee Entitlements</b>		
<b>Provision</b>		
Opening Balance	23,848	18,397
<b>Plus:</b>		
Provision for Aircraft Maintenance	6,440	5,451
<b>Closing Balance</b>	<b>30,288</b>	<b>23,848</b>
<b>Total Provisions</b>	<b>30,288</b>	<b>23,848</b>

<b>8 Other Current Liabilities</b>	<b>2014</b>	<b>2013</b>
	\$	\$
Deferred Income Current Portion	8,700	8,700
<b>Total Other Current Liabilities</b>	<b>8,700</b>	<b>8,700</b>

<b>9 Provisions</b>	<b>2014</b>	<b>2013</b>
	\$	\$
<b>Deferred Income</b>		
Opening Balance	87,000	95,700
Movement for period	(8,700)	(8,700)
<b>Closing Balance</b>	<b>78,300</b>	<b>87,000</b>
<b>Total Provisions</b>	<b>78,300</b>	<b>87,000</b>

### 10 Contingent Liabilities

Mercury Bay Aero Club Inc has no contingent liabilities as at 28 February 2014, (2013 Nil).

### 11 Capital Commitments

Mercury Bay Aero Club Inc has no capital commitments as at 28 February 2014, (2013 Nil).

# Mercury Bay Aero Club Inc

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