

Mercury Bay Aero Club Inc
Financial Statements

FOR THE YEAR ENDED 29 FEBRUARY, 2016

Mercury Bay Aero Club Inc

Report on the Engagement to Compile Financial Statements

For the Year Ended 29 February 2016

COMPILATION REPORT TO THE MEMBERS OF THE COMMITTEE

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 29 February 2016 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.



Hart & Associates Limited
Chartered Accountants
HUNTLY
7 April 2016

Mercury Bay Aero Club Inc

Directory

As at 29 February 2016

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

Mercury Bay Aero Club Inc

Divisional Statement of Financial Performance

For the Year Ended 29 February 2016

	Note	2016	2015
		\$	\$
BAR & CATERING INCOME			
Operating Revenue			
Sales		51	236
Less Cost of Sales			
Opening Stock		-	137
Purchases - Bar		51	-
Total Cost of Sales		51	137
Gross Surplus from Trading		-	99

Mercury Bay Aero Club Inc

Divisional Statement of Financial Performance (continued)

For the Year Ended 29 February 2016

	Note	2016	2015
		\$	\$
AIRFIELD INCOME			
Operating Revenue			
Hangarage		34,648	29,697
Hire & Dual - less Landing Fees & Instructing		22,796	7,932
Landing Fee/Airway		29,425	16,767
Automatic Weather Station/Airway		900	900
Total Sales		87,769	55,296
Less Cost of Sales			
Aircraft Fuel		6,212	2,546
Aircraft Insurance		2,729	1,587
Repair & Maintenance - Aircraft		2,116	111
Total Cost of Sales		11,057	4,244
Gross Surplus from Trading		76,712	51,052

Mercury Bay Aero Club Inc

Combined Statement of Financial Performance

For the Year Ended 29 February 2016

Note	2016	2015
	\$	\$
Divisional Income		
Surplus from Bar & Catering Income	-	99
Surplus from Airfield Income	76,712	51,052
Total Divisional Income	76,712	51,152
Operating Income		
Subscriptions	8,850	8,845
Pub Charity Grant	30,000	-
Z Energy - Lease & Annual Check	2,500	2,500
Club Room Hire	18,081	8,130
Rent - House	12,850	10,920
Rent - Office	2,100	481
Hay & Sileage less Costs	7,167	5,833
Speedway Income	1,043	-
Interest Received	5,039	6,877
Sundry Income	474	644
Loss on Sale of Fixed Assets	-	(13,410)
Total Operating Income	88,104	30,820
Net Revenue	164,816	81,972
Less Expenses		
Administration Expenses		
Accountancy Fees	3,000	2,626
Advertising	116	1,711
Bank Fees & Charges	120	120
Computer Expenses	338	362
Printing & Stationery	387	57
Subscriptions	4,842	4,643
Telephone & Tolls	1,274	1,136
	10,077	10,655
Overhead Expenses		
ACC Levies	-	(48)
Electricity	6,125	4,134
General Expenses	152	697
Insurance	8,055	6,468
Tractor Expenses	893	675
Repair & Maintenance - Airfield	17,466	963
Repair & Maintenance - Buildings	5,003	11,656
Repair & Maintenance - Plant	1,980	665
Rates	4,225	4,434
Security	480	480
Speedway Expenses	-	1,360
	44,379	31,484
Non Cash Expenses		
Depreciation	19,621	11,271
Total Expenses	74,077	53,410
Net Surplus	90,739	28,562

Mercury Bay Aero Club Inc

Statement of Movements in General Funds

For the Year Ended 29 February 2016

	2016	2015
	\$	\$
Revenues and Expenses		
Net Surplus	90,739	28,562
Total Recognised Revenues and Expenses	90,739	28,562
General Funds at the Beginning of the Year	2,588,551	2,559,989
General Funds at the End of the Year	2,679,290	2,588,551

Mercury Bay Aero Club Inc

Statement of Financial Position

As at 29 February 2016

	Note	2016 \$	2015 \$
Current Assets			
Cash	2	50	50
BNZ - 00 Current A/C	2	1,030	6,983
BNZ - Reserve	2	15,166	14,824
BNZ - Rapid Saver	2	154,706	164,640
BNZ - 26 Aircraft Reserve A/C	2	12,133	-
Other Receivables	3	22,689	11,631
Prepayments	4	7,411	2,313
Stock on Hand	5	2,055	-
Current Investments	6	40,000	-
Total Current Assets		255,240	200,441
Non Current Assets			
Property, Plant & Equipment		2,510,333	2,478,688
Total Assets		2,765,573	2,679,129
Current Liabilities			
Sundry Creditors	7	12,447	9,386
GST Payable		932	622
Received in Advance - MBA Hire	8	3,304	2,270
Other Current Liabilities	9	8,700	8,700
Total Current Liabilities		25,383	20,978
Non Current Liabilities			
Deferred Income	10	60,900	69,600
Total Liabilities		86,283	90,578
Net Assets		2,679,290	2,588,551
Owners Equity			
Total Owners Funds		2,679,290	2,588,551

Mercury Bay Aero Club Inc

Statement of Movements in Equity

For the Year Ended 29 February 2016

	2016	2015
	\$	\$
Owner's Equity		
Opening Balance	2,588,551	2,559,989
Net Surplus	90,739	28,562
	2,679,290	2,588,551
Total Owner's Equity	2,679,290	2,588,551

Mercury Bay Aero Club Inc

Depreciation Schedule

For the Year Ended 29 February 2016

	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
Freehold Land - At cost																	
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	1,482	-	27/09/12	-	-	-		-	-	379	1,325	-	-	1,103
Cafe Fitout	10.00P		35,982	32,607	-	24/12/12	-	-	-		-	-	3,598	6,973	-	-	29,009
Avgas Installation	.00D		10,739	10,739	-	01/11/12	-	-	-		-	-	-	-	-	-	10,739
Hangar Fitout	10.00P		18,365	14,552	-	28/02/13	-	-	-		-	-	1,836	5,649	-	-	12,716
Car Park	.00D		51,266	-	51,266	10/08/15	-	-	-		-	-	-	-	-	-	51,266
			2,458,266	2,357,026	51,266								5,813	55,787			2,402,479
Plant & Equipment																	
Plant & Equipment	12.50D		33,549	3,299	-	28/01/02	-	-	-		-	-	412	30,662	-	-	2,887
Fridge	22.00D		311	20	-	20/02/04	-	-	-		-	-	4	295	-	-	16
Fieldmaster Rotary Slasher	39.60D		3,375	21	-	08/02/05	-	-	-		-	-	8	3,362	-	-	13
Ride on Mower	48.00D		4,667	24	-	01/02/07	-	-	-		-	-	12	4,655	-	-	12
Trailer for Mower	48.00D		373	2	-	28/02/07	-	-	-		-	-	1	372	-	-	1
Aviation Radio Set (Office)	24.00D		1,803	439	-	28/01/10	-	-	-		-	-	105	1,469	-	-	334
Elba Free Standing Range Stove	25.00D		888	246	-	02/09/10	-	-	-		-	-	62	704	-	-	184
Website (www.mbac.co.nz)	60.00D		2,540	10	-	30/01/09	-	-	-		-	-	6	2,536	-	-	4
Brother MFC360N	30.00P		245	14	-	23/01/12	-	-	-		-	-	14	245	-	-	-
Computer	40.00P		600	-	-	25/11/11	-	-	-		-	-	-	600	-	-	-
Security Alarm	21.00P		1,574	637	-	29/05/12	-	-	-		-	-	331	1,268	-	-	306
Fuel Tank	7.00P		2,226	2,122	-	17/07/14	-	-	-		-	-	156	260	-	-	1,966
			52,150	6,834									1,111	46,427			5,723
Vehicles & Aircraft																	
John Deere 4720 Tractor & Loader	15.60D		42,000	17,294	-	08/12/09	-	-	-		-	-	2,698	27,404	-	-	14,596
R12 ZK-MBA	10.00P		100,000	97,534	-	08/12/14	-	-	-		-	-	10,000	12,466	-	-	87,534

Mercury Bay Aero Club Inc

Depreciation Schedule (continued)

For the Year Ended 29 February 2016

	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
			142,000	114,828	-		-	-	-		-	-	12,698	39,870	-	-	102,130
TOTAL			2,652,417	2,478,688	51,266		-	-	-		-	-	19,622	142,084	-	-	2,510,333

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, with the exception that certain assets as specified below have been revalued. 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 29 February 2016

2	Cash & Bank Balances	2016	2015
		\$	\$
	Cash Balance		
	Cash	50	50
	Bank Account Balances		
	BNZ - 00 Current A/C	1,030	6,983
	BNZ - Reserve	15,166	14,824
	BNZ - Rapid Saver	154,706	164,640
	BNZ - 26 Aircraft Reserve A/C	12,133	-
		183,035	186,447
	Total Cash & Bank Balances	183,085	186,497
3	Current Receivables	2016	2015
		\$	\$
	Other Receivables		
	Bills Receivable	22,689	11,631
	Total Current Receivables	22,689	11,631
4	Prepayments	2016	2015
		\$	\$
	Prepayments	7,411	2,313
	Total Prepayments	7,411	2,313
5	Inventories	2016	2015
		\$	\$
	Stock on Hand		
	Stock on Hand	2,055	-
	Total Inventories	2,055	-
6	Current Investments	2016	2015
		\$	\$
	NZAF Loan	40,000	-
	Total Current Investments	40,000	-
7	Payables & Accruals	2016	2015
		\$	\$
	Accounts Payable		
	Sundry Creditors	12,447	9,386
	Total Payables & Accruals	12,447	9,386

Mercury Bay Aero Club Inc

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

For the Year Ended 29 February 2016

8 Provisions	2016	2015
	\$	\$
Received in Advance - MBA Hire		
Opening Balance	2,270	-
Movement for period	1,034	2,270
Closing Balance	3,304	2,270
Total Provisions	3,304	2,270

9 Other Current Liabilities	2016	2015
	\$	\$
Deferred Income Current Portion	8,700	8,700
Total Other Current Liabilities	8,700	8,700

10 Provisions	2016	2015
	\$	\$
Deferred Income		
Opening Balance	69,600	78,300
Movement for period	(8,700)	(8,700)
Closing Balance	60,900	69,600
Total Provisions	60,900	69,600

11 Contingent Liabilities

Mercury Bay Aero Club Inc has no contingent liabilities as at 29 February 2016, (2015 Nil).

12 Capital Commitments

Mercury Bay Aero Club Inc has no capital commitments as at 29 February 2016, (2015 Nil).

Mercury Bay Aero Club Inc

Contents of Financial Statements

For the Year Ended 29 February 2016

Compilation Report	2
Directory	3
Divisional Statements of Financial Performance	4 - 5
Combined Statement of Financial Performance	6
Statement of Movements in General Funds	7
Statement of Financial Position	8
Statement of Movements in Equity	9
Depreciation Schedule	10 - 11
Notes to and forming part of the Financial Statements	12 - 14