

Mercury Bay Aero Club Inc

Financial Statements

FOR THE YEAR ENDED 28 FEBRUARY, 2017

Mercury Bay Aero Club Inc

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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 28 February 2017 as set out on the following pages.

These statements have been prepared in accordance with the principles contained in current income tax legislation as described in Note 1 to the financial statements.

These are special purpose financial statements and as such are intended for internal use 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

20 April 2017

Mercury Bay Aero Club Inc

Directory

As at 28 February 2017

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 28 February 2017

	Note	2017	2016
		\$	\$
AIRFIELD INCOME			
Operating Revenue			
Hangarage		32,577	34,648
Hire & Dual - less Landing Fees & Instructing		17,775	22,796
Landing Fee/Airway		26,242	29,425
Automatic Weather Station/Airway		900	900
Total Sales		77,494	87,769
Less Cost of Sales			
Aircraft Fuel		5,683	6,212
Aircraft Insurance		3,059	2,729
Repair & Maintenance - Aircraft		2,582	2,116
Total Cost of Sales		11,324	11,057
Gross Surplus from Trading		66,170	76,712

Mercury Bay Aero Club Inc

Combined Statement of Financial Performance

For the Year Ended 28 February 2017

	Note	2017 \$	2016 \$
Divisional Income			
Surplus from Airfield Income		66,170	76,712
Operating Income			
Subscriptions		9,328	8,850
Pub Charity Grant		5,000	30,000
Z Energy - Lease & Annual Check		2,540	2,500
Club Room Hire		14,215	18,081
Rent - House		13,000	12,850
Rent - Office		2,656	2,100
Access Right & Utility Easement		125,685	-
Hay & Silage		8,750	7,167
Speedway Income		1,565	1,043
Interest Received		6,673	5,039
Sundry Income		5	474
Total Operating Income		189,417	88,104
Net Revenue		255,587	164,816
Less Expenses			
Administration Expenses			
Accountancy Fees		2,500	3,000
Advertising		1,296	116
Bank Fees & Charges		80	120
Computer Expenses		367	338
Legal & Professional Fees		13,863	-
Air Ambulance Trust Cost Written Off		7,319	-
Printing & Stationery		451	539
Subscriptions		2,125	4,842
Telephone & Tolls		1,437	1,274
		29,438	10,229
Overhead Expenses			
Electricity		5,614	6,125
Insurance		9,673	8,055
Tractor Expenses		884	893
Repair & Maintenance - Airfield		10,390	17,465
Repair & Maintenance - Buildings		19,600	5,003
Repair & Maintenance - Plant		116	1,980
Rates		4,151	4,225
Security		480	480
		50,908	44,226
Non Cash Expenses			
Depreciation		22,172	19,622
Total Expenses		102,518	74,077
Net Surplus		153,069	90,739

Mercury Bay Aero Club Inc

Statement of Movements in General Funds

For the Year Ended 28 February 2017

	2017	2016
	\$	\$
Revenues and Expenses		
Net Surplus	153,069	90,739
Total Recognised Revenues and Expenses	153,069	90,739
General Funds at the Beginning of the Year	2,679,290	2,588,551
General Funds at the End of the Year	2,832,359	2,679,290

Mercury Bay Aero Club Inc

Statement of Financial Position

As at 28 February 2017

	Note	2017 \$	2016 \$
Current Assets			
Cash	2	50	50
BNZ - 00 Current A/C	2	74,695	1,030
BNZ - Reserve	2	324	15,166
BNZ - Rapid Saver	2	85,009	154,706
BNZ - 26 Aircraft Reserve A/C	2	6,196	12,133
Other Receivables	3	20,556	22,689
Prepayments	4	3,399	7,411
Stock on Hand	5	1,012	2,055
Current Investments	6	237,625	40,000
Total Current Assets		428,866	255,240
Non Current Assets			
Property, Plant & Equipment		2,489,030	2,510,333
Total Assets		2,917,896	2,765,573
Current Liabilities			
Sundry Creditors	8	15,509	12,447
GST Payable		4,276	932
Received in Advance - MBA Hire	9	4,852	3,304
Other Current Liabilities	10	8,700	8,700
Total Current Liabilities		33,337	25,383
Non Current Liabilities			
Deferred Income	11	52,200	60,900
Total Liabilities		85,537	86,283
Net Assets		2,832,359	2,679,290
General Funds			
Total General Funds		2,832,359	2,679,290

Date

Mercury Bay Aero Club Inc

Statement of Movements in Equity

For the Year Ended 28 February 2017

	2017	2016
	\$	\$
Owner's Equity		
Opening Balance	2,679,290	2,588,551
Net Surplus	153,069	90,739
	2,832,359	2,679,290
Total Owner's Equity	2,832,359	2,679,290

Mercury Bay Aero Club Inc

Depreciation Schedule

For the Year Ended 28 February 2017

	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	ACC DEPN	PRIVATE DEPN	ACCUM PRIVATE	CLOSING WDV
Freehold Land - At cost																	
Land	.00D		1,736,000	1,800,000	92,000	01/03/02	-	156,000	-		-	-	-	-	-	-	1,736,000
Buildings	.00D		350,134	338,012	12,121	01/03/02	-	-	-		-	-	-	-	-	-	350,134
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	1,103	-	27/09/12	-	-	-		-	-	379	1,704	-	-	724
Cafe Fitout	10.00P		35,982	29,009	-	24/12/12	-	-	-		-	-	3,598	10,571	-	-	25,411
Avgas Installation	.00D		10,739	10,739	-	01/11/12	-	-	-		-	-	-	-	-	-	10,739
Hangar Fitout	10.00P		18,365	12,716	-	28/02/13	-	-	-		-	-	1,836	7,485	-	-	10,880
Car Park	.00D		51,266	51,266	-	10/08/15	-	-	-		-	-	-	-	-	-	51,266
Hangar	.00D		22,609	-	22,609	23/01/17	-	-	-		-	-	-	-	-	-	22,609
Concrete Drive	.00D		17,674	-	17,674	11/04/16	-	-	-		-	-	-	-	-	-	17,674
			2,446,671	2,402,479	144,404			156,000					5,813	61,600			2,385,071
Plant & Equipment																	
Plant & Equipment	12.50D		33,549	2,887	-	28/01/02	-	-	-		-	-	361	31,023	-	-	2,526
Fridge	22.00D		311	16	-	20/02/04	-	-	-		-	-	4	299	-	-	12
Fieldmaster Rotary Slasher	39.60D		3,375	13	-	08/02/05	-	-	-		-	-	5	3,367	-	-	8
Ride on Mower	48.00D		4,667	12	-	01/02/07	-	-	-		-	-	6	4,661	-	-	6
Trailer for Mower	48.00D		373	1	-	28/02/07	-	-	-		-	-	1	373	-	-	-
Aviation Radio Set (Office)	24.00D		1,803	334	-	28/01/10	-	-	-		-	-	80	1,549	-	-	254
Elba Free Standing Range Stove	25.00D		888	184	-	02/09/10	-	-	-		-	-	46	750	-	-	138
Website (www.mbac.co.nz)	60.00D		2,540	4	-	30/01/09	-	-	-		-	-	2	2,538	-	-	2
Brother MFC360N	30.00P		245	-	-	23/01/12	-	-	-		-	-	-	245	-	-	-
Computer	40.00P		600	-	-	25/11/11	-	-	-		-	-	-	600	-	-	-
Security Alarm	21.00P		1,574	306	-	29/05/12	-	-	-		-	-	306	1,574	-	-	-
Fuel Tank	7.00P		2,226	1,966	-	17/07/14	-	-	-		-	-	156	416	-	-	1,810
Trimac Procut	30.00P		12,465	-	12,465	02/05/16	-	-	-		-	-	3,115	3,115	-	-	9,350

Mercury Bay Aero Club Inc

Depreciation Schedule (continued)

For the Year Ended 28 February 2017

	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	ACC DEPN	PRIVATE DEPN	ACCUM PRIVATE	CLOSING WDV
			64,615	5,723	12,465		-	-	-		-	-	4,082	50,509	-	-	14,106
Vehicles & Aircraft																	
John Deere 4720 Tractor & Loader	15.60D		42,000	14,596	-	08/12/09	-	-	-		-	-	2,277	29,681	-	-	12,319
R12 ZK-MBA	10.00P		100,000	87,534	-	08/12/14	-	-	-		-	-	10,000	22,466	-	-	77,534
			142,000	102,130	-		-	-	-		-	-	12,277	52,147	-	-	89,853
TOTAL			2,653,286	2,510,333	156,869		-	156,000	-		-	-	22,172	164,256	-	-	2,489,030

1 Statement of Accounting Policies

Reporting Entity

Mercury Bay Aero Club Inc is a society.

The special purpose financial report was authorised for issue by Mercury Bay Aero Club Inc dated _____.

Society is involved in Aero Club.

Statement of Compliance and Basis of Preparation

The accounting principles recognised as appropriate for the measurement and reporting of the Combined Statement of Financial Performance and Statement of Financial Position on a historical cost basis are followed by society, unless otherwise stated in the Specific Accounting Policies.

The information is presented in New Zealand dollars. All values are rounded to the nearest \$.

Specific Accounting Policies

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

(a) **Income Tax**

Society has charitable status and is exempt from income tax.

The income tax expense charged to the Combined Statement of Financial Performance recognises the current year's provision adjusted for timing and permanent differences between taxable and accounting income. Deferred tax is calculated using the comprehensive basis under the liability method and future tax benefits are not recognised unless realisation of the asset is virtually certain.

Income tax is accounted for using the taxes payable method. The income tax expense recognised in the Combined 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.

(b) **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.

(c) **Changes in Accounting Policies**

There have been no changes in accounting policies. All policies have been applied on a basis consistent with those from previous financial statements.

Mercury Bay Aero Club Inc

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

For the Year Ended 28 February 2017

2	Cash & Bank Balances	2017	2016
		\$	\$
	Cash Balance		
	Cash	51	50
	Bank Account Balances		
	BNZ - 00 Current A/C	74,695	1,030
	BNZ - Reserve	324	15,166
	BNZ - Rapid Saver	85,009	154,706
	BNZ - 26 Aircraft Reserve A/C	6,195	12,133
		<u>166,223</u>	<u>183,035</u>
	Total Cash & Bank Balances	<u>166,274</u>	<u>183,085</u>
3	Current Receivables	2017	2016
		\$	\$
	Other Receivables		
	Bills Receivable	20,556	22,689
	Total Current Receivables	<u>20,556</u>	<u>22,689</u>
4	Prepayments	2017	2016
		\$	\$
	Prepayments	3,399	7,411
	Total Prepayments	<u>3,399</u>	<u>7,411</u>
5	Inventories	2017	2016
		\$	\$
	Stock on Hand		
	Stock on Hand	1,012	2,055
	Total Inventories	<u>1,012</u>	<u>2,055</u>
6	Current Investments	2017	2016
		\$	\$
	NZAF Loan	40,000	40,000
	BNZ Term Deposits	197,625	-
	Total Current Investments	<u>237,625</u>	<u>40,000</u>

For the Year Ended 28 February 2017

7 Financial Instruments

	Amortised Cost	Cost	Fair Value
	\$	\$	\$
Financial Instruments 2017			
Cash and short-term deposits	166,273	-	-
Trade and other receivables	258,181	-	-
Other current assets	3,400	-	-
Total Financial Instruments	427,854	-	-

	Amortised Cost	Cost	Fair Value
	\$	\$	\$
Financial Instruments 2016			
Cash and short-term deposits	183,085	-	-
Trade and other receivables	62,689	-	-
Other current assets	7,411	-	-
Total Financial Instruments	253,185	-	-

8 Payables & Accruals

	2017	2016
	\$	\$
Accounts Payable		
Sundry Creditors	15,509	12,447
Total Payables & Accruals	15,509	12,447

9 Provisions

	2017	2016
	\$	\$
Received in Advance - MBA Hire		
Opening Balance	3,304	2,270
Movement for period	1,548	1,034
Closing Balance	4,852	3,304
Total Provisions	4,852	3,304

10 Other Current Liabilities

	2017	2016
	\$	\$
Deferred Income Current Portion	8,700	8,700
Total Other Current Liabilities	8,700	8,700

For the Year Ended 28 February 2017

	2017	2016
	\$	\$
11 Provisions		
Deferred Income		
Opening Balance	60,900	69,600
Movement for period	(8,700)	(8,700)
Closing Balance	52,200	60,900
Total Provisions	52,200	60,900

12 Related Parties

There were no significant transactions or transactions that were on terms and conditions that are likely to be different from the terms and conditions of transactions in similar circumstances, involving related parties during the financial year. (Last year - Nil)

13 Capital Commitments

The society has no capital commitments as at 28 February 2017, (2016 Nil).

14 Contingent Liabilities

The society has no contingent liabilities and no guarantees as at 28 February 2017. (2016: Contingent Liabilities Nil. Guarantees Nil.)

15 Events Occurring After Balance Date

No significant events have occurred subsequent to balance date.